

# Nestlé in society

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Good Food, Good Life

## Nestlé Nigeria Creating Shared Value Report 2013





# Highlights 2013



Nutrition

Help reduce the risk of under-nutrition through micronutrient fortification



**20 million**

In 2013, we reached 20 million households with iron - fortified *Maggi* cubes, making it the single largest carrier of iodine and iron in Nigeria.

Promote healthy diets and lifestyles/ physical activity.



Rural development and responsible sourcing

Roll out the Rural Development Framework



**10,000**

farmers have benefitted from training in mycotoxin reduction through the Nestlé Quality Grains Improvement project.



Water

Work to achieve water efficiency across our operations



**190,000m<sup>3</sup>**

Reduction in the water ratio (m<sup>3</sup>/tonne of finished product) and water saving of 190,000m<sup>3</sup> in 2013 at all sites

Treat the water we discharge effectively.



Environmental sustainability

Improve resource efficiency



Spent grains generated from maize, millet, soybean and sorghum during processing are sold to farmers for use as livestock feeds.

Provide climate change leadership



Our people, human rights and compliance

Assess and address human rights impacts in our operations and supply chain



Our Flowergate Factory signed a Memorandum of Understanding with the Orile Imo Community via Owode Egba, Ogun State based on a community needs assessment.

Market breast-milk substitutes responsibly.





## 62,483 pupils

In 2013, the Nestlé Healthy Kids programme reached 62,483 children in Lagos, Ogun, Oyo and Ondo states. We also trained 606 Healthy Kids teachers in Nigeria.

Promote healthy hydration as part of healthy lifestyles.



We launched *Pure Life Protect* - zinc fortified premium drinking water.



## 9,780

tonnes of maize purchased from farmers in Nigeria.



## 5,340

tonnes of soybean purchased from farmers in Nigeria.



## 6,330

tonnes of sorghum purchased from farmers in Nigeria.



Our Agbara factory returns to the environment treated effluents well within the legal limits of quality.

Raise awareness of water access and conservation



## 3,134 pupils

In 2013, Project WET (Water Education for Teachers) directly reached 3,124 pupils and 87 teachers in 25 primary schools in Lagos State.



## + 76%

Overall energy efficiency increased by 76%, from 42% to 74%. CO<sub>2</sub> emissions were reduced by 5,000 tonnes.

Provide meaningful and accurate environmental information and dialogue



Nestlé emerges as the leader in environmental sustainability in Nigeria in 2013.



Nestlé collaborated with the Federal Ministry of Health as well as Imo, Edo and Plateau State governments to organise 2013 World Breastfeeding Week in Nigeria.

Ensure that all Nestlé units have the necessary systems in place to deliver basic Safety and Health Protection to all employees



In 2013, we achieved a 0.5% in Total Recordable Injury and Illness Frequency rate (TRIFR) among employees while Lost Time Injury and Illness Frequency rate (LTUIFR) was 0.3%.

# Contents

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2 A message from our Managing Director and CEO

4 Creating Shared Value at Nestlé

6 Summary of our commitments

8



## **Nutrition**

Find out how Nestlé's focus on nutrition is helping to prevent micronutrient deficiency and enhance quality of life for our consumers

17



## **Rural development and responsible sourcing**

Our support to farmers includes sharing our expertise in areas such as agricultural research and development (R&D) to provide them with the tools and knowledge they need to optimise production and secure the future of their farms

18



## **Water**

Read about our commitment to water efficiency in our operations, and our water conservation and awareness programme

21



## **Environmental sustainability**

We are aiming to optimise the environmental impact of our products

24



## **Our people, human rights and compliance**

We have integrated human rights into all aspects of our operations

27

## **Stakeholder engagement**

### **Front cover**

Primary school pupils from selected Project WET schools in Oshodi - Isolo local government area of Lagos State, participating in one of PWET games on water conservation during the World Water Day. Nestlé Waters uses Project WET's interactive activities at Agbara factory each year, to mark World Water Day and raise awareness about water access and conservation.



# 2013 performance summary for Nestlé Nigeria

Nestlé has developed performance indicators to provide a focus and evidence-based reporting of Creating Shared Value, sustainability and compliance.

The key performance indicators in this report are specific to Nigeria only. Global equivalent where they exist can

be found at [www.nestle.com/csv/kpis](http://www.nestle.com/csv/kpis).

Unless stated otherwise, performance indicators are for the year ending 31 December 2013.

The environmental figures are in line with Nestlé SHE-PM (Safety Health and

Environment Performance Monitoring) tool. The environmental data for 2013 covers Agbara (including Nestlé Waters Plant) and Flowergate factories, while the environmental data for 2012 is for Agbara factory only.

