Creating Shared Value
Nutrition | Water | Rural Development

Nestlé

Nestlé in society

Creating Shared Value and Meeting our Commitments 2015

Nestlé Central and West Africa Region

NESTLÉ CENTRAL & WEST AFRICA IN SOCIETY

Creating Shared Value
Nutrition | Water | Rural Development

Nestlé

Nutrition

More than **157 million** of Nestlé products fortified with micronutrients consumed daily in 2015

100% of children's products achieved Nutritional Foundation status in 2015

More than **81,000** children reached through the Nestlé Healthy Kids Programmes since 2011

More than **4,500** healthcare professionals trained through the Nestlé Nutrition Institute Africa in 2015

1 state-of-the-art Research & Development Centre in Abidjan, Côte d'Ivoire

Rural Development

More than **84,000** farmers trained on good agricultural practices in 2015

More than **3.7 million** high yielding cocoa and coffee plantlets distributed in 2015

27% of women running *Nestlé Cocoa Plan* nurseries in 2015

70% of raw materials sourced locally (in volume)

Water

More than **285,000** people have benefitted from water and sanitation facilities since 2007

More than **240,000** people have benefitted from hygiene awareness training since 2010

20,000 litres of free water provided daily to communities around our factories

26% reduction in water consumption per tonne of product since 2010

Environmental Sustainability

19% reduction in energy consumption per tonne of product since 2010

20% reduction in greenhouse gas (GHG) emissions per tonne of product since 2010

ISO CERTIFIED

100% of manufacturing sites certified ISO 14001

People & Compliance

More than **6,700** employees

4,700 secondary salesforce

More than **82,000** *Maggi* mammies in the Loyalty Programme

More than **4,400** jobs created through *Nescafé* sales initiatives (MYOWBU and pushcarts)

45 schools built or rehabilitated in cocoa growing communities

4 breastfeeding rooms available at Nestlé sites for lactating mothers

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Front Cover

A farmer in Ghana who has been trained on better agricultural practices through the Nestlé Grains Quality Improvement Project and supplies our company with maize for our *Cerelac* infant cereals.

Our Creating Shared Value Performance
Nestlé Central and West Africa Region

Nestlé Central and West Africa's performance indicators provide a focus for measuring and reporting Creating Shared Value, sustainability and compliance. Unless otherwise stated, performance indicators are for the year ending 31 December 2015.

	Key Performance Indicators (KPIs)	2014	2015
Nutrition	Products that meet or exceed Nestlé Nutritional Foundation profiling criteria (as a % of sales) [a][b]	94	96
	Children's products that meet or exceed Nestlé Nutritional Foundation profiling criteria (as a % of sales) [b]	100	100
	Products analysed and improved or confirmed via 60/40+ programme (as a % of sales) [b][c]	38	43
	Products featuring Nestlé Nutritional Compass labelling (as a % of sales) [b][d]	92	99
	Products with specific Portion Guidance (as a % of sales) [b][e]	44	99
	Products with Guideline Daily Amounts (GDA) labelling on front of pack (as a % of sales) [b]	12	53
	Popularly Positioned Products (as a % of sales) [b]	61	67
	Servings of fortified products (in billions) [b]	55.7	57.5
	Children reached through the Nestlé Healthy Kids Programme (cumulative)	74,083	81,788
	Infant Formula marketing staff trained on the World Health Organization (WHO) International Code of Marketing of Breast milk Substitutes [f]	100	100
	Healthcare professionals trained through Nestlé Nutrition Institute Africa (NNIA) activities	6,535	4,510
	Healthcare professionals registered on the Nestlé Nutrition Institute Africa (NNIA) online educational platform	6,181	7,240
Rural development and responsible sourcing	Farmers trained through capacity-building programmes	64,923	84,282
	Cocoa plantlets distributed for free to farmers	1,356,905	1,381,858
	Coffee plantlets distributed for free to farmers	1,833,336	2,344,471
	Cooperatives that participated in gender awareness training (cumulative)	4	29
	Women running *Nestlé Cocoa Plan* nurseries (%)	23	27
	Women's groups assisted with income-generating activities as part of the *Nestlé Cocoa Plan* (cumulative)	16	66
	Cocoa sourced through the *Nestlé Cocoa Plan* (tonnes)	78,513	99,973
	Coffee sourced through the *Nescafé* Plan (tonnes)	15,225	20,119
	Total number of cooperatives in the *Nescafé* Plan	32	36
	Raw materials sourced locally (% of total volume) [g]	67	70
	Suppliers that fully comply with the *Nestlé Supplier Code* (as % of total number of audits)	55	74
Water	People benefitting from water and sanitation facilities (cumulative since 2007) [h]	196,546	285,046
	People who benefitted from hygiene awareness training (cumulative since 2010) [h]	163,145	241,686
	Children reached through Nestlé Waters' collaboration with Project WET	3,275	5,994
	Total water withdrawal (million m3) [i]	1.32	1.26
	Total water withdrawal (m3 per tonne of product) [i]	4.04	3.74
	Total water discharge (million m3) [i]	0.47	0.39
	Total water discharge (m3 per tonne of product) [i]	1.43	1.16
	Average quality of water discharged (mg COD/l) [i]	135	86
Environmental sustainability	Total production volume (tonnes) [i]	320,000	340,000
	Raw materials used (tonnes) [i]	377,251	343,155
	Materials for packaging purposes (tonnes) [i]	90,057	110,242
	Packaging source optimisation (tonnes saved) [i]	22.4	44
	Total on-site energy consumption (gigajoules per tonnes of product) [i]	4.74	4.37
	Total on-site energy consumption from renewable sources (% total) [i]	10	12.5
	Total direct energy consumption (petajoules) [i]	1.38	1.32
	Total direct energy consumption from renewable sources (% total direct) [i]	6	9.2
	Total indirect energy consumption (petajoules) [i]	0.55	0.58
	Direct GHG emissions (million tonnes CO2eq) [i]	0.09	0.09
	Direct GHG emissions (kg CO2ed per tonne of product) [i]	249	224
	Indirect GHG emissions (million tonnes CO2eq) [i]	0.016	0.02
	Indirect GHG emissions (kg CO2ed per tonne of product) [i]	49	49
	By-products (kg per tonne of product) [i]	28.4	21.7
	Waste for disposal (kg per tonne of product) [i]	3.1	19.6
	Manufacturing sites certified against ISO 140001 (% of total manufacturing sites)	100	100

	Key Performance Indicators (KPIs)	2014	2015
Human Rights and Compliance	Total number of cooperatives in the Child Labour Monitoring and Remediation System	22	40
	Total number of community liaison people	332	687
	Number of schools built or refurbished (cumulative)	43	45
	Number of significant product recalls or incidents of non-compliance	0	0
Our people	Total workforce (number of employees)	6,664	6,798
	Total number of '*Maggi* mammies' in the Loyalty Programme	61,422	82,913
	Total number of Nestlé Professional's pushcart and 'My Own Business' (MYOWBU) operators	386	352
	Total number of Nestlé Professional's pushcart and 'My Own Business' (MYOWBU) sellers	4,207	4,070
Economic	Products sold in Central and West Africa and produced locally (% of total sales)[i]	87	90

a) The Nestlé Nutritional Foundation is based on nutrition science and globally accepted public health dietary recommendations.

b) Does not include Nestlé Nutrition, Nestlé Waters, Nestlé Professional or Cereal Partners Worldwide products.

c) In the 60/40+ programme, Nestlé products tested with consumers must be preferred over the competitor's.

d) The Nestlé Nutritional Compass includes a breakdown of the nutritional composition of the product, tips for healthy and balanced diets, and contact details for more information.

e) Data quality issue resulted in a low 2014 figure.

f) We follow the FTSE4Good breast milk substitute marketing criteria, which classify countries as 'higher-risk' if they have mortality rates of more than 10 per 1,000 for under fives or more than 2% acute malnutrition for under fives.

g) Includes all local raw materials, including grains and cassava tubers. Excludes packaging materials and milk ingredients.

h) Covers people reached through our partnership with the International Federation of Red Cross and Red Crescent Societies (IFRC).

i) Does not include Nestlé Waters operations.

Message from our Chairman and our CEO

This year, as we celebrate the 150th birthday of Nestlé, we honour Henri Nestlé, who founded the company on the success of a life-saving infant cereal. Today, we continue to aim to enhance lives with science-based nutrition and health solutions for all stages of life, helping people care for themselves and their families. We are further investing in the future nutrition, health and wellness of our consumers through our network of research centres that serve our food and beverage business, as well as through Nestlé Health Science and Nestlé Skin Health. To build a business capable of both delivering superior shareholder value and helping people improve their nutrition, health and wellness; Creating Shared Value is the approach we take to the business as a whole. In addition to nutrition, we focus on water, because water is quite simply the linchpin of food security, and water scarcity is a very serious issue in many parts of the world. And we focus on rural development, because the overall well-being of farmers, rural communities, small entrepreneurs and suppliers is intrinsic to the long-term success of our business.

We continue to actively manage our commitments to environmental and social sustainability, necessary for operating our factories and for the sustainable growth and development of the communities and countries where we operate. We have always believed that in order to prosper we need the communities we serve and in which we operate to prosper as well, and that over the long term, healthy populations, healthy economies and healthy business performance are mutually reinforcing. This involves substantial training and education of people inside and outside Nestlé, as well as large investments in technology with lower environmental impact.

We recognise that our position in society brings both opportunities and responsibilities: to do business in compliance with national laws, international standards and our own values and principles, as expressed in our *Code of Business Conduct, Corporate Business Principles* and *Management and Leadership Principles*. For a company like ours to prosper, we must take a long-term view, framed in a robust set of principles and values which have been developed over 150 years. They are based on respect: respect for people, respect for cultures, respect for the environment and respect for the future of the world we live in.

Peter Brabeck-Letmathe, Chairman of Nestlé, talks to farmers in Ghana who supply maize produced with support from the Nestlé Grains Quality Improvement Project.

Thus, our 39 commitments go beyond simple compliance and are based on common sense values we believe in, that form the foundation upon which we build our actions in Creating Shared Value. Some key achievements in 2015 include: transforming the Nestlé needs YOUth programme into a global initiative; adopting the UN Guiding Principles reporting framework for human rights issues; activating 81 Healthy Kids programmes around the world to promote healthy diets and lifestyles; finalising our new *Nestlé Guidelines Respecting the Human Right to Water and Sanitation;* achieving our targets for traceability and responsible sourcing of our priority ingredients; working to eliminate child labour; and strengthening our commitment to reduce food loss and waste. You will read more about these in the pages that follow.

We believe investors will and should look at company performance, both in financial and societal terms, and evaluate how management integrates them in corporate governance, strategy and operations. What is missing today is a consistent methodology for measuring societal and financial value. We shall continue to contribute our own progress and learnings to this important dialogue, while encouraging voluntary and transparent sustainability reporting.

Paul Bulcke, Nestlé CEO, visiting a coffee farm.

This reporting year was important, not just for Nestlé but for the United Nations, civil society and the private sector as a whole. In September 2015, 193 Member States of the UN adopted 17 new Sustainable Development Goals (SDGs) to define global priorities from now until 2030. For the first time, these goals were elaborated in consultation with all parties, including the private sector, representing a real step forward in understanding the constructive role of business in society. At Nestlé, we will make a concerted effort to link our own Creating Shared Value agenda with the broader development goals, particularly in areas where we believe we can contribute in a meaningful way.

Nestlé has also committed, through the CDP's six climate action initiatives and the World Economic Forum's Alliance of CEO Climate Leaders, to help lead the global transition to a low-carbon, climate-resilient economy in line with the global agreement achieved at the 2015 Paris UN Climate Change Conference (COP21).

With this report, we also restate our support for the UN Global Compact as a founding member of the UN Global Compact Lead – an important platform for corporate sustainability leadership. Most importantly, this report reflects our own fundamental belief that, for our business to prosper in the long term, we must deliver value for shareholders, the communities where we operate, and society as a whole. This is why we say that Creating Shared Value is the way we do business.

Peter Brabeck-Letmathe
Chairman

Paul Bulcke
Chief Executive Officer

A message from our Market Head

I am pleased to share the new *Nestlé Central and West Africa Region – Nestlé in society 2015* report with you. This is our first report which looks at how we are making progress with the implementation of Nestlé's societal commitments in the region.

We have been present in Central and West Africa for almost 60 years and remain committed to this region of limitless possibilities. We have confidence in its future and will continue to invest in our production capacities, our employees, and the communities with whom we work.

Our success would not be possible without the commitment of the tens of thousands of people that contribute to our company; from the farmers we source raw materials from, to the street vendors who are selling our products. Behind each Nestlé product there are suppliers, distributors and retailers who are working hard to ensure that we continue to deliver high-quality, nutritious and tasty food and beverages to over 350 million consumers daily. Through this report, we recognise their support and commitment to our company.

This report also aims to provide our stakeholders with insight of how we are meeting our societal commitments, the progress we have made over the years and the challenges we face.

We look forward to receiving your feedback on our commitments and our actions.

Kais Marzouki
Market Head
Nestlé Central and West Africa Region

Key dates for Nestlé in Central and West Africa

1957	Nestlé begins trading and distributing its products in Ghana before expanding to other countries in the region
1960	Abidjan Zone 4 factory in Côte d'Ivoire starts operations
1970	Tema factory in Ghana starts operations
1970	Abidjan Yopougon factory in Côte d'Ivoire starts operations
1973	Dakar factory in Senegal starts operations
1981	Douala factory in Cameroon starts operations
1981	Agbara factory in Nigeria starts operations
1986	Launch of *Golden Morn* family breakfast cereals in Nigeria
2005	Nestlé Central and West Africa Ltd. is incorporated in Ghana
2008	The Grains Quality Improvement Project (GQIP) is implemented in Ghana and Nigeria
2009	Launch of the *Nestlé Cocoa Plan* in Côte d'Ivoire
2009	Inauguration of the new Nestlé Research & Development (R&D) Centre in Abidjan, Côte d'Ivoire
2010	*Cerelac* plant starts operations at the Tema factory
2010	Signing of a partnership with the Ministry of Health in Cameroon to address nutritional challenges
2011	Opening of Nestlé Business Services Africa in Tema, Ghana
2011	Flowergate factory in Nigeria starts operations
2011	Opening of the Technical Training Centre at the Agbara factory in Nigeria
2011	First Nestlé Healthy Kids Programmes in the region are launched in Ghana and Nigeria
2012	Launch of Nestlé Professional's 'My Own Business' (MYOWBU) initiative
2012	Launch of iron-fortified *Maggi* cubes
2012	*Golden Morn* is enriched with vitamin A and iron
2013	Inauguration of the Zambakro Experimental Farm, part of R&D Abidjan
2013	Launch of *Cerelac* Millet, resulting from research by R&D Abidjan
2014	Official launch of the *Nestlé Cocoa Plan* in Ghana
2014	Partnership with Ministry of Agriculture and launch of the *Nescafé* Plan in Côte d'Ivoire
2015	Launch of *Nescafé* Classic 2g with coffee from Cameroon at the Douala factory
2015	Opening of the Nestlé Quality and Assurance Centre (NQAC) in Abidjan
2015	Adoption of the *Nestlé CWAR Parental Policy*
2015	Nestlé Central and West Africa Ltd. moves into 'green' offices

Nestlé in Central and West Africa

Our heritage in Central and West Africa dates back to 1957 when Nestlé began trading and distributing its products in Ghana.