Nestlé in society and Creating Shared Value Key Performance Indicator	2012	2013
<b>Economic</b>		
Total Group Sales (NGN billion)	116.7	133.1
Net Profit for the year (NGN billion)	21.1	22.2
<b>Nutrition</b>		
Products featuring Nestlé Nutritional Compass labelling (% of sales)	100%	100%
Popularly Positioned Products (NGN billion)	69	81.4
<b>Rural development and responsible sourcing</b>		
Farmers trained through capacity building programmes	2500	*
<b>Water</b>		
Total water withdrawal (million m <sup>3</sup> )	388,145	608,160
Total water withdrawal (m <sup>3</sup> per tonne of product)	3.18	2.14
<b>Environmental sustainability</b>		
<b>Production volume</b>		
Total production volume (tonnes)	121,921	252,017
<b>Materials</b>		
Raw materials used (tonnes)	119,176	227,017
Packaging Materials (tonnes)	12,533	19,099
<b>Energy</b>		
Total on-site energy consumption (gigajoules)	537,718	743,845
Total on site energy consumption (gigajoules per tonne of product)	4.4	2.95

\* We could not train farmers participating in the Nestlé Quality Grains Improvement Project in North East region of Nigeria in 2013 due to security challenges.

Nestlé in society and Creating Shared Value Key Performance Indicator	2012	2013
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#### Emissions, effluents and waste

Direct GHG emissions (tonnes CO <sub>2</sub> )	31,413	47,058
Direct GHG emissions (kg CO <sub>2</sub> eq per tonne of product)	257.64	186.73
Total water discharge (m <sup>3</sup> )	62,455	89,750
Total water discharge (m <sup>3</sup> per tonne of product)	0.51	0.51
Quality of water discharged (average mg COD/l)	71	74
By-products (kg per tonne of product)	12	0
Manufacturing sites certified against ISO 14001	4	4

#### Environmental sustainability governance

Manufacturing sites certified against ISO 14001 (Nestlé Waters Factory Agbara, Nestlé Nigeria Factory, Fowergate Factory and Ota Distribution Centre)	4	4
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#### Human rights and compliance

Nestlé contraventions of infant formula marketing policy requiring remediation	0	0
Infant formula marketing staff trained in the WHO Code (% of staff)	100	100

#### Our People

Total workforce (number of employees)	2,179	2,288
Total rate of new employee hires (%)	4%	1%
Total rate of employee turnover (%)	3%	1%
Lost-time injuries and illnesses among employees and on-site contractors (per million hours worked)	0.01	0.3
Total recordable injuries and illnesses among employees and on-site contractors (per million hours worked)	0.54	0.5
Fatalities of employees and on-site contractors	0	0
Average hours of training per year per employee per category	20	24
Leadership positions held by women (%)	33.3%	33.3%
Local Management Committee members native to country	33.3%	33.3%

# A message from our Managing Director and Chief Executive Officer

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At Nestlé we believe that companies are only sustainable and successful over the long term if they create value not just for their shareholders but also for the communities in which they operate. We call this “Creating Shared Value”.

Our commitment to Creating Shared Value (CSV) stands front-and-centre as we pursue our objective to be the leader in Nutrition, Health and Wellness, and the industry reference for financial performance, trusted by all stakeholders.

The primary way we create value is by offering consumers tasty nutritious products that contribute

to their health and wellness. But we also create value for people and society across our value chain.

We proactively identify opportunities to link our core business activities to action on related social and environmental issues. In 2013, we published our first Nestlé in Society report highlighting the major CSV initiatives that we are implementing in the areas of nutrition, water, rural development, as well as our activities



## Promoting Creating Shared Value in local media

Dharnesh Gordhon, addresses science and health journalists during the second CSV media workshop in June 2013. The workshop aimed at raising the level of media coverage of nutrition, water and agriculture/rural development.

“  
The primary way we create value is by offering consumers tasty nutritious products that contribute to their health and wellness.  
”

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in environmental sustainability, and compliance and human rights.

In this year's report we have taken another step forward in terms of transparency. In addition to sharing progress, we speak openly about the commitments we have made. The commitments bring our work in the areas of nutrition, water and rural development into greater focus.

The commitments also demonstrate our intent and allow stakeholders to hold us accountable and offer guidance. We welcome this level of

transparency, which incentivises us to achieve continuous improvement in our CSV, environmental sustainability and compliance performance.

We hope you find this report engaging and informative, and we welcome your input and views.