Today, Nestlé owns and operates seven factories that cater to the region and provides direct employment to more than 6,700 people. Through our activities, we also provide a source of income to over 100,000 people.

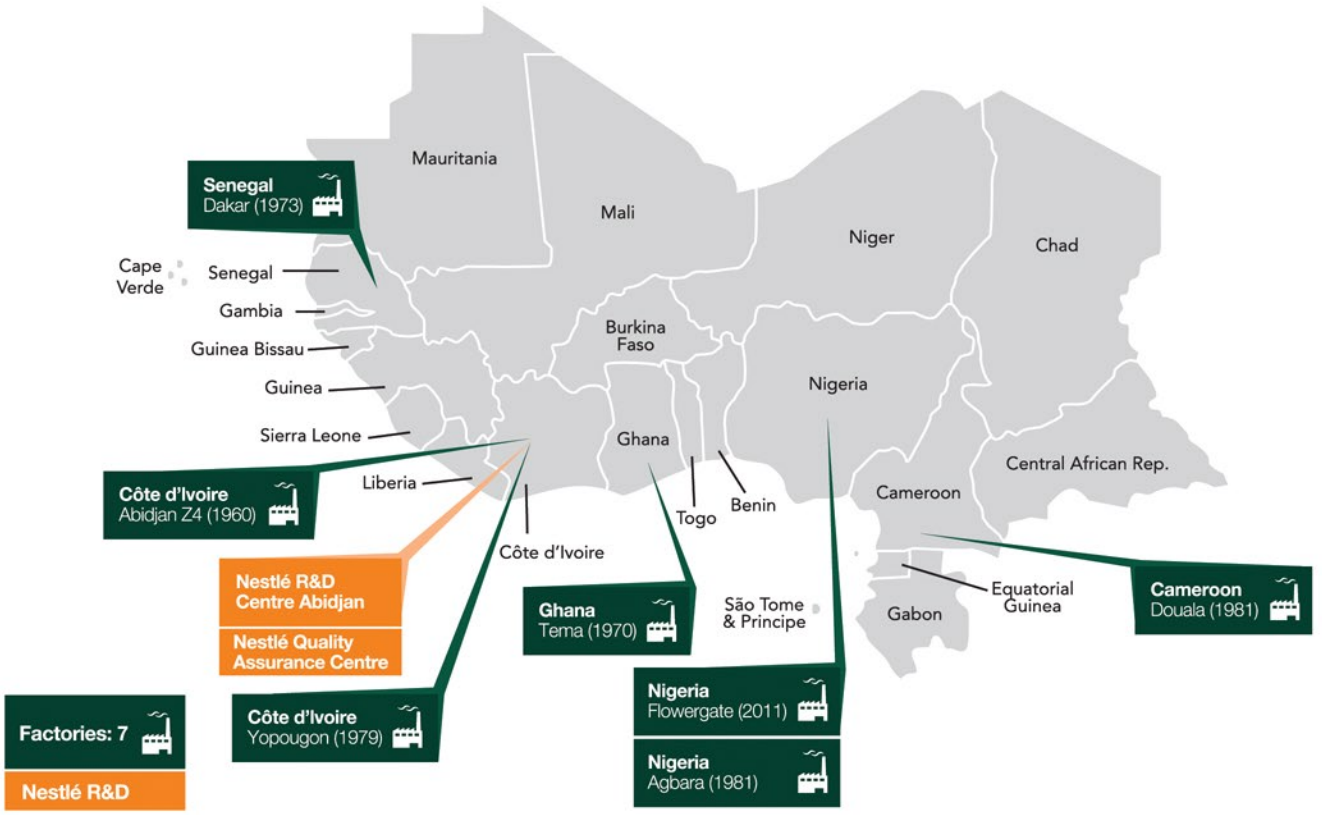
The Nestlé Central and West Africa entity, which was formed in 2005, oversees our operations in 22 countries in the region from Mauritania to Central Africa Republic. Our headquarters are based in Accra, Ghana.

With total investments in the region of CHF 215 million over the past three years, we continue to grow our business and develop our people to cater the needs of our consumers.

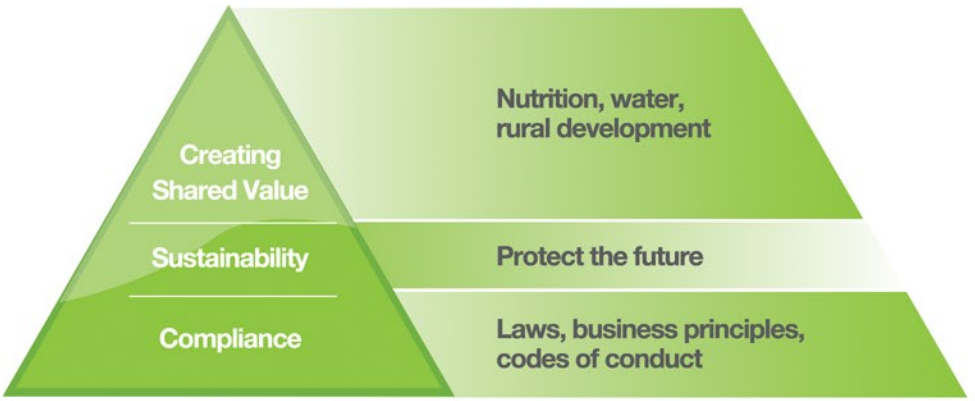
Nestlé's mission is to enhance people's quality of life with science-based nutrition and health solutions for all stages of life, helping people care for themselves and their families. In Central and West Africa, we strive to help address the specific nutritional needs of the population by offering tastier and healthier foods and beverages and by promoting balanced diets and healthy lifestyles.

Nestlé's portfolio in Central and West Africa includes a variety of brands in a number of food and beverage categories including dairy, culinary, coffee, beverages, infant nutrition, bottled water and confectionery. *Maggi, Milo, Cerelac, Golden Morn, Nido, Nescafé* and *Pure Life* are just some of our most popular brands in the region.

Our operations in Central and West Africa



Creating Shared Value at Nestlé



This year marks the 150th anniversary of our company. It was founded by Henri Nestlé and is based on the success of a life-saving infant cereal that paved the way to our nutrition, health and wellness strategy today. Our company has continued to grow, setting up operations across the globe and in Central and West Africa in the 1950s.

We believe that for a company to be successful over the long term and create value for shareholders, it must create value for society. We call this Creating Shared Value (CSV) and it forms our approach to business as a whole. In addition to nutrition, we focus on water because it is the linchpin of food security. We focus on rural development because the well-being of farmers, rural communities and suppliers is vital to the long-term success of our business. We also focus on environmental and social sustainability, which is necessary for operating our factories and for the sustainable growth and development of the communities and countries in which we operate.

Our commitments

In 2012, we decided to publish a set of forward looking commitments covering every part of our business, to provide a clear sense of strategic direction and the standards in which we hold ourselves accountable. Our global societal commitments, of which we have 39 this year, are based on our focus areas of nutrition, water and rural development, and include environmental sustainability, human rights, compliance and our people.

Global Reporting Initiative

Since 2011, we have been reporting against the framework of the Global Reporting Initiative (GRI). This is the second year Nestlé is reporting 'in accordance' with the comprehensive option of the GRI's G4 guidelines and Food Processing Sector Supplement.

The full global Nestlé in society report with complete GRI Index can be found on our global website: www.nestle.com/csv.

Sustainable Development Goals

This reporting year was not only important for Nestlé, but for the United Nations, civil society and the private as a whole. In September 2015, 193 Member States of the UN adopted 17 new Sustainable Development Goals (SDGs) to define global priorities from now until 2030.

We are reviewing our commitments against the SDGs and believe we should focus on specific goals where we can maximise our impact on a global scale.

Materiality

A successful company cannot afford to ignore what the world thinks about it. Our stakeholders have very specific areas of interest that can have a direct impact on our business.

The materiality process

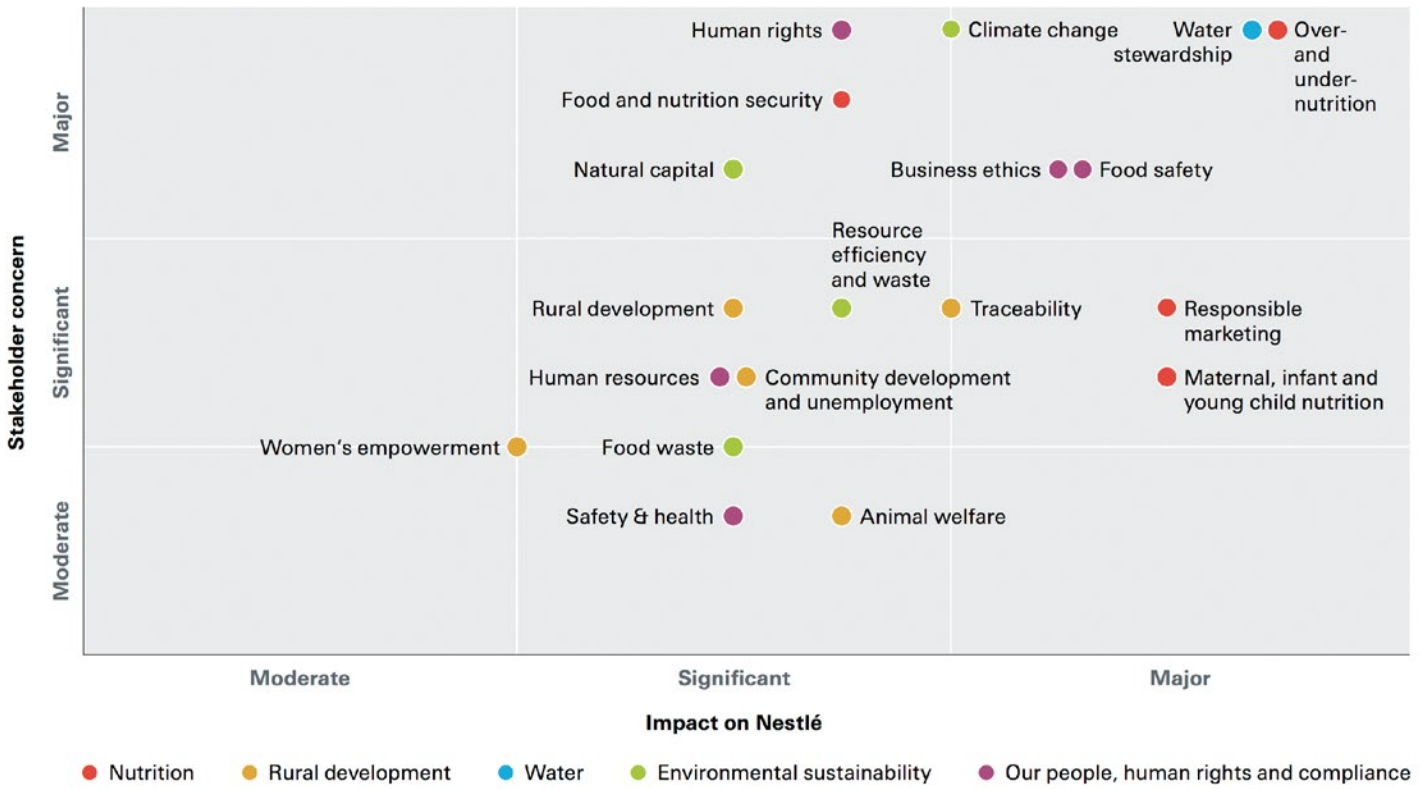
Nestlé uses a formal materiality process, through which we identify the issues that matter most to our business and our stakeholders. After extensive consultation, an independent organisation plots environmental, social and governance issues of concern. The findings are used to determine associated risks and opportunities for Nestlé's reputation, operations and finances.

Together, the results represent the material issues facing our business. The issues are placed on a materiality matrix (see below) that displays their position relative to the degree of stakeholder concern and potential business impact.

In 2014, Nestlé produced an extended materiality analysis as part of our G4 reporting. The process featured a broader sample of stakeholders and value chain analysis, allowing for greater precision in the scoring and ranking of our material issues than in previous years. It also included a robust assessment of business impact, with greater attention to the concerns of socially responsible investors and an independent review of commercial relevance.

Since publication, we have continued to collect feedback and input on the 2014 results. We have not identified substantive changes to the issues Nestlé faces, our business impacts or the interests of our stakeholders. We will complete a full and new materiality process for the 2016 report and we expect to update the materiality results on a biennial basis.

Nestlé global materiality matrix



Stakeholder engagement

We are committed to maintaining a regular dialogue with our stakeholders across the region. We regularly meet with governments, non-governmental organisations (NGOs), academia, multilateral agencies and others to receive their feedback, engage and learn from them. We believe that listening to others and understanding their views are essential to improve our performance and address society's expectations.

Stakeholder convenings in Central and West Africa

Nestlé has organised global stakeholder convenings at least once a year since 2007. In 2014, we held our first regional Stakeholder Convening in Accra, Ghana, with the aim of understanding stakeholder perceptions of our CSV commitments and performance, receiving feedback and stimulating fresh thinking on how to address key challenges facing countries of the region. The event was attended by 35 representatives from governments, private organisations, NGOs, multilateral organisations, academia and consumer associations.

In 2015, local stakeholder convenings also took place in Burkina Faso, Cameroon, Côte d'Ivoire and Nigeria. Participants of the convenings expressed their appreciation for our open and transparent approach. They also made a number of recommendations, particularly in the areas of nutrition and rural development, as summarised below.

The results of the discussions held at these convenings are taken into account when we develop or revise our strategies and initiatives. We have already started to integrate this feedback in our work and will continue to do so.