**Dharnesh Gordhon**  
Managing Director & Chief Executive



### Supporting smallholders cassava farmers

Dharnesh Gordhon (5th left) visiting Nestlé-IITA Cassava Multiplication Plot, in Ibadan, Oyo State. The cassava starch project is aimed at increasing productivity per hectare in cassava, through multiplication and dissemination of improved, high yielding varieties to smallholder farmers.



# Nestlé in society: Creating Shared Value

Creating Shared Value begins with the understanding that for our business to prosper over the long-term, the communities we serve must also prosper. It explains how business can create competitive advantage, which in turn will deliver better returns for shareholders, through actions that substantially address a social or environmental challenge.

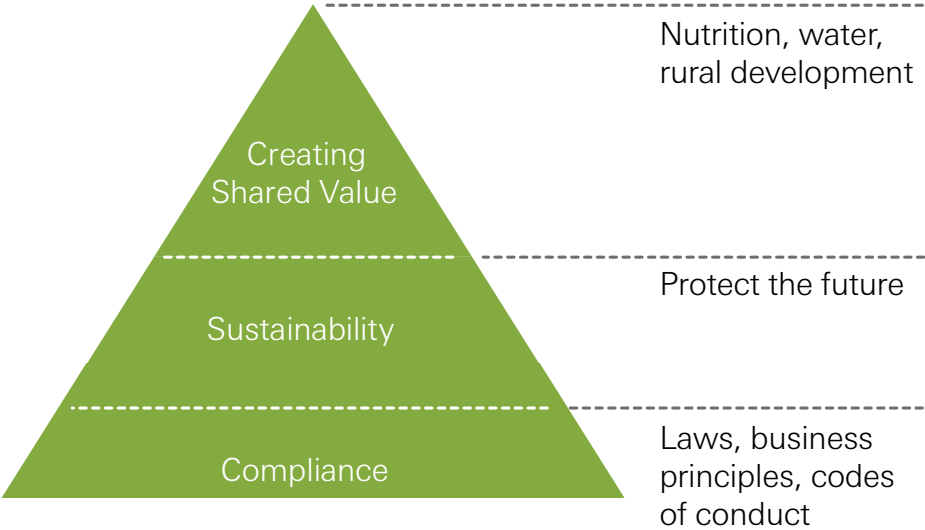
As a company, we are best positioned to create shared value in three areas:

**Nutrition:** by providing nutritious products that deliver real health benefits to our consumers and by making our products more affordable and accessible through innovations and partnerships.

**Water:** by advocating for the protection of scarce water resources and by using water more efficiently in our manufacturing and distribution processes in ways that also benefit others in our supply chain.

**Rural Development:** by supporting farmer development in rural areas where the raw materials we need are grown. Creating Shared Value builds on our

## Creating Shared Value



commitment to compliance and sustainability, both of which are important ways of mitigating risk to our business, protecting our reputation and in the case of sustainability, reducing costs. Creating Shared Value is ultimately

about ensuring our competitiveness and commercial success in the long term.

# About this report

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Through our Nestlé in Society report, we aim to share information transparently about our long-term impact on society and how this is intrinsically linked to the creation of our long-term business success.

## Our reporting history

In 2013, we published our first *Nestlé in society: Creating Shared Value Report 2012*.

## Our audience

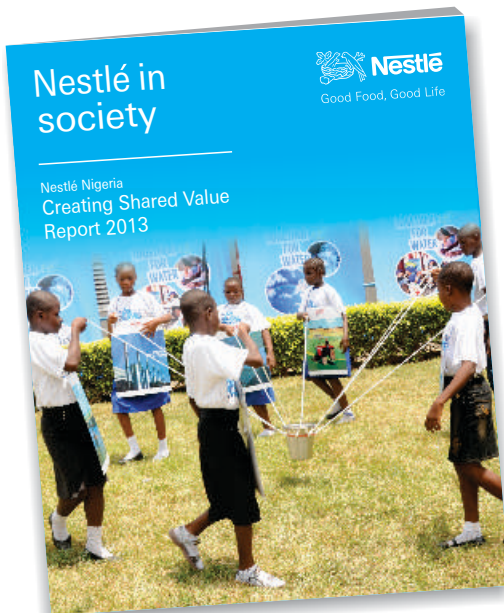
We have identified a wide range of stakeholders who we expect to use this report. In addition, we will engage with them regularly, for examples through the annual CSV Media Workshop, annual Business Forum and Nestlé Nutrition Institute Africa (NNIA) workshops.