Stakeholder recommendations

Engage more actively in nutrition education programmes for healthcare professionals (HCPs)	Stakeholders want to see Nestlé's programmes for healthcare professionals carried out through the Nestlé Nutrition Institute Africa (NNIA) to reach a broader range of HCPs, including those at grassroots and community level. They also suggested alignment and collaboration with professional associations.
Scale up communication on nutrition and nutrition education initiatives	Stakeholders called on Nestlé to better educate consumers on its products and their appropriate use. In addition, they encouraged Nestlé to scale up nutrition education initiatives, such as the Nestlé Healthy Kids Programme.
Share research data and best practices	Stakeholders felt that Nestlé should take a leadership role to share its approaches that work more widely, and encourage other organisations to take a CSV approach. For example, it is expected that Nestlé promotes monitoring and evaluation as well as research & development.
Collaborate more closely with government and NGOs	Across all priority areas, stakeholders asked Nestlé to collaborate closely and align with government policy and priorities. In addition, Nestlé is expected to promote public-private partnership platforms.
Find synergies within various CSV initiatives	Nestlé was asked to leverage its CSV initiatives and find synergies between the different programmes. For example, the *Nescafé* Plan and the *Nestlé Cocoa Plan* are expected to address issues beyond productivity, and also address nutrition.

Summary of our commitments

Our global commitments relate directly to our Creating Shared Value focus areas and our material issues. They are ambitious and help us to drive continuous improvement, and to allow stakeholders to hold our company accountable for delivering on our pledges.

With a particular emphasis on nutrition, health and wellness, these commitments also cover rural development and responsible sourcing, water, environmental sustainability, as well as people, human rights and compliance. We report on the global commitments that specifically apply to our region.

Nutrition, health and wellness

- Build knowledge leadership in children's nutrition
- Lead the industry in nutrition and health research through collaboration
- Provide nutritionally sound products designed for children
- Help reduce the risk of undernutrition through micronutrient fortification
- Innovate and renovate our products
- Encourage consumption of whole grains and vegetables
- Deliver nutrition information and advice on all our labels
- Provide portion guidance for consumers
- Promote healthy diets and lifestyles, including physical activity
- Promote healthy hydration as part of a healthy lifestyle
- Provide education programmes for good nutrition and feeding practices
- Market breast milk substitutes responsibly
- Ensure responsible marketing communication to children

Rural development and responsible sourcing

- Roll out the Rural Development Framework
- Roll out the *Nestlé Cocoa Plan* with cocoa farmers
- Roll out the *Nescafé* Plan with coffee farmers
- Increase local sourcing
- Implement responsible sourcing in our supply chain

Water

- Work to achieve water efficiency across our operations
- Treat the water we discharge effectively
- Engage with farmers on water management as part of coffee farming practices
- Advocate for effective water policies and stewardship
- Raise awareness of water access and conservation

Environmental sustainability

- Improve resource efficiency
- Improve the environmental performance of our packaging
- Preserve natural capital, including forests
- Provide climate change leadership
- Provide meaningful and accurate environmental information and dialogue

Our people, human rights and compliance

- Assess and address human rights impact in our operations and supply chain
- Ensure that all Nestlé employees are covered by a certified safety and health management system
- Enhance gender balance
- Provide training and education for our employees in Nutrition and Environmental Sustainability
- Eliminate child labour in our cocoa supply chain
- Work against corruption and bribery
- Ensure that all employees and stakeholders can easily report possible compliance violations
- Create jobs and encourage entrepreneurship

Inside the challenge

The double burden of malnutrition is increasingly affecting children and women of reproductive age in Central and West Africa. This may be due to an absence of vital micronutrients in their diets, such as vitamin A, zinc, iron or iodine, causing stunting in growth and a lower resistance to infection. Simultaneously, obesity rates are increasing in children aged under five.

The impact of the rising rates of neonatal mortality and non-communicable diseases, such as diabetes, are also affecting the health and well-being of the African population. While the rate of mothers who are exclusively breastfeeding their children up to the age of six months is below global rates.

Our ambition is to be the leading nutrition, health and wellness company worldwide and we look to address these challenges.

Nestlé has been providing safe and quality nutrition for 150 years and we aim to continue offering our consumers nutritious and tasty food and beverage choices, at every stage of life. We also seek to promote healthy lifestyles, while building collective nutritional knowledge by working with public health authorities and organisations.

Building collective nutrition knowledge

Innovation has always been at the centre of our company. Ever since our founder Henri Nestlé invented 'Farine Lactée' in Vevey, Switzerland to tackle infant mortality, we have been dedicated to enhancing people's lives.

We aim to make our products tastier and healthier for all our consumers and their families in the region, while meeting their tastes, traditions and preferences. This is achieved through our nutrition science, unmatched research and development (R&D) capabilities and passion for quality.

Globally, we have the world's largest food and nutrition research organisation with 34 R&D facilities, including three fundamental Science Research Centres, 31 Product Technology Centres and R&D Centres globally, and more than 5,000 people involved in R&D.

In Central and West Africa, we seek to meet the needs of the African people through our expertise, developed and applied in research facilities like the Nestlé Research and Development Centre and the Nestlé Quality Assurance Centre, both located in Abidjan, Côte d'Ivoire.

Build knowledge leadership in children's nutrition

Our company aims to develop products and education services that support parents in ensuring the healthy growth and development of their children.

To achieve this, we are committed to developing a deep understanding of the factors that determine children's dietary intakes, lifestyle habits and health status.

We use data from recognised international organisations, such as the World Health Organization (WHO) and the United Nations World Food Programme (WFP), to guide our product formulation, consumer communication and educational programmes.

Our progress

In Cameroon, we are sponsoring a clinical study on iron deficiency, nutritional status and the dietary habits of children under five years old in five areas in the country.

This two-phase study is led by the Infant Nutrition Research Unit at the Nutrition Centre of the Medical and Medicinal Plant Studies Research Institute of Cameroon.

During phase one, the research will look at iron deficiency, nutritional status and the feeding habits of about 1,800 infants and children aged between six to nine months.

Phase two will include the evaluation of the efficiency of an iron-enriched cereal to address iron deficiency of children aged under five. Over a period of six months, a group of 100 children will be given *Cerelac* Wheat fortified with iron, while another group of 100 children will be given non-fortified *Cerelac* Wheat. The results are due to be finalised and published in 2016.

Lead the industry in nutrition and health research through collaboration

Nestlé's Research and Development (R&D) Centre in Abidjan, Côte d'Ivoire, which opened in 2009, is the first of its kind in Africa.

It is dedicated to develop products based on locally sourced raw materials that satisfy the tastes and needs of African consumers.

The centre uses science and technology at all stages of product development to create and adapt products for consumers in Africa. It ensures its innovations meet all food safety and regulatory compliance requirements, in which quality, safety and environmental sustainability are incorporated into our products, from farm to fork.

R&D Abidjan belongs to the Nestlé Research Network, which comprises over 250 scientists across the globe.

The centre supports local farmers and sustainable agricultural methods through science and technology by focusing on improving the productivity and quality of locally sourced raw materials including cocoa, coffee, cereals, cassava, maize, millet and sorghum.

It is led by a highly qualified team of food scientists, plant scientists, technologists, agronomists and sensory specialists who collaborate with Nestlé's R&D global network to transfer knowledge and technology, and meet the unique business needs of the African market.

Our progress

In 2013, we constructed the Zambakro Experimental Farm, which is part of R&D Abidjan, in the Yamoussoukro region.

Over the past few years we have continued to invest in the site that acts as a scientific and technological platform to R&D Abidjan. We use biotechnology processes such as fermentation, plant propagation by somatic embryogenesis, and orthotropic shoot techniques that require no genetic modification, to develop products using locally sourced raw materials to meet the tastes and needs of African consumers.

In 2013 and 2014, we invested about CHF 6.5 million in the construction and development of a new Nestlé Quality Assurance Centre (NQAC), also based in Abidjan. It is one of the 26 NQACs worldwide and the second located on the continent.

It is the only NQAC in Africa and the Middle East that houses a state-of-the-art analytical laboratory dedicated to the analysis of chemical contaminants, specifically heavy metals, mycotoxins and pesticides, that may occur in food and food ingredients used by Nestlé.

The NQAC is also helping to extend our company's knowledge and expertise by developing collaborations with governmental institutions, universities and private institutions to promote food safety, chemical contaminant analytical methods and support the development of science-based food safety.

R&D Abidjan, Côte d'Ivoire

R&D Abidjan aims to become a centre of excellence by working with various research institutes in Africa in five areas:

- Plant science, tropical agronomy and bio-fortification.
- African consumer understanding.
- Nutritional product and ingredient development for African consumers.
- Extrusion and roller drying technology.
- Packaging design, development adapted to local needs.

Product development at R&D Abidjan: *Cerelac* Millet

Consumer studies have shown that parents in Africa use locally sourced staple crops to prepare food for their infants.

R&D Abidjan identified popular crops in West Africa, such as millet, sorghum, rice and maize, as a potential ingredient in infant cereals. The centre focused on local taste profiles, safety, nutritional balance, fortification and affordability to determine the best crop for infant cereals.

R&D Abidjan looked at:
- Agronomist support for crop variety;
- Primary process in sourcing grains from suppliers;
- Development of an in-house milling process to produce good quality flour; and
- Regional strategy to determine a reliable supply of grains.

Experts at R&D Abidjan combined their knowledge on local staple crops and consumer tastes, their expertise and technologies, and product manufacturing to develop *Cerelac* Millet fortified with essential micronutrients and probiotic Bifidus BL.

Maggi bouillon cubes and soya fermentation in Nigeria

- We use natural processes, such as fermentation, to transform raw materials into ingredients with nutritional or functional benefits as part of our R&D efforts in Central and West Africa.
- In the 1990s, we carried out trials to include soya beans as an ingredient in some of our products. Our experts found that fermented soya beans were similar to a West African traditional ingredient known as 'soumbara' in Côte d'Ivoire, Mali and Burkina Faso, 'netetou' in Senegal or 'dawadawa' in Nigeria and Ghana.
- We locally source soya beans from farmers in Nigeria, the largest producing country of the crop in Sub-Saharan Africa.
- We process, ferment and roast the soya beans before the powdered natural soya is used as an ingredient in *Maggi* cubes to provide Nigerian consumers with the well-liked fermented and meaty flavours.

Providing high-quality, safe, nutritious foods and beverages

We strive to make our food and beverages tastier and healthier, while providing affordable choices to help our consumers care for themselves and their families.

Whether it is in terms of convenience, health or pleasure, we are able and committed to create trusted and safe products to enhance consumers' lives.

Provide nutritionally sound products designed for children

Our objective is to improve our food offerings for children by analysing the nutritional value of our products.

We assess all our foods and beverages for children against the Nestlé Nutritional Foundation (NF) criteria. This is based on nutrition science and globally accepted public health dietary recommendations. A food or beverage must meet all the criteria to achieve the NF 'yes' status, so that it is considered by our company as suitable as part of a balanced diet.

Our progress

We continue to invest in the innovation and renovation of our large portfolio of products in Central and West Africa to boost nutritional value, while improving taste.

In 2015, 100% of our products in Central and West Africa were assessed and met all of the NF criteria in providing nutritionally sound products for children, including the criteria for salt, sugars and saturated fats.

We will continue to ensure that 100% of our children's products meet all Nestlé NF criteria for children in the future.

100%
of children's products achieved Nutritional Foundation status in 2015

Help reduce the risk of undernutrition through micronutrient fortification

Micronutrients are vital for growth and development but deficiencies in essential vitamins and minerals or inadequate dietary intake remain a challenge. A lack of micronutrients, such as iron, zinc, vitamin A and iodine, can lead to childhood malnutrition,which is a leading cause of death in children below the age of five in Sub-Saharan Africa.

One way the World Health Organization (WHO) recommends addressing this issue is by focusing on the fortification of staple foods with vitamins and minerals.

We are committed to addressing micronutrient deficiencies, with a special focus on children and women of childbearing age, by using information from national and international authorities like the WHO, and are continuing our scientific research on the impact of our products on people's diets. We are doing this in two ways, through product fortification and bio-fortification.

Our progress

Product fortification

Central and West Africa has a high prevalence of micronutrient deficiencies, especially among children and women of childbearing age. To address this urgent public health issue, we look at fortifying our products with micronutrients that would otherwise be missing from people's diets.

In 2015, we delivered 57.5 billion servings of fortified food and beverages in Central and West Africa. *Maggi* bouillons, *Nido* milk, *Milo* beverages, *Golden Morn* breakfast cereals, *Cerelac* infant cereals and *Ideal* milky choco, milky tea and milky coffee drinks are just a few of the popular Nestlé products that are fortified in the region.

Through our popularly positioned products (PPPs), we ensure that lower-income consumers, the sector most vulnerable to deficiencies, have access to high-quality foods and beverages that provide nutritional value. Usually, these products come in single serves and can be bought by the unit. In Central and West Africa, PPPs represent 67% of our total sales.

Bio-fortification

We are also using conventionally bred crops that are rich in micronutrients, and are crossing-breeding them with high-yield varieties to produce high-yielding, nutritious crops. For example, bio-fortified pro vitamin A cassava, iron and zinc-rich millet and pro vitamin A maize are being grown in Nigeria and Côte d'Ivoire.

The programme is part of the work led by Nestlé R&D Abidjan, which is collaborating with national and international research institutions such as the International Institute of Tropical Agriculture (IITA).

We are also working with the Nigerian Federal Ministry of Agriculture and Rural Development and non-governmental organisation Harvest Plus, on promoting the use of bio-fortified crops among farmers to help boost the production and extend access to such foods, generate demand and ensure bio-fortification is scaled up in the country.

In Côte d'Ivoire, we are currently working on fortifying cassava.

We believe that making bio-fortified materials more widely available will not only improve the nutritional content of our products, but also have a positive impact on the diets of local communities.

More than
157 million
of Nestlé products fortified with micronutrients consumed daily in 2015

Fortifying *Maggi* cubes

In 2009, we looked at our product portfolio to identify potential carriers for fortification. *Maggi* bouillon cubes were widely consumed across the region, making them an ideal vehicle for iron fortification. However, we had a number of challenges to consider:

- Adding iron to food poses serious technical challenges as it can alter the taste, and may turn products unappetizing shades of brown.
- Fortifying the cubes with iron would also raise production costs. If this meant higher prices, then those in need of such products might find them unaffordable.

Nestlé scientists spent the next two years identifying and testing a form of iron with a neutral taste, which was easy for the body to absorb. In addition, small alterations to other ingredients allowed the addition of iron to the cubes without making them more expensive.

In 2012, the new, iron-fortified *Maggi* bouillon cubes were launched in the Central and West African market. Each serving[1] provides 15% of the recommended daily allowance of iron, in addition to 30% of the recommended daily allowance of iodine.

[1] A serving is the equivalent to a meal for six people prepared with five *Maggi* cubes or two tablets.

Innovate and renovate our products

Evidence has shown that excessive intake of some food ingredients, such as salt, sugar and saturated fat, is associated with the increased risk of non-communicable diseases, including obesity.

We aim to address this by continuously improving the health benefits of our products, while not compromising on taste. We also look to reduce the salt, sugar and saturated fat content by 10% in products that do not meet the Nestlé Nutritional Foundation (NF) criteria.

To innovate and renovate our products we use a test called '60/40+', in which we ensure that all products meet rigorous standards for nutrition and consumer preference.

We test products through consumer panels where at least 60 out of 100 people must prefer the Nestlé product against the competitor's. The '+' refers to the added nutritional benefit in the product.

Our progress

Since 2014, a total of 100% of the children's products that we sell in the region meets the Nestlé NF criteria for sugar, sodium and saturated fat.

In 2013, we committed to accelerate salt reduction across our cooking aids to help consumers achieve the sodium intake target of no more than 5g of salt per person, per day, by 2025, as recommended by the WHO and other international and national authorities.

We have already made progress by reducing sodium in our cereal brand *Golden Morn*. In 2014, *Golden Morn* launched a project to cut sodium in its products. It aimed to overcome the challenge of reducing salt without compromising on taste, especially considering that sodium plays a key role in giving *Golden Morn* its unique taste.

The new *Golden Morn* recipe, released in 2015, has successfully achieved a 17% reduction in sodium to achieve NF criteria.

Promoting good nutrition and healthy lifestyles

Achieving better health and overall well-being requires a fundamental understanding of what constitutes good nutrition. However, this is something that many people do not know.

Our company aims to encourage healthy eating and active lifestyles among children and adults in Central and West Africa through our nutrition education programmes, our consumer communication and our packaging.

Encourage consumption of whole grains and vegetables

Whole grains and vegetables are excellent sources of fibre, vitamins and minerals. However, diets in Central and West Africa and worldwide do not contain enough. We are helping to address this issue by increasing the whole grain content of our recipes and by encouraging our consumers to cook with more vegetables.

Our progress

In Nigeria, our *Golden Morn* cereal brand contains locally sourced whole grains. This includes the recently launched *Golden Morn* Millet and our existing *Golden Morn* Maize product, which contains over 50% of whole grains in each pack. Both varieties are also fortified with essential nutrients such as vitamin A and iron.

In 2015, more than 200 million *Golden Morn* servings were eaten by families in the country, boosting the consumption of whole grains. In the same year, we launched *Milo* Nutrifill in Ghana, a ready-to-eat cereal made primarily of whole grains. Made of maize, malt and cocoa, the cereal is rich in iron and a source of vitamins A, C and calcium to help boost children's intake of vitamin and minerals.

We are also working on launching more cereal brand varieties packed with whole grains in the future.

Encouraging balanced diets

Across the region, we have led a number of *Maggi* activities to promote healthy and nutritious diets. Through cooking education activities, we are providing recipes, menu ideas and practical tips to help people to cook tasty and balanced meals for the entire family.

In 2015, our *Maggi* Cooking Caravans travelled through five countries to provide nutrition expertise, culinary hygiene and healthy eating cooking tips.

As a result, over one million women and *Maggi* mammies were reached through interactive cooking demonstrations, women's forums, group discussions and presentations on micronutrient fortification.

In Nigeria, we engaged with over 15,000 women in 2015 through the *Maggi* home garden initiative, which was launched over five years ago as part of the *Maggi* Women's Forum. The programme was held in various parts of the country in partnership with a number of women's groups.

Women are being taught about the importance of nutrition, health and wellness through activities such as learning how to cultivate a home garden. They are also provided with a vegetable garden starter pack containing iron-rich fluted pumpkin vegetable seeds, an indigenous vegetable grown in southern Nigeria, together with an instruction leaflet. Thousands of women in 18 Nigerian states have already received these vegetable seeds.

In Senegal, *Maggi* is helping boost healthy cooking through three-minute presentations led by a nutritionist in the TV cooking show 'Cuisine des Etoiles'.

In Côte d'Ivoire, *Maggi* is also engaging with people in the country through a TV cooking show, 'Cordon Bleu', with the objective of educating consumers on healthy cooking and eating through interactive sessions.

Other Nestlé brands such as *Nido* are also educating Africans through activities like *Nido* Nutrition Day and the Nutri Academy, which is using drama to help mothers and their families understand the benefits of healthy eating habits.

HEALTHY LIVING AFRICA

In 2015, the 'Healthy Living Africa' campaign was released on our social media channels such as Facebook, Twitter, YouTube and Google+, using a different theme each week to focus on practical tips to reduce salt consumption.

The campaign reached more than 11 million people via our Facebook page and Twitter feed through the use of messages, videos and hashtags such as #DidYouKnow and #HealthyLivingAfrica.

In 2016, similar campaigns on protein and fortification will be rolled out.

Deliver nutrition information and advice on all our labels

We aim to help consumers improve their understanding of appropriate eating habits with clear information about ingredients and portion size on our products.

Our progress

By the end of 2015, 99% of our foods and beverages in Central and West Africa displayed the Nestlé Nutritional Compass, which helps consumers make informed choices. It includes a breakdown of the nutritional composition of the product, tips for healthy, balanced diets and contact details for more information.

We also aim to make information more accessible through Quick Response (QR) codes for our children's product portfolio including *Nido* and *Milo*, and also on adult products like *Nescafé*.

By scanning the QR code on certain product packaging, they can go 'beyond the label' to access information on the nutritional, environmental and societal aspects of the product.

Guideline Daily Amount (GDA) based labels also help inform consumers about calories, sugars, fat and other nutrients in a food or beverage serving, with reference to daily guidelines. At the end of 2015, 53% of our food and beverages portfolio had GDA labelling on the front of the pack, up 14% in comparison to 2014.

We will continue improving on this in 2016, with an aim to achieve 100% by the end of the year.

Provide portion guidance for consumers

Nestlé Portion Guidance is a voluntary and proactive initiative, based on dietary recommendations from around the world. This initiative aims to contribute to the re-framing of portion norms, particularly in energy-dense food and beverage categories. It does not replace existing authoritative dietary recommendations, but helps to bridge the gap between those recommendations and labelling regulations in guiding people towards more carefully considered portions as part of a healthy, balanced diet.

This guidance is presented in a variety of consumer-engaging ways, such as product form, pack design, clear illustrations, and sometimes even with a serving device.

Our progress

Portion guidance means that a product is either highlighted as single serve, i.e. one sachet of *Nido*, or includes on-pack messaging outlining how to prepare the product and its quantity.

We aim to progressively add the recommended frequency of consumption on all our packaging products to better guide our consumers.

In 2015, 99% of our product portfolio in Central and West Africa offered specific portion guidance, including 100% of all children's and family products.

By the end of 2016, we look to promote healthy portion consumption on all our children and family products as well as our *Maggi* portfolio, and complement it with guidance on our nutrition education programmes.

For example, we have already introduced new four-cube packs of *Milo* Energy Cube, which is usually sold as a 50-cube pack.

Promote healthy diets and lifestyles, including physical activity

It is important to establish the foundation for healthy diets early in life when eating habits and preferences are being formed. This is why we are promoting healthy eating and active lifestyles among children to help them achieve a healthy body weight into adulthood.

Our progress

The Nestlé Healthy Kids Programme

We are doing this through our worldwide nutrition education initiative, the Nestlé Healthy Kids Global Programme, which promotes healthy lifestyles among school age children. Content is developed with local experts and tailored to local health and nutritional needs.

Our aim is to focus on boosting healthy lifestyles, good hygiene and increased physical activity for children in the region.

The Nestlé Healthy Kids Programme is currently implemented in Burkina Faso, Cameroon, Côte d'Ivoire, Ghana, Nigeria and Senegal.

Since its launch, the programme has reached more than 81,000 children and more than 1,200 teachers in Central and West Africa. We look to impact 100,000 children by 2018.

Effectively measuring the long-term success of our programme is a key priority. We continue to work with our partners, including universities, to help us monitor and evaluate the effectiveness of our initiative. In November 2014, the University of Ghana's Nutrition and Food Science Department released its first monitoring and evaluation results

More than
81,000
children reached through the Nestlé Healthy Kids Programmes since 2011

on the programme in Ghana. This showed that children that took part in the initiative were able to correctly identify more food groups at 19.2% and food nutrients at 34.2%, compared to those who did not participate (7.8% and 3.4% respectively).

In 2015, we developed a regional evaluation framework to align measurement and reporting based on four goals around balanced meals, drinking water, being active and maintaining good hygiene habits.

International Chefs Day

As part of a global partnership with chef association World Chefs, we led activities in Ghana and Nigeria to mark International Chefs Day, raising awareness on healthy kids.

For example, we partnered with non-governmental organisation Chefs for Change Ghana Foundation.

As part of the event, a 'Kids Healthy Cooking Workshop' took place at the University of Ghana Basic School, a model school under the Nestlé Healthy Kids Programme in the country.

Elijah Addo, chef and founder of Chefs for Change Ghana Foundation, took part in the workshop to help children cook a healthy recipe using locally grown ingredients, fruits and vegetables.

The children were given recipe cards to take home to encourage their parents to cook nutritious meals and promote healthy diets at home and at school.

Milo Sport Development Programmes

We have also pledged to continue inspiring young people to get into sports and take part in physical activity through our Nestlé *Milo* Sport Development Programmes in Côte d'Ivoire, Ghana and Nigeria.

The programmes aim to encourage youngsters to participate in sports and increase their physical activity, while instilling life values of hard work, responsibility, fair play, discipline, perseverance and team spirit.

In Ghana, the brand headed the *Milo* Marathon and provided underprivileged children with running shoes to encourage them to participate in sports and lead a healthier life. In 2015, *Milo* distributed 4,000 shoes to youngsters across the country in partnership with the Ghana Education Service.

The annual *Milo* Champions League, organised in collaboration with the Ghana Education Service and endorsed by the Ghana Football Association, brought together over 36,000 students from 2,000 schools across the country.

In Nigeria, the annual Nestlé *Milo* Secondary Basketball Championship engaged 60,000 participants in the 17th edition.

In Côte d'Ivoire, a new mother and child cross-country event was introduced in the country.

As part of the programme, a 'Train the Trainer' approach is also being developed to help school coaches encourage children to enjoy the benefits of taking part in sports.

More than
4,500
healthcare professionals
trained through the Nestlé
Nutrition Institute Africa in 2015

Promote healthy hydration as part of a healthy lifestyle

What you drink is as important to a healthy lifestyle as what you eat and how often you exercise. Plain water should be the preferred choice for daily hydration, as it doesn't add any calories to the diet.

We believe healthy hydration habits start early in life. However, dehydration is a common problem, including among children, and even mild levels can affect mental and physical performance. We therefore aim to educate children and teachers about the benefits of healthy hydration.

Our progress

In 2015, we continued to deliver healthy hydration modules through the Nestlé Healthy Kids Programme in Ghana and Nigeria. The modules aimed to raise awareness on proper hydration for children, the role of water in the body, the concept of water balance, signs and effects of dehydration and information about calories in beverages.

By 2018, we intend to introduce healthy hydration modules in all Nestlé Healthy Kids Programmes that currently run in the region.

In Nigeria, local schools are also benefiting from Nestlé Waters' partnership with Project WET (Water Education for Teachers), a global water education programme. It aims to illustrate the importance of water in people's lives, while providing a better understanding of the benefits of water for healthy hydration.

As part of the initiative, we are working with the Project WET Foundation, an international non-governmental organisation, to develop hydration teaching modules aimed at raising awareness about the importance of proper hydration for children.

In 2015, a total of 5,994 schoolchildren and 363 teachers in 115 schools in the states of Lagos and Osun benefited from the programme.

In 2016 it will be expanded to Abaji, in Federal Capital Territory, with an aim to impact 1,200 pupils and 75 teachers in 25 schools.

We are also providing access to clean water around our factories and the local communities in which we operate.

Read more in the Water section.

Provide education programmes for good nutrition and feeding practices

We believe education plays an important part in promoting good nutrition and healthy lifestyles. We aim to share our expertise and knowledge on nutrition to help those that are most involved in implementing good practices, such as healthcare professionals, parents and caregivers.

We look to promote better health and nutrition through the Nestlé Nutrition Institute Africa (NNIA), which is part of the Nestlé Nutrition Institute (NNI), the world's largest publisher of nutritional information.

In addition, we provide basic nutritional information to the general public through the Nestlé Nutrition Line.

Our progress

Through the NNIA, we aim to increase the capabilities of healthcare professionals (HCPs) across the continent by organising training programmes, scientific symposiums and workshops, covering topics that are related to maternal and infant nutrition.

This nutrition resource for HCPs in Africa is also a multi-disciplinary educational organisation dedicated to the science of nutrition on the continent.

As part of NNIA's activities, the annual CWAR Advanced Nutrition Workshop (CANUP) brings together paediatricians, and shares resources, research and training on maternal and child nutrition based on the latest scientific data. Since 2011, a total of 225 HCPs have participated in these workshops.

In 2015, a total of 4,510 HCPs were trained through various NNIA activities.

We also piloted the International Course in Applied Nutrition (ICAN) in Nigeria aimed at neonatal and paediatric nurses and midwives in English-speaking countries in the same year.

The Nestlé Nutrition Institute Africa (NNIA)

- Trains paediatricians in Africa on gastroenterology, hepatology and nutrition to boost their competences in these specific areas.
- Supports scientists through annual scientific awards with award money invested into research.
- Offers short and middle term scholarships to healthcare professionals in public health nutrition.
- Provides an online education platform to more than 7,200 healthcare professionals in the region through its website.
- Partners with professional associations to help build the capabilities of its members in maternal and infant nutrition.

Neonatal Resuscitation

Central and West Africa has one of the highest rates of infant mortality worldwide, where 76 out of 1,000 children die under the age of one. To address this, we lead Neonatal Resuscitation trainings to provide healthcare professionals including paediatricians, general practitioners, nurses and midwives across the region, with the skills to save newborn babies after birth by providing artificial respiration.

Training includes simple actions such as drying, providing warmth, clearing the airways, stimulating breathing and giving bag and mask ventilation within the one 'golden minute' of life to save babies' lives.

In partnership with professional associations and scientific bodies like the Swiss Society of Neonatology, the Neonatal Resuscitation workshops have helped train almost 300 HCPs to reduce neonatal asphyxia and infant mortality in Cameroon, Côte d'Ivoire, Gabon, Ghana, Nigeria and Senegal in 2015.

A video clip has also been released for HCPs to continue their training after the workshop.

In 2016, we aim to continue Neonatal Resuscitation workshops to reach 1,050 HCPs in Central and West Africa. Our company will also provide 1,550 ambu-bags and 1,950 suction devices to neonatal and intensive care units across the region.