The stakeholders are drawn from NGOs, academic centres, governmental and intergovernmental organizations, think tanks and social enterprises working on Nestlé's CSV focus areas of nutrition, water and rural development, as well as on environmental sustainability, human rights and compliance.

## Report boundary, scope and assurance

The information contained in this report covers our operations for the year ending 31 December 2013, unless otherwise stated. The environmental data refers to our two factories (Agbara and Flowergate). Safety and health figures cover all our employees (permanent and temporary) as well as contractors working on our sites.

We have not engaged the services of independent parties to verify this report as part of an assurance process. The quantitative data presented was calculated by Nestlé, in accordance with the collection, recording and analysis methods normally employed by the company.



# Summary of our commitments

Our commitments bring our work in the areas of nutrition, water, rural development, environmental sustainability, our people, as well as human rights and compliance into greater focus. The commitments help us assess our progress and share this with our stakeholders.



## Nutrition

Help reduce the risk of under-nutrition through micronutrient fortification

Help increase consumption of whole grains and vegetables, including via healthier home cooking

Promote healthy diets and lifestyles / physical activity

Promote healthy hydration as part of healthy lifestyles

Implement nutrition education programmes to promote good nutrition practices



## Rural development and responsible sourcing

Roll out the Rural Development Framework







## Water

Work to achieve water efficiency across our operations

Treat the water we discharge effectively

Raise awareness of water access and conservation



## Environmental sustainability

Improve resource efficiency

Provide climate change leadership

Provide meaningful and accurate environmental information and dialogue



## Our people, human rights and compliance

Assess and address human rights impacts in our operations and supply chain

Market breast-milk substitutes responsibly

Ensure that all Nestlé units have the necessary systems in place to deliver the same level of basic safety and health protection for all employees





## Nutrition

# 20 million

In 2013, we reached 20 million households in Nigeria with iron-fortified *Maggi* cubes, while 8 million households benefitted from our iron-fortified and vitamin A-enriched Nestlé *Golden Morn*.

### Our Commitment

Help reduce the risk of under-nutrition through micronutrient fortification

### Our Progress

Our efforts to help consumers avoid under-nutrition focus mainly on preventing micronutrient deficiency through vitamin and mineral fortification of our products, especially our Popularly Positioned Products - high quality food products that provide nutritional value at an affordable cost and appropriate format.

We prioritise the needs of young children and women of child-bearing age in countries and fortify the products preferred by these vulnerable groups to address specific local needs such as *Maggi* and Nestlé *Golden Morn*.

In 2013, we reached 20 million households in Nigeria with iron-fortified *Maggi* cubes, while 8 million households benefitted from our iron-fortified and vitamin A-enriched Nestlé *Golden Morn*.



### Micronutrient fortification of *Maggi*

To ensure that fortified products reach vulnerable people in Nigeria, we introduced iron and iodine-fortified *Maggi* cubes.



### MAGGI takes fortified "magic" to consumers in Oyo State

In 2013, Nestlé Nigeria collaborated with Oyo State government to organise the *Maggi* Women Forum in all 33 local government areas of Oyo State. The *Maggi* Women Forum helps families to improve their diets, by demonstrating for example the importance of iron and iodine and how to cook using less salt.

During the forum, our food and cooking experts demonstrate nutritionally balanced recipes, share tips on healthy eating and a balanced diet, and also discuss the proper interpretation of nutritional labelling.





## Nutrition

115,000

In 2013, *Maggi* Star Kitchen reached 115,120 households in Nigeria

### Our Commitment

**Help increase consumption of whole grains and vegetables, including via healthier home cooking**

### Our Progress

In addition to improving the nutritional value of our products by adding micronutrients, our *Maggi* product portfolio promotes home cooking and consumption of vegetables through the mobile *Maggi* Star Kitchen. *Maggi* Star Kitchen reached 115,120 households in Nigeria in 2013. In addition, we produced simple educational materials such as pocket cards and fact sheets in local languages to promote better understanding of the health benefits of micronutrient fortified products.

To promote consumption of whole grains, we introduced more varieties of Nestlé *Golden Morn*, a delicious, nutritious and instant family cereal made from best quality locally sourced whole grains. Nestlé *Golden Morn* is available in three varieties. In addition to the Golden Morn Maize variety, we introduced Golden Morn Maize choco in 2012 and Golden Morn Millet in 2013. Each variety is enriched with vitamin A and iron - essential micronutrients necessary for the survival, growth and development of every individual.



### Maggi Star Kitchen on the road

In Nigeria, *Maggi* Star Kitchen - one of our communication initiatives focusing on health and nutrition - has gone on the road to provide nutrition expertise and healthy eating tips, reaching hundreds of thousands consumers. *Maggi* Star Kitchen travels to towns and cities week by week, providing information about balanced diets, micronutrient deficiencies and the importance of culinary hygiene, through interactive cooking demonstrations, women's forums, group discussions and presentation on micronutrient fortification.



### Promoting consumption of iron-fortified and vitamin A-enriched cereals in Nigeria

More than 210 million servings of Nestlé *Golden Morn* enriched with vitamin A and iron are consumed in Nigeria every year, so the three varieties of *Golden Morn* give families across the country the opportunity to increase consumption of whole grains at breakfast every day.





## Nutrition

62,483

In 2013, the Healthy Kids programme directly reached 62,483 children in Lagos, Ogun, Oyo and Ondo States. We also trained 606 Healthy Kids teachers in Nigeria

### Our Commitment

Promote healthy diets and lifestyles / physical activity

### Our Progress

Nestlé Healthy Kids global programme directly reached 62,483 primary school pupils in Lagos, Ogun, Oyo and Ondo states in 2013. The programme aims to raise nutrition and health knowledge and promote physical activity among school-age children.

The Nestlé Healthy Kids programme is implemented in Nigeria in partnership with the State Universal Basic Education Board (SUBEB) and the Centre for Health Education, Population and Nutrition (CHEPON).

In 2013, we conducted a preliminary monitoring and evaluation of the programme in Lagos and Ogun States. The Human Nutrition Department, University of Ibadan developed the monitoring and evaluation framework and also carried out the exercise.

The programme has started to demonstrate interesting results such as improved nutrition knowledge as well as increased fruit and vegetable consumption among the participating children.



### Helping kids to get active and healthy

To strengthen the physical activity component of our Healthy Kids programme, we launched the Nestlé - IAAF Kids' Athletics programme in 2013. The IAAF Kids' Athletics programme is one of the biggest grassroots development programmes in the world of sports. It encourages school children to participate in athletics and lead a healthy life. The programme is being implemented in Nigeria in partnership with the Athletics Federation of Nigeria (AFN).



### Nestlé launches Healthy Kids programme in Oyo and Ondo States

We increased reach of Healthy Kids programme in south west region in 2013 with the launch of the initiative in Oyo and Ondo States. Our goal is to develop the programme into an evidence-based, impactful initiative that contributes to the health of local school communities.



## Nutrition

108

primary school teachers trained on Healthy Hydration in 2013.

### Our Commitment

Promote healthy hydration as part of healthy lifestyles

### Our Progress

Water is an essential part of a healthy diet, and we are determined to engage closely with all relevant stakeholders to raise awareness of the importance of drinking water regularly throughout the day.

With this in mind, in 2013, we introduced Healthy Hydration module to the Nestlé Healthy Kids programme. The healthy hydration module provides six education tools to teach children about the benefits of drinking water.

In furtherance of our commitment to creating innovative healthy hydration solutions in Nigeria, in 2013, we launched Nestlé *Pure Life* Protect - a variant of Nestlé *Pure Life* premium drinking water, enriched with zinc.



### Nestlé trains teachers on healthy hydration

In 2013, we trained 108 primary school teachers on healthy hydration. Picture shows some participants at Healthy Hydration workshop for Healthy Kids teachers in Abeokuta.



Leading the healthy hydration journey with zinc-fortified Nestlé *Pure Life* Protect Dr Abimbola Ajayi, Head of Nutrition, Lagos State Ministry of Health (2nd right) at the launch of Nestlé *Pure Life* Protect in 2013. The new product contains 2.3 mg of zinc, an essential micronutrient. It is part of our commitment to ensure provision of quality drinking water with the right balance of essential nutrients.





## Nutrition

### Our Commitment

**Implement nutrition education programme to promote good nutrition practices.**

Working together with healthcare professionals, we aim to be part of the solution to help families improve their Nutrition, Health and Wellness.

### Our Progress

Through the work of the Nestlé Nutrition Institute Africa (NNIA) we provide registered healthcare professionals with information on the latest science and developments in early childhood nutrition through publications, workshops scientific conferences and digital media. The NNIA also works in partnership with academia and leading practitioners to initiate research into maternal and infant nutrition.

In 2013, we reached over, 28,000 healthcare professionals through NNIA initiatives.



### Engaging with healthcare professionals

Healthcare professionals such as paediatricians, play a key role in offering parents and caregivers trustworthy nutrition advice for infants and young children. In 2013, NNIA collaborated with the Paediatric Association of Nigeria (PAN) to organise a breakfast symposium on “the importance of the first 1,000 days of life” during the 44th annual scientific conference of PAN.