Nestlé Nutrition Line

We are also providing people in the region with nutritional information through the Nestlé Nutrition Line to help them build sound nutritional knowledge, and encourage them to make informed choices on their diet and health.

The five-minute radio programme, aired every morning of the week, focuses on topics developed by a qualified nutritionist, which takes into account local culinary habits.

Launched in 2003 in Ghana, and in Sierra Leone and Liberia in 2013, the radio programme is broadcasted in languages relevant to the country such as English, Twi, Krio and Liberian English, to reach more people.

Partnership with the Ministry of Health in Cameroon

Formed in 2010, we work together to:

- Improve maternal and infant nutrition by supporting medical education for healthcare professionals, promoting breastfeeding.

Activities include medical education sessions on breastfeeding with healthcare professionals, and neonatal resuscitation training.

- Improve the nutritional status of people in Cameroon.

Activities include workshops on food fortification and non-communicable diseases.

- Raise awareness on health topics among Nestlé employees, including hypertension, diabetes, HIV/AIDS and malaria.

Activities include training on how to fight malaria, free and anonymous testing for HIV, and diabetes and cholesterol testing in the workplace.

- Increase awareness on the health risks of excessive salt consumption through a new campaign launched in 2015.

Activities include mobile caravans travelling across Cameroon, door-to-door activities by community health workers, broadcasting television and radio programmes, and a poster campaign in urban areas and healthcare centres.

Marketing our products responsibly

Our core business strategy is built around helping consumers adopt a balanced, healthier diet. We are therefore committed to responsible, reliable consumer communication that empowers consumers to exercise their right to informed choice and promotes balanced diets.

The *Nestlé Consumer Communication Principles* contain mandatory rules on marketing communication to all consumers, including accurate representation and portrayal of foods in a way that does not encourage over consumption. In addition, specific principles guide our breast milk substitutes marketing practices and our communication to children.

Market breast milk substitutes responsibly

We believe breast milk is the best food for infants and this is why we promote exclusive breastfeeding for the first six months of life. However, there are still numerous barriers to breastfeeding. In consultation with their healthcare providers, if mothers and families decide that optimal breastfeeding is not possible, infant formula – the only suitable breast milk substitute (BMS) recognised by the WHO – plays a vital role in providing essential nutrients to infants.

We remain committed to the highest standards of responsible marketing of BMS. We comply with the WHO International Code of Marketing of Breast milk Substitutes (WHO Code) as implemented by national governments everywhere in the world. The WHO Code is a set of recommendations to member states, which hold responsibility for defining the Code's implementation at the country level.

In Central and West Africa, we apply the *Nestlé Policy and Instructions for Implementation of the WHO Code* when stricter than national legislations.

Our progress

In 2011, Nestlé became the first infant formula manufacturer to be included in FTSE4Good Index – the responsible investment index of the FTSE Group, a world leader in the provision of global index and analytical solutions. FTSE4Good is the only index that has developed clear criteria on the responsible marketing of BMS. One of our key objectives is to continue strengthening our practices so we consistently meet the FTSE4Good Index criteria.

In 2015, 100% of Nestlé Nutrition employees were trained on the *Nestlé Policy and Instructions*. Our company also trained external partners involved in the marketing of BMS, like merchandising agencies and distribution staff.

In Sierra Leone, breastfeeding booklets were created with the Ministry of Health and Sanitation and distributed to mothers in the country by healthcare professionals. Breastfeeding leaflets were also developed with the Ministry of Health and non-governmental organisation CamLink in Cameroon.

Aligning Wyeth Nutrition marketing practices

Since acquiring the Wyeth Nutrition Infant Formula business in 2012, we have worked to ensure full alignment with the FTSE4Good Index BMS criteria and our *Nestlé Policy and Instructions for Implementation of the WHO Code.*

In Ghana and Nigeria where Wyeth Nutrition operates, we have set up a cross-functional dedicated integration task force that is committed to ensuring compliance with our standards to market BMS responsibly.

Providing a conducive environment for our employees who breastfeed

We also actively encourage breastfeeding by employees in our own facilities. In August 2015, we launched the *Nestlé CWAR Parental Policy* for all our employees in the region.

It establishes minimum standards that must be introduced across all Nestlé sites in the region by the end of 2016. These are based on the International Labour Organization (ILO) Maternity Protection Convention and are in line with the global *Nestlé Maternity Protection Policy*.

Employees are given a minimum of 14 weeks paid maternity leave, with a right to extend their leave for up to six months for all primary carers of newborns, including male employees and adoptive parents.

It also includes employment protection, health protection, flexible working arrangements and guaranteed access to breastfeeding rooms during work hours in all our sites with more than 50 female employees. So far, we have four breastfeeding rooms at our facilities in the region.

Ensure responsible marketing communication to children

Since we established our *Corporate Communication Principles* in 2002, and introduced the *Marketing to Children Policy* in 2008, we have ensured global compliance to responsible advertising and marketing to children.

Our progress

In 2015, we updated the *Nestlé Marketing Communication to Children Policy* and decided to make it publicly available.

We seek to increase knowledge and awareness of the criteria on marketing to children across our company worldwide, and are currently developing a web-based tool to make sure our marketers and external agency partners fully understand and implement our policy.

At regional level, we will roll out targeted training for our marketing teams, including a refresher session for all our agency teams by 2017.

Inside the challenge

Ensuring that the raw materials that we use in our products are safe and of high quality is essential for our company. Smallholder farmers in Central and West Africa are continuing to carry out traditional farming methods, which can lead to low-quality and low-yield of key ingredients we depend on. This increases the risk of contaminated crops, crop waste and losses, impacting on the livelihood of farmers. We are therefore helping farmers with training on good agricultural practices to increase yields, crop quality and income levels.

The farming population is ageing and more young people are moving to urban areas. In order to make rural communities more attractive, we are also working with our partners to provide access to basic infrastructure, including access to water and sanitation facilities.

Agricultural supply chains are often complex, which makes tracing of raw materials a challenge. This requires working with farmers, cooperatives, suppliers and other partners to address social and environmental issues.

Investing in rural communities

Our company relies on smallholder farmers across Central and West Africa to supply us with the agricultural raw materials we need for our products. These farmers and farm workers are essential to the ongoing success of our business, so we have a vested interest in contributing to the sustainable development of the rural areas where they work.

We are doing this through agricultural support and capacity-building programmes to increase yields, crop quality and income levels. Our facilities also bring direct employment opportunities and greater access to our products for local people.

Roll out the Rural Development Framework

The Nestlé Rural Development Framework helps us to identify the status and needs of farmers and farming communities we are sourcing from.

In Central and West Africa, we will continue to establish baseline assessments to guide us in aligning our own activities with the priorities of local communities.

Our progress

Our company piloted the Rural Development Framework (RDF) in our coffee, cocoa and cassava sourcing in Côte d'Ivoire in 2013. Over the last few years Nestlé has applied the RDF across 11 countries in total worldwide.

It is a diagnostic tool which allows us to develop an understanding of the status of farmers, farm workers and communities, from the areas we are sourcing from.

It involves carrying out baseline assessments to understand current conditions and design appropriate interventions. Some common findings, published in 2014, include poor resource management and variable access to clean water, sanitation and nutrition. In some cases, issues concerning land tenure, the status of women and agronomy knowledge were also raised.

As a next step, we aim to use the RDF data to assess how we will address the issue of access to water with the International Federation of Red Cross and Red Crescent Societies (IFRC).

We will look to establish projects and resources to increase access to nutrition for people in the villages and choose appropriate external partners to achieve this.

We will also seek to assess the needs of women in these villages to help empower them in their activities and improve incomes.

Between 2016 and 2018, we will carry out further baseline assessments using the RDF for cocoa and cereal farmers in Ghana.

Nestlé's Rural Development Framework (RDF)

In 2012, Nestlé's RDF was developed with the Danish Institute for Human Rights, Solidaridad, the Fair Labor Association and the Rainforest Alliance.

It focuses on three distinct but connected groups:
1. Successful farmers
2. Productive and respected workers
3. Prospering communities

Its objective is to:

- Deliver a consistent approach and ambition to our rural development activities, ensuring that we address global development opportunities but retain the flexibility to address local issues.
- Align activities on the ground with business and societal priorities.
- Create shared value at country-level based upon identified gaps.
- Provide a credible process that can measure progress, and align and collaborate with governments and other organisations.

27%
of women running *Nestlé Cocoa Plan* nurseries in 2015

Roll out the *Nestlé Cocoa Plan* with cocoa farmers

Africa represents 72% of the world cocoa production. Our company globally buys around 60% of its cocoa from West Africa.

The *Nestlé Cocoa Plan*, introduced in 2009, aims to increase farmers' profitability, secure high-quality cocoa for our business, and address supply chain issues such as child labour, gender inequality and poor social conditions.

We are working with independent partners like the Fair Labor Association, International Cocoa Initiative, World Cocoa Foundation and UTZ Certified, to tackle child labour, improve cocoa farming and give transparency and credibility to the Plan.

Our company has launched the Plan in major cocoa-growing communities, such as Côte d'Ivoire and Ghana, with the objective of sourcing 175,000 tonnes of cocoa by 2018.

Our progress

In 2015, we sourced 99,873 tonnes of cocoa in the region through the *Nestlé Cocoa Plan*.

It is also making an impact on over 32,000 Ivorian and more than 6,500 Ghanaian cocoa farmers, who have been trained through capacity-building programmes.

To date, over 6.75 million high-yield cocoa plantlets have been distributed to farmers in Côte d'Ivoire as part of the Plan.

Building schools

As part of the *Nestlé Cocoa Plan*, our company made a commitment to build or refurbish 40 schools in 2012 over four years in Côte d'Ivoire.

By 2015, we built or refurbished 42 schools with our partners, including the World Cocoa Foundation (WCF) and International Cocoa Initiative (ICI), enabling nearly 3,000 children to go to school for the first time, achieving our 2016 target early.

In Ghana, three schools and eight boreholes have been constructed to benefit about 14,000 people in the Eastern and Ashanti regions.

We have also built five Village Resource Centres (VRCs) in the country as part of the Plan. These are containers based in schools and equipped with computers with child-friendly software and Internet access.

Schoolchildren can boost their skills with the Information Communication Technology (ICT) education available at the VRCs. At the same time, the VRCs help provide local farmers with audio-visual training on good agricultural practices.

Before the introduction of community-based resource centres, farmers were only trained when Agricultural Extension Officers organised capacity building programmes in the community. Farmers are now trained regularly through video tutorials in the local Akan language. The digital curriculum includes topics such as application of fertilizer and pesticides management, developed in partnership with trade partners, and the Ministry of Food and Agriculture.

Empowering female farmers

In rural communities, thousands of women are reaping the rewards from Nestlé's technical assistance, farming practices and high-yield, disease-resistant plantlets.

One of the thousands of women benefiting from the *Nestlé Cocoa Plan* is Agathe Vanié, President of COPAZ, a cocoa cooperative based in Divo in central-western Côte d'Ivoire, mainly composed of, and led by women.

Her organisation, the Association of Female Coffee-Cocoa Producers of Sud-Bandama (AFPCC), is the first female owned cooperative for cocoa and coffee production. In 2010, it joined the *Nestlé Cocoa Plan.*

The company has provided her 600 women cooperative with high-yield, disease-resistant cocoa seedlings and the technical assistance necessary to set up a nursery.

It has also bought the cooperative a delivery truck to help them distribute the cocoa beans.

Improving access to water and sanitation

We will continue to work with the International Federation of Red Cross and Red Crescent Societies (IFRC) in the region after renewing our partnership in 2014.

Since 2006, we have worked together to focus on improving rural communities' access to water.

More than 285,000 people in Côte d'Ivoire cocoa-growing communities have benefited from access to clean water and sanitation since 2007. We also extended our partnership to Ghana in 2015.

Read more in the Water section.

Roll out the *Nescafé* Plan with coffee farmers

Nestlé's ability to source the right quality and quantity of coffee for the *Nescafé* brand in Central and West Africa, and worldwide, depends on the sustainability of coffee farming. Ageing trees, plant pests and diseases, low yields, volatile prices and climate change are just some of the threats to the livelihoods of African farmers.

The *Nescafé* Plan is our global initiative that brings together our commitments and activities to improve our coffee supply chain, ranging from on-the-ground support for the farmers who supply us directly, to the application of plant science to improve yields and quality.

Through the *Nescafé* Plan implemented in Côte d'Ivoire, we seek to improve the living standards of coffee farmers; increase the quality and quantity of the coffee they produce; ensure Common Code for Coffee Community (4C) verification; promote responsible farming based on good agricultural practices, responsible supply and responsible consumption of coffee; and empower women and young people to become leaders in the coffee sector.

We are working with the Rainforest Alliance, an international non-governmental organisation, which conducts training sessions for field trainers, who in turn, train farmers onsite.

Other partners include Conseil Café-Cacao, as part of the Ivorian Ministry of Agriculture, and the National Centre for Agronomical Research (CNRA).

The *Nescafé* Plan in numbers

- We have distributed over 4.5 million high-yield, crop-resistant coffee plantlets to farmers since 2012.
- We officially launched the Plan in Côte d'Ivoire in 2014.
- There are currently 32 *Nescafé* Plan nurseries and we are working with 36 cooperatives.
- Over 75 team leaders from coffee producer cooperatives attended practical training on seedling and nursery management provided by the agronomy and Research and Development (R&D) department at the Nestlé experimental farm at Zambakro.
- A total of 12 Nestlé agronomists work full time in the fields and four agronomists at the R&D Centre in Abidjan.
- We sourced more than 20,000 tonnes of coffee through the *Nescafé* Plan in 2015, of which over 17,000 tonnes were certified 4C.
- Over 19,000 coffee growing farmers were trained on good agricultural practices through the *Nescafé* Plan in Côte d'Ivoire in 2015.
- By 2017, we aim to source 100% of 4C compliant coffee through the Plan.

More than
3.7 million
high yielding cocoa and coffee plantlets distributed in 2015

Our progress

In 2015, Nestlé sourced more than 180,000 tonnes of green coffee 4C compliant directly from farmers worldwide, and 17,128 tonnes in Côte d'Ivoire. By 2020, we also aim to distribute 220 million high-yield coffee plantlets to farmers globally, and 18 million plantlets across the region.

As part of the *Nescafé* Plan, we also installed four demo plots in Côte d'Ivoire in 2015 to demonstrate practical farming skills to farmers.

The plot is split into four areas: an area for current practices by farmers, one area for good agricultural practices, another area for good agricultural practices with fertilizer, and a fourth area for replanting with good agricultural practices and fertilizer.