The importance of the right nutrition and feeding practices during the critical first 1,000 days of life is now widely accepted by the public health community. Getting the right nutrition during this period, from conception to the child's second birthday is crucial for healthy growth and development in terms of immunity and cognitive function. The right feeding practices in early childhood also support the establishment of healthy eating habits. These symposia underlined the importance of breastfeeding and adequate introduction of nutritious complementary foods.





## Rural development and responsible sourcing

10,000

farmers (including, agricultural extension agents, farm village heads, farm family heads, grains suppliers and transporters) have benefitted from the Nestlé Quality Grains Improvement project since its launch in 2009.

### Our Commitment

#### Roll out the Rural Development Framework

We invest in rural development because of the necessity to secure long-term supply of raw materials for our food and beverage products. One of the key pillars of our rural development framework is to help support farming as a business and livelihood of choice that offers an attractive income.

### Our Progress

To ensure a sustainable supply of safe, high quality grains to our factories and improve the livelihood of smallholder farmers in Nigeria, we launched our Grains Quality Improvement project in 2009.

Working with the International Institute of Tropical Agriculture (IITA), we're training farmers to follow good agricultural and storage practices that reduce the risk of damage from naturally occurring mycotoxins and increase yields, quality and consequently market access for local farmers. To date, 10,000 farmers (including agricultural extension agents, farm village heads, farm family heads, grain suppliers and transporters) have benefitted from the project in Nigeria.

In addition, factory gate rejection has progressively decreased from 4% in 2010 to 0.3% in 2012, showing that mycotoxin risk was under control in our manufacturing operation. Also, remarkable reduction in grain storage was achieved at factory level: stock cover significantly reduced from 8 weeks in 2009 to 3 weeks for soybeans, and 4 weeks for maize and sorghum in 2012.







## Water

190,000m<sup>3</sup>

Reduction in the water ratio (m<sup>3</sup>/tonne of finished product) and water saving of 190,000m<sup>3</sup> in 2013 at all sites.

### Our Commitment

Work to achieve water efficiency across our operations

### Our Progress

We drive operational efficiency by reducing water withdrawal, increase reuse and continually working to improve the water efficiency of our products. Our goal is to be the most efficient water user among food manufacturers in Nigeria.

We have achieved substantial improvements in water efficiency in our manufacturing operations in Nigeria.

Since 2006, water withdrawal at our Agbara factory has fallen significantly while our food and beverages production volume increased considerably.



### Improving water efficiency at Agbara factory

The close proximity of our food processing plant and the Nestlé Waters Plant at Agbara has enabled us to install a connection so that all surplus water from the Nestlé Waters deep well is used by Nestlé Nigeria plants, leading to a reduction in the water ratio (m<sup>3</sup>/tonne of finished product) and water saving of 190,000m<sup>3</sup> in 2013 at all sites.



## Water

### Our Commitment

#### Treat the water we discharge effectively.

We aim to ensure that our factories treat the water we discharge effectively, returning clean water to the surrounding environment.

### Our Progress

We have further strengthened our requirements for water quality and effluent discharge. Through investments in our wastewater treatment facility at our Agbara factory, we are well within the legal limits for treated effluents returned to the environment.

In 2013, we upgraded our Agbara factory wastewater treatment facility to improve effluent quality. One of the new features in the plant is a surface aeration system with an oxygen control which helps to reduce electricity usage.



#### Environmental journalists visit Agbara factory wastewater treatment plant

As part of our effort to proactively engage with media on environmental issues, environmental journalists visited the wastewater treatment facility at our Agbara factory during the 2013 World Environment Day. The media tour enabled the environmental editors to gain insight on our various initiatives aimed at reducing our environmental footprints across the value chain.







Water

3,124 Pupils

In 2013, Project WET directly reached 3,124 pupils and 87 teachers in Lagos State

#### Our Commitment

Raise awareness of water access and conservation.

#### Our Progress

We believe that educating young people today is the most efficient way to facilitate a life-long commitment to water conservation.

In 2013, we commenced classroom implementation of Project WET (Water Education for Teachers), a global water education programme that facilitates and promotes awareness, appreciation, knowledge, and stewardship of water resources through the dissemination of classroom-ready teaching aids.

Currently, a total of 3,124 students and 87 teachers at 25 schools are reached by Project WET in Lagos State. The project will be launched in Osun State in 2014.



#### Supporting water education

Nestlé Waters uses Project WET's interactive activities at Agbara factory each year, to mark World Water Day and raise awareness about water access and conservation.



## Environmental sustainability

### Our Commitment

#### Improve resource efficiency

We are committed to eliminating waste and reducing energy consumption at every level of our operations. Our goal is to improve our efficiency, quality and productivity, which translates into doing more with fewer resources and less waste. We define waste as any material that arises during the manufacturing or distribution of a product that is destined for final disposal at offsite landfill or incineration without energy recovery.

Our ambition is to achieve zero waste, which means that no factory waste will go to landfill or be incinerated without energy being recovered from the process.

### Our Progress

In our Agbara factory, we continue to explore ways to recover valuable materials in food processing that can be used as a by-product. We transform perishable agricultural raw materials such as maize, millet, soya and sorghum into safe and value-added food products for consumers. In processing the grains, we generate spent grains. Once generated, spent grains are not disposed at offsite landfill, but sold to farmers as livestock feeds.



#### Optimising resource efficiency at Agbara factory

Spent grains generated from maize, millet, soya and sorghum during processing at Agbara factory are sent to a silo, from where it is discharged to trucks, and sold to farmers for use as livestock feeds.





## Environmental sustainability

**+76%**

Overall energy efficiency increased by 76%, from 42% to 74%. CO<sub>2</sub> emissions were reduced by 5,000

### Our Commitment

#### Provide climate change leadership

We are committed to lowering the greenhouse gas (GHG) emissions associated with the production and distribution of our food and beverages, by improving energy efficiency and investing in renewable sources.

### Our Progress

In pursuit of our goal to become the most efficient energy user among food manufacturers in Nigeria, we continue to drive energy efficiency in our factories.

We reduced direct greenhouse gas (GHG) emissions (kg CO<sub>2</sub> per tonne of product) from 257.64 in 2012 to 186.73 in 2013. Our total on site energy consumption (gigajoules per tonne of product) also decreased from 4.4 in 2012 to 2.95 in 2013 while increasing our production volume. This reflects energy reduction initiatives at factory level, resulting from Nestlé Continuous Excellence; and changes in our product mix, reflecting an overall strategy towards more value-added products.



#### Improving energy efficiency in Agbara factory

We are continuously reducing our environmental footprint by ensuring efficient use of energy for manufacturing operations. The ₦3.6billion Agbara factory tri-generation power plant is a major contribution to Nigeria's drive to reduce carbon emissions. The tri-generation power plant generates electrical power as prime energy, chilled water and hot water are produced by recovering the heat generated from the power plant exhaust gases. This allows us to increase overall energy efficiency from 42% to 74% and to reduce CO<sub>2</sub> emissions by 5,000 tonnes per year since 2012.

The use of new eco-friendly absorption chillers also eliminates the need for ozone-depleting refrigerants.





## Environmental sustainability

### Our Commitment

#### Provide meaningful and accurate environmental information and dialogue

Our goal is that Nestlé products are not only tastier and healthier, but also better for the environment along their value chain. We are determined to live up to the expectations our employees and external stakeholders have about our environmental responsibility and practices.

### Our Progress

We provide fact-based environmental information to our stakeholders and consumers.

In 2013, we held a seminar for environmental journalists on sustainable consumption to mark World Environment Day. In 2013, we educated our consumers, through the media on how Nestlé promotes sustainable consumption by providing various portion size options and clear portion guidance and preparation instructions to avoid food waste.



#### Nestlé recognised as the leading company in environmental sustainability in Nigeria

In 2013, Nestlé was recognised as the leading company in environmental sustainability in Nigeria. The award was bestowed on the company at the 7th Annual SERAs (Social Enterprise Reports and Award) - Nigeria's flagship CSR award. Nestlé was commended for promoting environmental awareness and providing meaningful and accurate environmental information on her operations in Nigeria. The company was particularly lauded for its commitment to evidence-based reporting of key performance indicators as published in *Nestlé in Society: Nestlé Nigeria Creating Shared Value Report 2012*.



Dharnesh Gordhon, Managing Director and Chief Executive of Nestlé Nigeria addressing environmental journalists during the 2013 World Environment Day at Ilupeju head office.



## Our people, human rights and compliance

### Our Commitment

#### Assess and address human rights impacts in our operations and supply chain

### Our Progress

We integrate human rights into all aspects of our business operations. We exercise due diligence to identify, prevent and address actual or potential human rights impacts resulting from our activities or the activities of those with whom we have relationships.

In 2013, Nestlé Nigeria Flowergate factory signed a Memorandum of Understanding (MoU) with the Orile-Imo community via Owode Egba, Ogun State. The MoU between Nestlé and the Orile Imo community was based on a community needs assessment carried out through a combined human rights and human development approach.