Zambakro Experimental Farm

Agronomic research into soil fertility, plant nutrition and the improvement of farming systems, coffee drought resistance, as well as the distribution of cocoa plants, all have a major impact on the ability of cocoa farmers in Central and West Africa to grow more, higher-quality crops over the long-term and secure a higher income.

About 15 permanent employees at the Zambakro Experimental Farm in Yamoussoukro focus on enhancing African raw materials and ingredients such as coffee, cocoa, cereals and roots, renewing plantations under the *Nescafé* Plan and the *Nestlé Cocoa Plan*.

The 30-hectare site, part of R&D Abidjan in Côte d'Ivoire, was opened in 2013 and serves as a farmer training academy, and as an agronomy and plant sciences research centre.

It demonstrates good agricultural, harvesting and post-harvest best practices and provides technical assistance through its soil fertility and plant sciences laboratories, training about 720 Ivorian farmers each year.

In 2015, we propagated and distributed more than 2.3 million coffee and 1.3 million cocoa plantlets to farmers.

Nescafé Plan farmer: Aboulaye Konda

Aboulaye, a 48-year-old coffee farmer based in Bla, Côte d'Ivoire, has a nine-acre coffee plantation and is part of the cooperative Ecopab.

Since joining the *Nescafé* Plan in 2013, he has been trained in good agricultural practices.

As a result, Aboulaye has increased his production from 2,500 kg in 2013 to over 10,000 kg in 2015, and boosted his income thanks to applying good agricultural practices.

He has been so successful that his farm has been selected as a demonstration farm, which showcases these best practices. Aboulaye is now a proud coffee farmer and leader.

Developing local sourcing responsibly

Our company strives to source raw materials locally whenever possible. We are committed to increasing the volume of raw materials from 70% that we sourced from the region in 2015.

However, there are many challenges – for example, there may be a lack of local suppliers to supply what we need in terms of quantity and quality. In order to increase volume of what is locally sourced, we are working whenever possible with existing suppliers to help them match our quality and quantity specifications or developing new suppliers.

Furthermore, with consumers and stakeholders increasingly looking for information about where our ingredients originate and how they were produced, the sourcing of raw materials in full compliance of our *Responsible Sourcing Guideline* (RSG) criteria, with traceability and transparency throughout our supply chains, has never been more important.

Increase local sourcing

Our progress

Developing local suppliers

One of the ways we are sourcing agricultural raw materials is through the Nestlé Grains Quality Improvement Project (GQIP).

It was launched in 2008 in Nigeria and Ghana in collaboration with the Ministries of Agriculture and Rural Development and the International Institute of Tropical Agriculture (IITA) to:

- Improve the quality and safety of grains to meet the increasing demands of Nestlé cereal factories in the region by reducing the high levels of mycotoxins, a fungal-based toxic compound which can cause serious health problems.
- Reduce the impact of global food shortages on cereal grain quality and prices.
- Lessen the dependence on imported raw materials.
- Improve the overall health of rural communities through the consumption of good quality and safe grains.
- Reduce waste from field to factory.

As part of the GQIP, we are teaching farmers simple methods through good agricultural and storage practices to manage grain quality and safety.

Since 2013, a mobile cinema has travelled through Ghanaian villages to screen a soap opera created by Nestlé that reinforces the messages the farmers had received during the training.

About 26,000 farmers and their families were trained and educated in 2015 about the health effects of mycotoxins and the measures needed to prevent them.

A total of 100% of the maize used in cereals brands *Cerelac* and *Golden Morn* is now sourced locally thanks to the GQIP. In addition, 100% of millet used in *Cerelac* Millet infant cereals is sourced locally from farmers in Ghana, Senegal and Nigeria.

Alidu Samata, maize farmer in Ghana

Alidu, who is based in the Ghanaian village of Gushie, Tamale, joined the Nestlé Grains Quality Improvement Project in 2010.

She is one of the female farmers who have received training on the project to improve their capacity and their livelihoods.

Alidu has been able to transform her production of 4-5 bags per acre to 10-12 bags, after using skills taught by Nestlé agronomists.

"The impact on the community has been immense," she said. "I can now pay my children's school fees and can afford to sew them school uniforms. Now I even have some extra income."

70%
of raw materials sourced locally (in volume)

Sourcing salt locally

We have also helped local suppliers improve their ingredients, such as dry and fine iodised salt for *Maggi* products in Cameroon, to increase the amount of ingredients we source locally.

Previously, Nestlé did not source salt as an ingredient for our *Maggi* products from local suppliers because they did not match our specifications. We sourced 80% of the ingredient from outside Cameroon.

However, since 2013 we have helped local suppliers to implement good manufacturing practices and lab practices; organised supplier training sessions on the prevention of foreign bodies or objects in products; and have supported suppliers in their processes and capabilities following investments in additional equipment. A significant improvement has been made which now allows us to source nearly three-quarters of salt from suppliers in Cameroon.

We are also working with suppliers to iodize, dry and mill salt in Senegal.

By 2020, we aim to source 100% of salt from local suppliers across the continent.

Cassava project

In Nigeria, our company is providing improved, high-yielding, disease-resistant varieties of cassava to smallholder farmers around our two processors.

The project also includes helping farmers to improve their cassava management practices.

In 2015, we supplied over 30,000 bundles of improved cassava to a total of 503 farmers, of which the majority were trained in cassava production and best management practices.

Milo in Nigeria

Nestlé chocolate malt drink *Milo*, made from ingredients like malted barley, cocoa and milk solids, has been sourced and produced in the region for decades.

In Nigeria, we are using locally sourced grain sorghum as a malt ingredient to tailor our products to match the preferred taste profile of Nigerians in the country and benefit local farmers.

More than **84,000** farmers trained on good agricultural practices in 2015

Implement responsible sourcing in our supply chain

As an important part of responsible sourcing, we ensure that the decisions we make on purchasing raw or processed materials align with the *Nestlé Supplier Code*. It sets out the non-negotiable minimum standards and best practices that we require our suppliers and their suppliers – down to individual farm level – to respect and adhere to when doing business with us.

We also look to ensure 40% of our priority categories, such as pulp, paper and palm oil, are traceable by 2016.

Our progress

Responsible Sourcing Audit

Our company's Responsible Sourcing Audit Programme aims to verify the implementation of the *Nestlé Supplier Code* at direct supplier level.

Since the programme started in 2010, we have audited 111 vendors.

We are following up with auditors and vendors to ensure any gaps are closed before the audits are completed. Most of the gaps we find concern labour and environmental issues. In these cases, we work with the suppliers to help them understand national legislations as well as Nestlé's strict requirements.

In addition, to prepare vendors for the audit and close up any gaps, forums were organised in 2015 at our operating sites in Ghana, Côte d'Ivoire, Cameroon, Senegal and Nigeria on the SEDEX Members Ethical Trade Audit, on the interpretation of the Ethical Trading Initiative, and on key areas auditors assess during visits.

Responsible Sourcing Traceability Programme

Nestlé's Responsible Sourcing Traceability Programme, which looks to verify implementation of the *Responsible Sourcing Guideline* (RSG) back to farm level, is being carried out with The Forest Trust (TFT), which is assessing our suppliers and their suppliers.

The RSG is derived from the *Nestlé Supplier Code* and defines additional category specific requirements that we ask our suppliers to implement when doing business with our company.

The TFT has implemented a mapping assessment that evaluates the suppliers of our suppliers. In Central and West Africa, together with the TFT, we have successfully assessed all pulp and paper, and nearly all our palm suppliers, since the programme started in 2012.

When issues are found, such as the responsible disposal of waste or the responsible acquisition of land, we make sure gaps are closed by working with suppliers based on recommendations by the TFT.

Inside the challenge

Responsible water stewardship is vital to the future of our business in Central and West Africa.

We are committed to facilitate the sustainable management of water catchments, where we source our goods, around our factories and where our consumers live.

Water is also critical to the sustainability of our value chain. Our employees, suppliers and customers all need access to safe drinking water and adequate sanitation. In addition, it is important to ensure the effectiveness of our nutrition products.

However, millions of people in our region still lack access to improved drinking water sources and improved sanitation facilities.

To deliver our commitment, we must make sure our operations use water efficiently and do not compromise the right to water of local communities.

In 2013, we launched the Nestlé Commitment on Water Stewardship to guide our actions.

26%
reduction in water consumption per tonne of product since 2010

Water in our operations

We aim to facilitate a more sustainable management of water catchments where we source our goods, where our factories are located, and where our suppliers and consumers live.

Our factories in the region must have water to operate and providing a reliable supply is an important priority. When water cannot be reused, either in the manufacturing process or for external factory purposes, it is treated before being returned to the environment.

Our five water stewardship commitments and their objectives help us to reduce risks and improve our performance.

Work to achieve water efficiency across our operations

Our company has achieved a strong water efficiency performance across our operations in Central and West Africa over recent years.

We will continue to drive improvements in water efficiency and sustainability across our operations. By 2020, our objective is to achieve an overall reduction of direct water withdrawals per tonne of product of 35%, in every product category, compared to 2010. We also aim to implement detailed guidelines on human rights to water and sanitation due diligence in the region and worldwide.

Our progress

Between 2010 and 2015, we have reduced water consumption by 26% per tonne of product across our operations in Central and West Africa.

Water Resources Review

At Nestlé, we manage the Water Resources Review (WRR) initiative at our factory sites worldwide to help us analyse the impact of a manufacturing facility upon a local water catchment, and the sustainability level of long-term water supply on the site. Since 2009 such reviews have been carried out at our sites in Agbara, Tema, Dakar, Douala, Yopougon and Abidjan.

This formal process investigates:
- Water availability (including some key aspects related to the human right to water and sanitation);
- Water quality;
- Regulatory compliance;
- Site protection; and
- Stakeholder relations.

After the review, corrective actions are carried out, as necessary. At most of our sites, we identified that we need to extend our focus beyond the factory site and engage with local stakeholders to address water scarcity issues and pollution risks. Other issues included the need to improve our Water, Sanitation and Hygiene (WASH) Pledge programme and internal water management practices.

At the Douala factory in Cameroon we have strengthened our leadership in water saving and wastewater treatment initiatives.

This achievement comes after a WRR took place at the site in 2014 to evaluate the sustainability of water resources management at factory level, and at wider community level, in which the facility operates.

The potential impact of our operations on African communities' ability to access water is continuously being assessed as part of the WRR. The process will be updated in 2016 to reaffirm our principles on the human right to water and sanitation.

At factory level

Due to the close proximity between our food manufacturing facility and the Nestlé Waters plant in Agbara in Nigeria, we were able to install a connection to allow the use of surplus water from Nestlé Waters' deep well at other sites. This led to a reduction in water use with an annual saving of 100,000 m3 of water.

At our Flowergate factory in Nigeria, we are educating our employees to have a better understanding of water issues and make better-informed decisions to promote effective water stewardship.

Our Water Stewardship Commitment

W Work to achieve water efficiency and sustainability across our operations

A Advocate for effective water policies and stewardship

T Treat the water we discharge effectively

E Engage with farmers on water management as part of coffee farming practices

R Raise awareness on water conservation and improve access to water and sanitation across our value chain

Treat the water we discharge effectively

We are committed to developing our business in a way that helps safeguard the environment. As such, we have set new and strengthened requirements for water quality and effluent discharge in all our factories to be implemented from 2016.

Our progress

We continuously invest to reduce water discharged to the environment and to improve our waste water treatment facilities to ensure we meet local legislation or our own internal standards, whichever is more stringent.

For example, an innovative new system – the oxycon biological treatment and effluent polishing plant – was recently installed at our Douala factory in Cameroon to filter waste water from our operations. As a result, it ensures that only clean water is returned to the environment and produces minimal chemical oxygen demand.

In order to increase manufacturing efficiency, as well as reduce energy consumption and water withdrawal, we invested CHF 9.2 million in 2015 in a new evaporator at our coffee factory in Abidjan, Côte d'Ivoire. New technology in the evaporator reduced its steam usage, saving 6% of water used at the factory in 2015.

In the same time frame, a pilot Waste Water Treatment Programme (WWTP) was developed by Nestlé and an industrial water treatment company to provide classroom and on-site training, coaching and technical support to employees at our Agbara and Flowergate factories in Nigeria, the Tema site in Ghana and the Yopougon facility in Côte d'Ivoire.

The programme – which looks to standardise our operations, provide accurate waste water analysis and reaffirm compliance at all our sites – will run until the end of 2016 and will be evaluated with an aim to continuing the initiative in the long term.

In Ghana, we invested CHF 1.1 million in an Ultra Filtration-Reverse Osmosis system at our Tema factory to improve the quality of waste water. The system also enables us to reuse 30% of WWTP effluent for non-core activities, reducing the total factory water consumption by 10%.

Engage with farmers on water management as part of coffee farming practices

We aim to improve water management by introducing better agricultural techniques at farm level.

Our progress

A module on water management is included in the 4C (Common Code for Coffee Community) training we give to the farmers in the *Nescafé* Plan.

The objective of the training at farm level is to:
- Avoid wasting water by monitoring the use of water;
- Avoid polluting water through filtering and treating waste water on farms by using local materials and simple techniques; and
- Preserve water quality by protecting the natural water sources on farms.

More than
285,000
people have benefitted from water and sanitation facilities since 2007

Improving access to water and sanitation

We want to raise awareness on water conservation and improve access to water and sanitation across our value chain. Everyone has the human right to clean, safe drinking water and sanitation, and it is unacceptable that today some are unable to access either.

We are continuing to work with expert partners in the region to improve access to water and sanitation for our employees, the communities around our factories and the farming communities we source from.

Advocate for effective water policies and stewardship

Nestlé is one of the first signatories of the World Business Council for Sustainable Development (WBCSD) WASH Pledge, committing to providing access to safe water, sanitation and hygiene at all of our direct workplace premises.

Our progress

We have used WBCSD's Water, Sanitation and Hygiene (WASH) self-assessment tool to examine access to water, sanitation and hygiene in our sites across Central and West Africa.

At the end of 2015, 95% of our sites in the region had completed WASH self-assessments, with an aim to have 100% of the sites assessed by early 2016.

The majority of sites were in line with the WASH Pledge. In a few areas, there are still some improvements to be made. The closure of any outstanding gaps will be reviewed every quarter.

WASH Pledge at the Douala factory

In 2014, we used the WASH self-assessment tool at our Douala factory in Cameroon. It satisfactorily met the Pledge's overall compliance levels.

Minor gaps highlighted by the assessment are being addressed with an action plan to a specific time frame. For example, we improved access to sanitation for disabled people by building a new locker room with a disabled toilet.

We are also helping local communities by providing free access to the water fountain on site during set hours. Together with local authorities, a new waste water drainage project has also been earmarked to help these communities avoid flooding or stagnant water affecting their households, and to boost a cleaner environment.