In the MoU, members of Orile-Imo community specifically requested for renovation of the only nursery and primary school in the community.



#### Prioritising intervention for Orile Imo community

When it comes to the level at which we intervene and work with local communities, our philosophy is to be guided by our assessment of the needs identified by the communities themselves, and the objective of local authorities and national governments.

The people of Orile Imo community requested for renovation of the only nursery and primary school in the area following the signature of a memorandum of understanding between Nestlé and the community.

Kais Marzouki, Head of Nestlé Central and West Africa region unveils the plaque at the inauguration ceremony of St. Paul's Anglican Primary School renovated by Nestlé.







## Our people, human rights and compliance

### Our Commitment

#### Market breast-milk substitutes responsibly

We believe that breastfeeding is the best start a baby can have in life. We are committed to the highest standards of responsible marketing of breast-milk substitutes and comply with the WHO Code as implemented by the Nigerian government.

### Our Progress

As part of our on going efforts to promote breastfeeding, we collaborated with the Federal Ministry of Health to commemorate the 2013 World Breastfeeding Week. We also collaborated with Imo, Edo and Plateau State governments to organise breastfeeding symposia in Owerri, Benin and Jos.

We also held a number of other activities to promote greater awareness and advocacy for breastfeeding in Nigeria. This included breastfeeding workshops for healthcare professionals, reinforcing our commitment to the WHO Code among employees, and highlighting the importance of breastfeeding through newspaper and social media campaigns.



#### Partnering with government to promote breastfeeding in Nigeria

Breast milk is the best start a baby can have in life. This is why we support and promote the WHO's recommendation of exclusive breastfeeding during the first six months of a child's life, followed by the introduction of nutritious complementary foods along with sustained breastfeeding until two years and beyond.

Picture shows Samuel Adenekan, Corporate Communications and Public Affairs Manager (middle) discussing with Sani Bala, Permanent Secretary, Federal Ministry of Health (right) and Ali Magashi, Director, Federal Ministry of Health at the ministerial launch of the 2013 World Breastfeeding Week in Abuja, Nigeria.



#### Supporting nursing mother employees to breastfeed

Children relaxing at "Tinu-Baby Room" at the Ilupeju head office. The facility enables nursing mother employees to breastfeed their babies during working hours. We also support our nursing mother employees to breastfeed by offering four months maternity leave and five-day paternity leave. This provides an environment that is supportive to new parents and reflects our commitment to mothers, beginning with our very own employees.



## Our people, human rights and compliance

1,000

In March 2013, Agbara factory marked 1,000 days accident free. The site also achieved 0.5% in Total Recordable Injury and Illness Frequency rate (TRIFr) while Lost Time Injury and Illness Frequency rate (LTIFr) was 0.3%.

### Our Commitment

Ensure that all Nestlé units have the necessary systems in place to deliver the same level of basic safety and health protection to all employees.

Safety and health at work is one of our Corporate Business Principles which form the foundation of all we do. We are committed to preventing accidents, injuries and illness related to work, and protect employees, contractors and others involved along the value chain.

### Our Progress

Our safety and health goal is zero injuries and illnesses, a holistic aim that includes all forms of harm to the individual. It's grounded in Nestlé Continuous Excellence - our drive to achieve the very highest operational standards wherever we work in the world.

In 2013, we achieved a 0.5% in Total Recordable Injury and Illness Frequency rate (TRIFr) among employees and on-site contractors while Lost Time Injury and Illness Frequency rate (LTIFr) was 0.3%.



### Culinary pressing and wrapping Agbara factory marks 1,000 accident free days

At Agbara factory, safety is at the heart of our operations. With support from management and employee participation in accident prevention initiatives, the site celebrated 1,000 days accident free in March 2013. The Category Business Manager for culinary provided yards of Maggi ankara as a motivation to further instill safety culture in the plant.



# Stakeholder engagement

Effective dialogue with our stakeholders underpins our action in Creating Shared Value. Our stakeholder engagement programme helps us to identify emerging issues, shape our response, drive performance improvements, and strengthen our collective action.

## Our approach

Our annual Creating Shared Value Media Workshop is part of our efforts to mainstream nutrition, water and rural development news reporting in Nigeria.

In 2013, the CSV media workshop was attended by more than 120 participants including journalists from print, broadcast and online media, as well as the President of Nutrition Society of Nigeria, Head of Nutrition at the Federal Ministry of Health and the Special Adviser to the Minister of Agriculture and Rural Development.

The event was tweeted live and at the end of the programme, it had reached 48,998 people and generated 12 new followers.



## Note

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## Note

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## Note

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