Feedback from the assessment will be used as a guide for our other sites in Cameroon, such as our distribution centres and head office.

More than
240,000
people have benefitted from hygiene awareness training since 2010

Raise awareness of water access and conservation

Access to clean drinking water and sanitation is a human right, yet according to the United Nations, 663 million people worldwide have no access to improved drinking water sources, and millions of people in Central and West Africa still depend on unsafe drinking water and lack access to basic sanitation.

Lack of access to safe water, sanitation and hygiene can cause illness or death, impair productivity, and restrict markets for some products and services. We believe there is a compelling economic case for businesses to show leadership in this area.

We are working with local partners and non-governmental organisations in the region, such as the International Federation of Red Cross and Red Crescent Societies (IFRC), by contributing funding, operational support and training to community water management schemes.

Our progress

In 2014, we renewed our long-standing partnership with the IFRC, in which we have committed to contribute CHF 5 million over five years to improve sustainable access to water, sanitation and hygiene services in cocoa-growing communities in Côte d'Ivoire and in Ghana.

Since 2007, more than 285,000 people have benefitted from water and sanitation facilities in Côte d'Ivoire. In addition, more than 240,000 have benefitted from hygiene awareness training.

In 2015, an independent initiative led by the community was introduced to encourage villagers in about 30 *Nestlé Cocoa Plan* communities in the country to voluntarily improve their surrounding living areas.

The 'Total Clean Up' initiative was so successful that the communities were recognised by the Ivorian government for their sanitation work in surrounding areas.

In 2015, Nestlé and the IFRC extended the partnership to Ghana, where in both urban and rural areas, improved sanitation is available to a small proportion of the population. The project is expected to improve access to sustainable WASH services for about 90,000 people in cocoa-growing communities. In 2015, a baseline household survey to assess the access to water, sanitation and hygiene services was carried out in 52 sites in the Ashanti and Eastern regions.

In Nigeria and Cameroon, we provide approximately 20,000 litres of free clean water per day to the communities around our Agbara and Douala factories.

We also constructed boreholes in the Orile Imo community near our Flowergate factory in Nigeria, impacting on more than 10,000 people.

Nestlé's partnership with the IFRC

- In 2002, the Nestlé and IFRC collaboration was formally established.
- In 2006, the partnership was extended for another four years, supporting projects related to the IFRC's Global Water and Sanitation Initiative (GWSI).
- In 2010, the collaboration was renewed for three years, with a focus on building more resilient rural communities in Côte d'Ivoire.
- We renewed our collaboration again in 2014 for five years, with a focus on improving rural communities' access to water. We also extended our partnership to Ghana.
- Our work with the IFRC in Côte d'Ivoire and Ghana is linked to the *Nestlé Cocoa Plan*.

Inside the challenge

Environmental sustainability for Nestlé means protecting the future by making the right choices and also giving people in Central and West Africa another reason to trust our company and enjoy our products.

We continue to drive our commitments in environmental and social sustainability but face a number of challenges ahead.

The region's public recycling facilities and infrastructure may not be as developed as other nations, which can affect achieving our goal of zero waste for disposal. We also need to consider finding optimal packaging designs to minimise packaging material and avoid food waste.

19%
reduction in energy consumption per tonne of product since 2010

Improving our environmental footprint

Our goal is that our products are not only tastier and healthier, but also better for the environment along their value chain.

Food production and consumption can take up an important share of the world's resources. We not only have to comply with all applicable legal requirements and the *Nestlé Corporate Business Principles*, but we also have to make sure that the principles of sustainability are embedded into all of our activities, brands and products.

We aim to improve our environmental footprint by boosting environmental sustainability, which means protecting the future by making the right choices, in a world where water is scarce, natural resources are constrained and biodiversity is declining – and climate change may amplify these challenges.

We strive to live up to employees' and external stakeholders' expectations about our environmental sustainability and practices.

Improve resource efficiency

Our company aims to do more with fewer resources and less waste to preserve natural resources.

By 2015, we looked to reduce energy consumption per tonne of product in every product category to achieve an overall global reduction of 25% versus 2005.

By 2017, we aim to achieve zero waste to landfill and zero incineration without energy recovery in all our factories in Central and West Africa.

By 2020 we also seek to reduce water withdrawals per tonne of product in every product category to achieve an overall reduction of 35% in our manufacturing sites since 2010.

Our progress

Between 2010 and 2015, we reduced energy consumption by 19% per tonne of product across our operations in Central and West Africa.

At our Yopougon factory in Côte d'Ivoire, we are using new and innovative ways to recycle waste. For example, the leftover waste product of cassava – which is transformed into cassava flakes at the site and used in *Maggi* bouillons – is turned into compost along with the canteen waste. Used cartons are also being recycled into egg crates.

At the same site, the use of natural gas will also help to reduce our thermal energy consumption, cut costs and improve the facility's environmental impact. The initiative, which is part of a national government project to expand the natural gas distribution in the industrial area, has already achieved annual energy savings of over 7,200 GJ (gigajoules) and 562 tonnes of CO2 emission savings.

At our Agbara factory in Nigeria, spent grains generated from sorghum, millet, maize and soya during processing are sent to silo, discharged to trucks and then sold to farmers for use as livestock feed. In 2015, we reused 1,560 tonnes of materials.

In Senegal, we are using solar panels to heat water at our Dakar factory, resulting in an annual saving of over 60,000 kWh of energy, equivalent to about 3% of the factory's total energy consumption.

We aim to introduce plastic recycling methods in all our factories and will start in-house recycling and waste management at our sites in the region.

Improve the environmental performance of our packaging

Our product packaging is crucial to prevent food waste, guarantee quality and inform consumers.

During the innovation and renovation design process, we aim for performance and functionality while optimizing weight and volume. Our challenge is to find optimal packaging design that allows us to save packaging material and avoid food wastage.

By 2017, we aim to continue systematically analysing and optimizing our packaging portfolio, avoiding the use of at least 100,000 tonnes of packaging material globally.

Our progress

In 2015, Nestlé in Central and West Africa has made a total saving of 44 tonnes of packaging.

At the Agbara factory, we have reduced the amount of material in our *Milo* 20g sachets by 8%. This is expected to generate annual savings of about CHF 480,000.

At the Agbara and Tema factories, we have also swapped from paper and laminate to monofilm in our *Milo* Enrgy cubes to save 60 tonnes of material each year, equivalent to a saving of CHF 550,000.

We also started using recycled cardboard instead of virgin cardboard in the display box packaging of our *Nescafé* Classic 2g sachets.

At the Flowergate factory in Nigeria, we are now packing *Maggi* bouillon tablets in 3-ply shipping cases (versus 5-ply), which has reduced our packaging by 22 tonnes. By reducing its shrink film packaging thickness from 60 microns to 50 microns, this has also saved 14 tonnes of packaging.

In Nigeria, Nestlé Waters has also made progress by using lightweight packaging. By the start of 2015, it renovated 60cl and 150cl bottles, which resulted in a saving of 172 tonnes of PET bottles and 43 tonnes of PET caps over a period of 12 months.

20%
reduction in greenhouse gas (GHG) emissions per tonne of product since 2010

Preserve natural capital, including forests

By 2016, we aim to assess 40% of the volume of our key 12 commodities volumes against our *Responsible Sourcing Guidelines* and is compliant, or improvement plans to preserve natural capital are ongoing.

Our progress

We are working with The Forest Trust to assess our suppliers and their suppliers as part of our *Responsible Sourcing Guidelines* (RSG).

It is derived from the *Nestlé Supplier Code* and defines additional category specific requirements we ask our suppliers to implement when doing business with our company.

In Central and West Africa, we have successfully assessed all pulp and paper and nearly all our palm suppliers since the programme was launched in 2012.

Read more in the Rural Development section.

Provide climate change leadership

By 2016 we aim to expand the use of natural refrigerants which do not harm the ozone layer and have little impact on climate change.

We will also use natural refrigerants in all new Nestlé Professional, our out-of-home business, proprietary cold beverages dispensers by 2020.

In the same time frame, consistent with science requirements to limit warming to less than 2°C, we aim to reduce our greenhouse gas (GHG) emissions per tonne of product in every product category to achieve an overall reduction of 35% in our manufacturing operations versus 2005.

We also seek to reduce GHG emissions per tonne of product by 10% in our distribution operations, and by 10% in the major warehouses we use since 2014, respectively.

Our progress

Across our operations in Central and West Africa, we have already reduced emissions of GHG by 20% between 2010 and 2015.

At our Agbara factory in Nigeria, the tri-generation power plant generates electrical power as prime energy, while recycling the heat generated from the plant's exhaust gases produces chilled water and hot water. This has allowed us to reduce CO2 emissions by 5,000 tonnes per year since its construction in 2012. In addition, the use of eco-friendly absorption chillers has eliminated the need for ozone-depleting refrigerants.

We are also making steady progress in adapting to climate change by using our scientific expertise and resources to help improve crop resilience.

Nestlé's Research and Development (R&D) Centre in Abidjan in Côte d'Ivoire is working with our R&D Centre in Tours, France and other research institutes as part of the *Nescafé* Plan and the *Nestlé Cocoa Plan*, to produce drought-resistant varieties of cocoa and coffee plantlets, which are less vulnerable to disease and result in greater yields.

Read more in the Rural Development section.

Consumer information

Our company believes that by providing meaningful and accurate environmental information about our products at different touch points in the product lifecycle, we can help raise environmental awareness among the millions of people in Central and West Africa, and worldwide, who use them.

By communicating science-based environmental information at corporate, market and product brand level, this helps our consumers make informed choices and enables us to promote sustainable consumption.

We continuously aim to review consumer feedback, carry out brand research and keep up-to-date on leading external studies.

Provide meaningful and accurate environmental information and dialogue

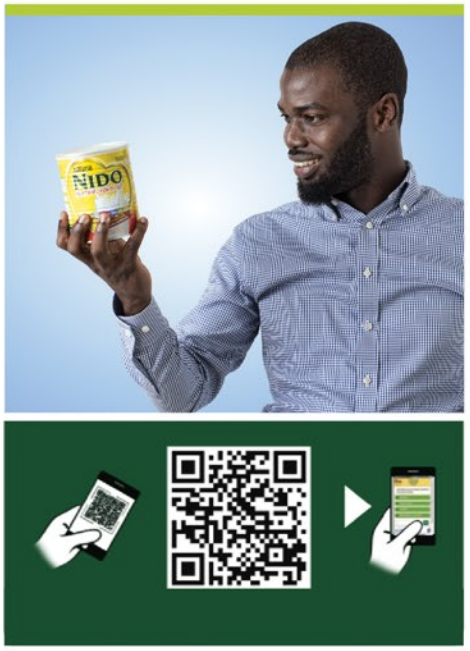
A variety of contact points, from packaging to digital channels, are used to explain environmental sustainability, build trust and help consumers make informed choices. By 2016, we aim to make fact-based environmental information accessible to consumers in Central and West Africa, enabling them to make informed choices and improve their own environmental impacts.

Our progress

People can use their smartphones and other mobile technology to get instant access to information about the nutritional profile and environmental and social impacts of our products to go 'beyond the label'.

We are using Quick Response (QR) codes on our product packaging to link to additional online content. Users can scan QR codes on selected products using their smartphone, which takes them to a digital site where they can find more information about the product than would normally be available on the pack. This may include how the product fits into a healthy lifestyle, or how much water or energy it has used in its entire life cycle.

In the region, 'beyond the label' is already available on *Nescafé* 200g and *Nido* and *Milo* packs.



In addition, we have toll-free consumer hotlines available in Burkina Faso, Cameroon, Côte d'Ivoire and Ghana. We are planning to extend this to more countries in the region.

Inside the challenge

People are at the heart of everything we do in Central and West Africa. From factory workers to scientists, sales representatives to business managers, we aim to offer each one of them good working conditions, while keeping them safe, healthy and engaged.

We must not only follow national laws and international business standards, we must also actively reinforce them. Through respecting and maintaining the principles established by the global business community, and the consistent and continuous application of our own standards, we believe we are in a strong position to have a positive impact on those we affect.

However, there is always more work to be done and we will always strive to ensure people are our top priority.

More than **6,700** employees

Human resources and labour relations

At Nestlé, we have established a culture based on the values of trust, mutual respect and dialogue.

As a large global company we operate in a wide range of countries and regions, like Central and West Africa, which have their own laws, rules and culture.

More than 6,700 employees in Central and West Africa work daily to create and maintain positive individual and collective relationships, and are expected to do so as part of their job. To meet their expectations, we look to promote zero accidents in the workplace and boost safe and healthy employee behaviours.

We also aim to empower women to fully take part in society and the economy across the value chain – in the workplace, marketplace and community. While improving people's lives through community and societal activities, and increasing their access to employment, education and skills training, all of which are essential.

As a result of our work in this area, Nestlé Nigeria was recognised as the most employee-friendly organisation in the food and beverages industry in 2015 by the Chartered Institute of Personnel Management of Nigeria.

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

We keep our responsibility to respect human rights at the forefront of our business by continually reviewing and addressing the impact that our business activities have upon them.

We have adapted our approach to local circumstances where we operate, ensuring that we raise awareness to our stakeholders, while respecting their rights.

We aim to train our employees to reduce human rights risks in our operations.

Our progress

Our global external audit programme CARE helps to verify all our operations comply with local legislation, the *Nestlé Code of Business Conduct* and the *Nestlé Corporate Business Principles*, including those relating to safety and health. The audits, carried out every three years, are performed by leading independent company Société Générale de Surveillance (SGS).

CARE audits aim to provide employees with efficient, safe and improved work sites and help to identify any workplace gaps.

In 2015, no major gaps were found during these audits but we identified 39 minor gaps, specifically on human rights and labour practices, safety and health, and environmental sustainability.

We are taking action to address these minor gaps by developing plans, monitoring third party practices and reviewing existing assessments.

As a result of these audits, we have enhanced our monitoring of third party labour practices to ensure that they are compliant with local legal requirements and Nestlé policies.

Ensure that all Nestlé employees are covered by a certified safety and health management system

Our company focuses resources on our employees, on visitors to our facilities, and increasingly on those who work for our partners, up and down the value chain.

We believe that health and safety is important for everyone at Nestlé Central and West Africa, regardless of what they do or where they work.

By 2016 we aim to ensure that robust safety and health management systems are in place and certified to OHSAS 18001:2007, covering all Nestlé employee populations so there is a uniform level of safety and health protection across all businesses in the region.

Our progress

We launched a road safety programme in the region for employees to increase safe driving and reduce road accidents, focusing on training, measures and monitoring.

In the training area, we are working with an external partner on 'Train the Trainers' training, collaborating with in-house trainers to incorporate behavioural defensive driving. It was launched to teach our employees about best practices on safe driving. Main driver employees in Francophone countries have already taken part in the training. It will also be rolled out to Anglophone countries in 2016.

Measures and monitoring were also introduced to boost safe driving and reduce road accidents, based on the introduction of a GPS tool in transport vehicles in Senegal three years ago.

Results from such monitoring aims to encourage Nestlé drivers to adopt good driving habits, like keeping to the speed limits, taking enough breaks and avoiding road hazards. By the end of 2016, the programme will be rolled out to the rest of the region.

Safe Way Right Way

Nestlé is a founding member of 'Safe Way Right Way' in Cameroon and is working with the foundation to teach more people about road safety.

A mobile caravan campaign was launched in 2014, in which nearly 1,000 people benefited from the initiative. About 120,000 drivers also attended education and awareness sessions that highlighted the dangers of speeding, drinking and driving, driving while tired, and using mobile phones while driving.

It also focused on encouraging people to wear seat belts, motorcyclists to wear helmets, respect for vulnerable people on the road such as pedestrians, cyclists and motorcyclists, and periodic vehicle checks.

4
breastfeeding rooms available at Nestlé sites for lactating mothers

Malaria prevention

Nestlé in Central and West Africa has also made significant progress in achieving its health commitment to employees.

In Cameroon, a pilot malaria prevention programme was introduced in 2013 to target the full eradication of the disease in employees by 2016.

As part of the programme, employees and their families have been given training and preventative tools such as mosquito bed nets and repellents, which has resulted in a 27% drop of malaria cases in 2014, and a significant reduction in hospitalisations for malaria. It was also launched in Gabon, marking a 95% success rate. The programme, which was awarded with a Nestlé Safety & Health awards 2014 title in the health category, will be rolled out to other employees across Central and West Africa by the end of 2017.

Employees in the region were made aware of health-related diseases such as diabetes and HIV/AIDS through health campaigns led by our company.

Cardiovascular and diabetes testing was provided to employees free of charge at some Nestlé sites in the region. Employees were also given regular medical checks by health professionals to monitor any health issues.

Ebola Virus Disease Protocol

Due to the outbreak of the Ebola Virus Disease (EVD) in 2014, an 'EVD Protocol' was activated in collaboration with the International Federation of Red Cross and Red Crescent Societies (IFRC) to prepare and monitor the situation. Several drills were carried out across our sites to test the protocol and evaluate our readiness in dealing with a potential Ebola case at any of our sites.

To prevent the risk of exposure to our employees we introduced a number of measures including reinforcing hygiene measures and communication at all our sites across the region. We also highlighted contact numbers of medical doctors, nurses and medical centres in case of suspected infection; provided sanitary packages to employees in severe Ebola-affected countries such as Guinea, Sierra Leone and Liberia; and offered psychological support to employees in Guinea in partnership with the IFRC.

Out of 128 companies inspected, Nestlé Guinea was one of the 13 companies awarded by the Guinean Ministry of Labour for its fight against Ebola in the workplace.

Enhance gender balance

We strive to create a business culture that provides equal opportunities for everyone and ensures people are always treated with dignity and respect. This is reflected, for example, in our promotion of gender balance within the business.

Our progress

In Central and West Africa, we have introduced a number of changes to promote gender balance in the workplace.

We have changed the corporate recruitment policy, focusing on Gender Equity as a key decision-making and reference point.

Our company has increased the employment of women in management positions by 10% across the region.

Gender balance is a focal point during staff meetings and communications, as well as management committees and leadership training.

We are also helping new breastfeeding mothers to balance motherhood and work thanks to the launch of the *Nestlé CWAR Parental Policy*, which is designed to support employees and their children in all its sites across the region.

For more information on this policy, go to the Nutrition section.

Women cocoa farmers in Côte d'Ivoire

We have committed to support women cocoa farmers in Côte d'Ivoire by launching the 'Nestlé Action Plan on Women in the Cocoa Supply Chain' in 2013, as part of the *Nestlé Cocoa Plan*.

Women have a pivotal role to play in the fight against child labour, as they are often responsible for taking care of the household.

Our vision is to empower women to improve their livelihoods and eliminate child labour by:
- Promoting equal opportunities
- Giving women a voice
- Helping increase women's income

In collaboration with the Fair Labor Association (FLA), gender awareness trainings have already been organised in 29 cooperatives with the objective of opening up more opportunities for women. This will be extended to all coops by 2017.

The percentage of women running *Nestlé Cocoa Plan* nurseries has increased to 27% in 2015, compared to 3% in 2013. We are also helping create local women's associations to provide support and assistance. So far, 66 women's groups were assisted with income generating activities, such as growing and selling cassava, enabling them to send their children to school.

Maggi mammies

Women are also developing new career paths and increasing their independence across Central and West Africa.

The '*Maggi* Loyalty Programme', which started in Côte d'Ivoire and Cameroon over 15 years ago, was launched as a regional initiative in 2015.

More than
82,000
Maggi mammies in the Loyalty Programme

Maggi mammies who are part of the programme receive basic training in sales and marketing skills, as well as nutrition. This enables them to become better sellers and helps to provide nutritional advice to their shoppers. In some countries like Côte d'Ivoire, they also benefit from incentives like vaccinations.

Provide training and education for our employees in Nutrition and Environmental Sustainability

Our company cares about our people and we aim to provide training and education that has a positive influence on their day-to-day lives.

We want to ensure our employees have the knowledge and capabilities they need to carry out their roles, and the opportunity to learn and develop new skills.

Our progress

Nutrition is everyone's business at Nestlé. This is why we are training all our people using Nestlé's Nutrition Quotient programme (NQ), which aims to make sure everyone has good nutritional knowledge and can apply the NQ learnings in their day-to-day roles.

Launched in 2007, the e-learning programme covers basic nutrition science, regulations and the components of a healthy, balanced diet.

For those employees without computer access, we provide in-class training and organise factory site campaigns with educational posters, activities and handouts that our employees can take home to their families. All participants are tested before and after NQ training is delivered to measure progress.

In 2015, 1,637 employees were trained on the NQ Foundation module. By 2016, we aim to have all employees trained at least once in this module.

In 2015, we also carried out activities across all sites during World Breastfeeding Week to raise awareness on the importance of breastfeeding among employees.

In addition, all Nestlé Nutrition employees are specifically trained on the *Nestlé Policy* and are provided with instructions on how to implement the WHO International Code of Marketing of Breast Milk Substitutes.

In 2016, we will provide environmental awareness training for all employees in all countries in the region through an e-learning module.

Saly Kone, *Maggi* mammie in Côte d'Ivoire

Saly is a 33-year-old mother-of-one who works in Abobo market in Abidjan.

She is one of the 82,913 *Maggi* mammies who are involved in the programme.

"Today I make enough to have financial independence and take care of my daughter on my own. My wish is to be able to give her access to full-time education," she said.

45
schools built or rehabilitated in cocoa growing communities in Côte d'Ivoire and Ghana

Human rights in the supply chain

Nestlé is against all forms of child exploitation, and we are committed to preventing and eliminating child labour from our supply chain.

By working with a range of different stakeholders, we are developing and implementing meaningful solutions to this issue by setting up comprehensive monitoring mechanisms, implementing effective remediation activities and providing targeted support to local communities.

Eliminate child labour in our cocoa supply chain

Our company aims to eliminate all forms of child labour from our supply chain, while respecting family situations and the legitimate need for rural development.

We believe in being open and transparent about the issue of child labour and how we are addressing it. We are working with others, first to identify where child labour is a problem and then to tackle its root causes.

Our progress

In 2012, Nestlé became the first company in the food industry to become an affiliate partner of the Fair Labor Association (FLA) and drew up an action plan in response to its report, which mapped our cocoa supply chain in Côte d'Ivoire.

The action plan included the launch of the 'Child Labour Monitoring and Remediation System' (CLMRS) in Côte d'Ivoire in partnership with the International Cocoa Initiative (ICI).

We are the first cocoa buyer to establish such a system, which goes beyond certification. It uses community liaison officers chosen by their local communities, who gather data on whether children of farmers are involved in child labour rather than non-hazardous work that doesn't interfere with schooling.

There are currently 687 of these officers in Côte d'Ivoire, and they report to 40 cooperative child labour agents who organise intervention efforts when required.

By the end of 2015, we completed action plans to reduce child labour in our cocoa supply chain in Côte d'Ivoire with 44,617 farmers and 120,067 community members sensitised on child work/ labour practices, 42 schools built or renovated, and 50% of cooperatives covered by a child labour monitoring and remediation system. By 2016, we aim to achieve 100%.

Read more in the Rural Development section.

Ensuring compliance with our principles

The *Nestlé Corporate Business Principles* reflect our commitment to a strong compliance culture as a non-negotiable foundation of how we do business.

Our principles are actionable and we are prepared to do what is necessary to ensure that our company is managed in line with our commitment, including providing internal and external reporting lines and performing audits.

Bribery and corruption can have a negative impact on our performance and operations, and on the perception that stakeholders have of our company.

We are continuing to promote our products on the basis of quality, price, competitiveness and sustainability, and not on the basis of improper advantages.

Work against corruption and bribery

Our company works against corruption in all its forms and acts decisively to put an immediate end to any potential breach of integrity.

Our progress

We encourage employees, suppliers and stakeholders to report practices or actions at Nestlé that are believed to be inappropriate or illegal. We properly investigate all complaints with impartiality and we prohibit retaliation for reports made. When a breach is uncovered, we act decisively to put an immediate end to it and take appropriate response measures.

By 2016, we will reinforce our work in this area and roll out a training programme to make sure all our employees understand what is expected of them.

Ensure that all employees and stakeholders can easily report possible compliance violations

Our company encourages all employees, suppliers and stakeholders to report inappropriate or illegal practices or actions at Nestlé.

We will aim to continue to raise awareness on the existence of confidential reporting lines, and to scale up the communication about 'Tell us' to suppliers and downstream business partners.

Our progress

The Nestlé Integrity Reporting System for our employees

The system enables our employees to report anonymously, via phone or web message, any illegal or non-compliant behaviour they observe, as well as seeking advice or information on our practices.

It was introduced in Central and West Africa in 2012 and awareness of its existence is continuing to be reinforced across the business.

'Tell us', our external compliance reporting system

'Tell us' is a Nestlé-led global initiative that was rolled out in our region as a pilot in 2015, allowing stakeholders to report non-compliance occurrences in confidence or to ask for information on its practices. Suppliers and distributors in the region are informed about the system, with details highlighted in all new contracts and training materials.

Nestlé will continue to highlight the existence of confidential reporting lines and continue to increase communication about 'Tell us' to its suppliers and other business partners, such as retailers.

Providing opportunities for young people

A skilled and knowledgeable workforce is a key factor in the long-term success of our business.

Attracting and retaining the best talent is critical for gaining competitive advantage in an increasingly competitive economy.

We also have an opportunity to support the African economy as we grow and provide the next generation of employees we depend on with training opportunities and jobs.

Create jobs and encourage entrepreneurship

We are helping our young employees develop the skills and capabilities they need to carry out their roles through our Global Youth Initiative, technical training, and apprenticeship and traineeship opportunities. We also want to encourage entrepreneurship among African youth through schemes like *Nescafé* Get Started and 'My Own Business'.

Our progress

Global Youth Initiative

This Nestlé-led scheme aims to support and help young people aged under 30 in their professional careers.

It focuses on four pillars:
- Recruitment
- Training
- Support
- Opportunities with suppliers

In Central and West Africa, more than 50 young people under 30 were recruited as full time employees in 2015.

As part of our internship programme, we employed 105 interns from across the region in the same year. Through the governmental National Service Programme in Ghana, our company also takes on a total of 20 graduates each year, of which some are then hired for permanent positions.

In 2016 we will introduce Management Trainee Programmes in Nigeria, Ghana and Côte d'Ivoire.

Technical training

In Nigeria, we opened the Technical Training Centre at the Agbara factory in 2011 to educate young people in technical training.

It follows an intensive 18-month theoretical and practical engineering syllabus, based on the City and Guilds of London technicians' curriculum for Mechanical and Electrical Engineering students. The top five graduates are offered a three-month internship at a Nestlé factory in Switzerland, sponsored by the Swiss government.

The centre is recognised by the National Office for Technology Acquisition and Promotion (NOTAP) and the Industrial Training Fund (ITF), which aims to develop young engineering manpower in Nigeria.

In 2015, 26 students completed the training, out of which 21 joined Nestlé Nigeria to start their employment with our company.

In 2016 a similar centre will open at the Yopougon factory in Côte d'Ivoire.

Technical training facilities will be available for Nestlé employees based at the site, before providing training to external students in the country.

My Own Business

The 'My Own Business' (MYOWBU) scheme was launched in 2012 to promote the *Nescafé* coffee brand in busy public areas such as open markets, stadiums and bus stops. This is led by Nestlé Professional, our out-of-home business.

It complements our company's successful 'pushcart' initiative which sees sellers use pushcarts to provide hot *Nescafé* drinks to consumers in local markets and neighbourhoods.

Two thirds of Nestlé Professional's coffee beverages are sold in this way.

The MYOWBU and pushcart initiatives guide operators appointed by Nestlé Professional to manage their street-vending business, and gives them the tools and expertise to run their own micro-enterprise.

They are given training on sales, management, hygiene standards, as well as safety and quality requirements. Nestlé helps them find safe and clean kitchen areas to run their business from and provides all the equipment for sellers.

Each operator recruits and employs about 8-10 street vendors from neighbouring communities. Vendors are given a pushcart or a MYOWBU kit, which includes a coffee dispenser they strap on their back. In 2015, more than 4,400 operators and vendors took part in both programmes in the region.

***Nescafé* Get Started**

In 2014, our company launched *Nescafé* Get Started, a regional initiative to inspire African youth to realise their dreams through innovative ideas, which also create value for society.

In 2015, more than 1,900 young people shared their dreams to make a difference in Africa. The 2015 winner, Korotoumou Sidibe from Mali, received USD 30,000 worth of financial and mentoring support from *Nescafé* to help fulfil her project of reducing the amount of food waste in Mali and across Africa through her unique preservation methods.

As part of the winning prize, Korotoumou will take part in a one-month leadership programme.

More than
4,400
jobs created through
Nescafé sales initiatives
(MYOWBU and pushcarts)

Comfort Dorkutso, MYOWBU vendor in Ghana

Comfort left primary school to support her family to work as a home-to-home revenue collector, but earned less than USD 40 a month.

She joined the MYOWBU programme in 2012, and as a result, she improved her salary by earning an average of USD 200 per month.

Comfort is one of thousands of MYOWBU employees working in the region, of whom 868 were women in 2015.

Thanks to MYOWBU, she is now able to take care of her mother, siblings and niece.

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