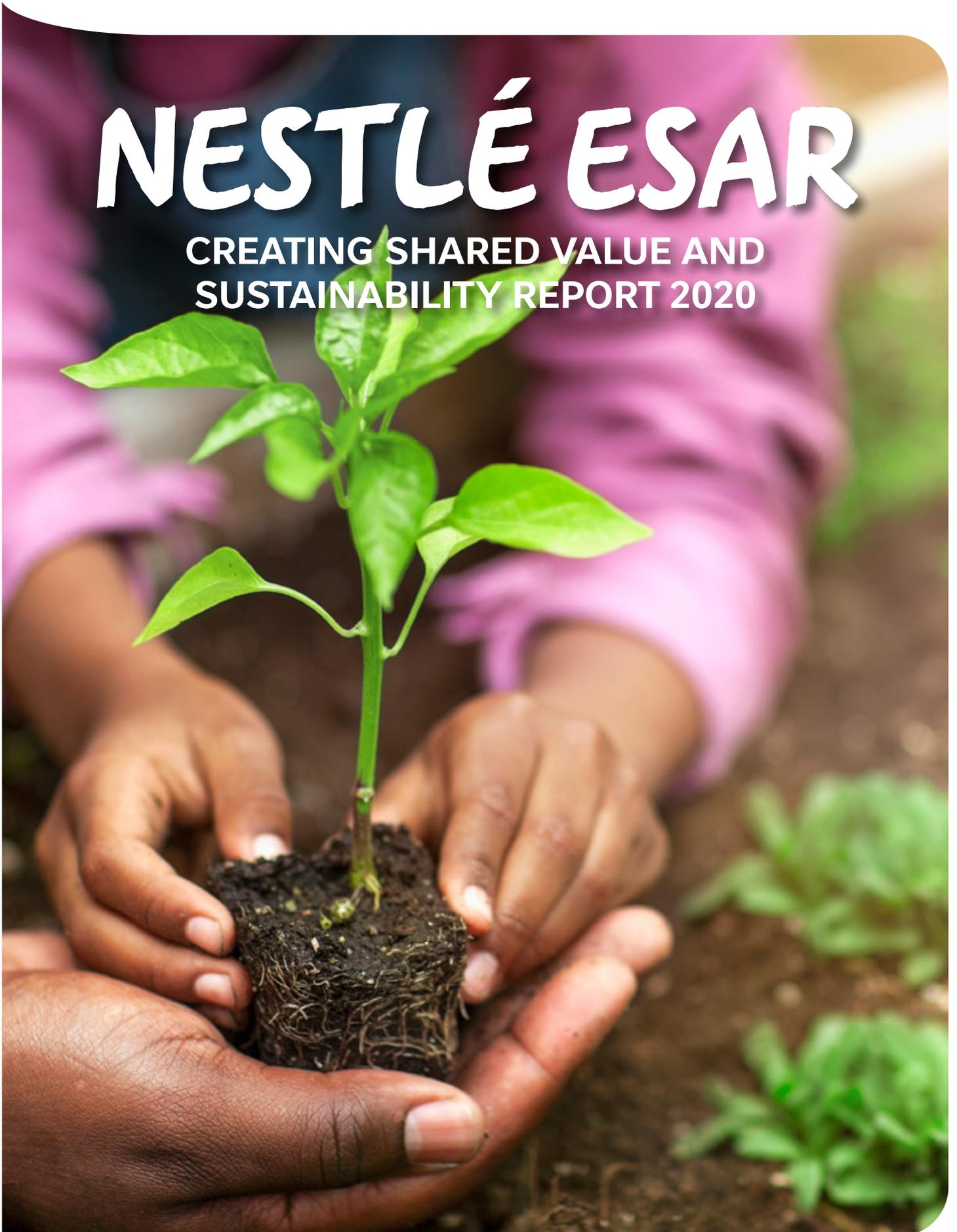




Nestlé® Good food, Good life

NESTLÉ ESAR

CREATING SHARED VALUE AND
SUSTAINABILITY REPORT 2020



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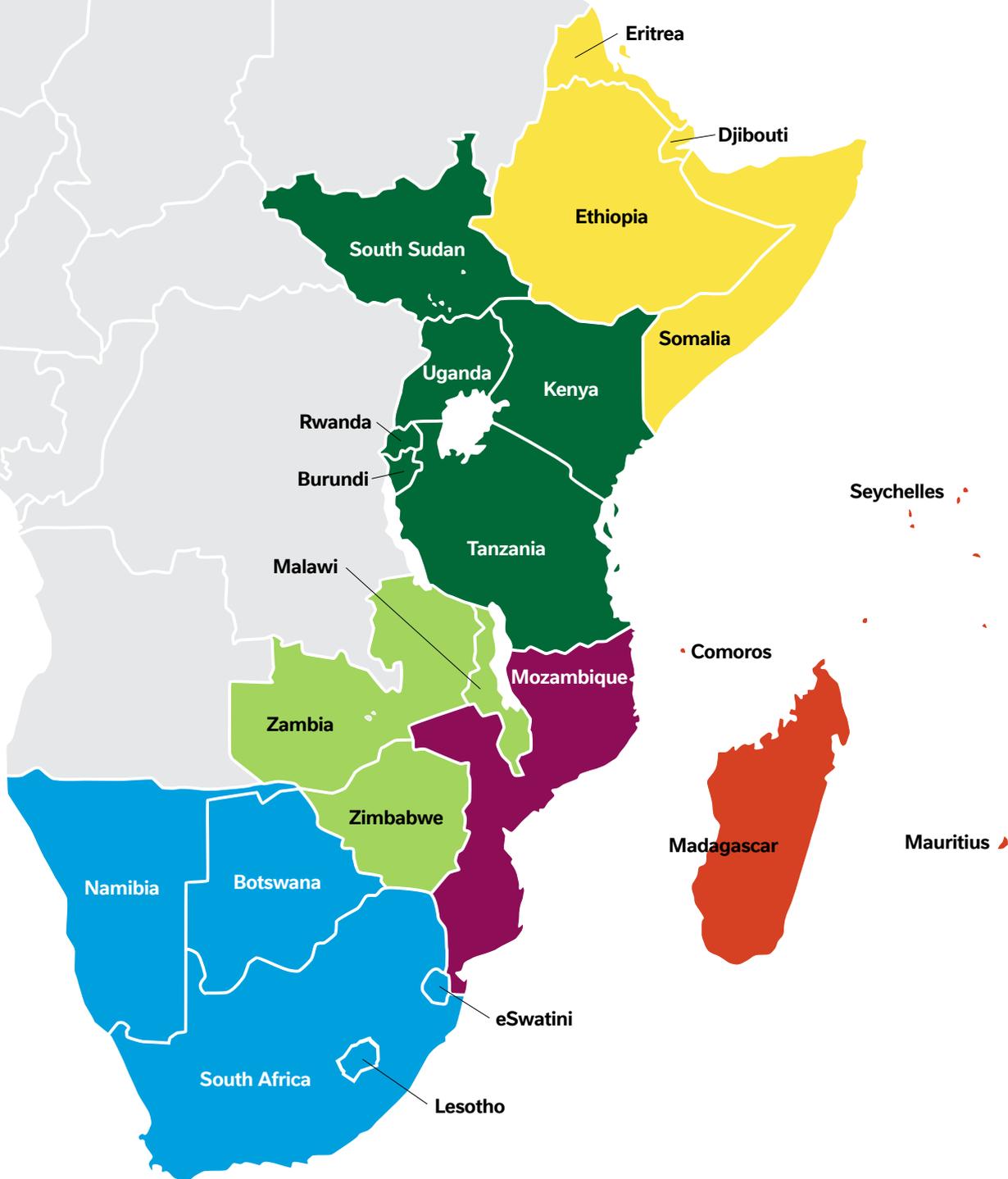
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PROUDLY ESAR

NESTLÉ EAST AND SOUTHERN AFRICA REGION (ESAR)



- Cluster 1** Ethiopia, Djibouti, Eritrea and Somalia
- Cluster 2** Kenya, Tanzania, Rwanda, Burundi, Uganda and South Sudan
- Cluster 3** Mauritius, Madagascar, Seychelles and Comoros
- Cluster 4** Zimbabwe, Zambia and Malawi
- Cluster 5** Mozambique
- Cluster 6** South Africa, Lesotho, Botswana, Namibia and eSwatini

NESTLÉ EAST AND SOUTHERN AFRICA REGION (ESAR)

DIVERSE BRANDS



MAKING A POSITIVE IMPACT IN SOCIETY

As Nestlé, we believe in unlocking the power of food to enhance quality of life for everyone, today and for generations to come. This purpose is what drives the company to shape a better world and inspire people to live healthier lives. We bring this purpose to life through our Creating Shared Value business approach.

We believe that Creating Shared Value enables us to optimise value for our shareholders and have a long-term positive impact on all stakeholders connected to our business, including our consumers, communities and suppliers. Living our values is the foundation of Nestlé's culture. We serve with passion, build for the long term and are inspired to innovate. We always strive to do better, grow and succeed together.

We **create shared value** in a way that makes a difference. Together with our partners we:



Enable **people** to lead healthier, happier lives by continuously improving our products



Build strong **communities** and supply chains, improving livelihoods in communities directly connected to our business activities



Protect our **planet** for future generations by enhancing the environmental performance of our operations



Maximise long-term value by accelerating growth, improving margins, and allocating resources and capital sensibly.

The year 2020 challenged us to relook at how we do business, and most importantly, how we fight COVID-19 and its wide-ranging consequences. As a business, we had to be a force for good, helping to overcome society's greatest challenges.

This report shares the progress we made in 2020, to demonstrate Nestlé East and Southern Africa Region's commitment to playing our role in helping 50 million children lead healthier lives, improving 30 million livelihoods in our operational communities, and striving for zero environmental impact in our operations by 2030.



Bruno Olierhoek
Chairman and Managing Director
of Nestlé East and Southern Africa
Region (ESAR)

NESTLÉ'S JOURNEY TO CREATING SHARED VALUE

In a world that has changed beyond recognition in the past year, Creating Shared Value has never been more important. That's why Nestlé continues to inspire people to live healthier lives, to support our communities and to protect the planet. We've also played an important role in driving COVID-19 initiatives.

FOR INDIVIDUALS AND FAMILIES



Enable healthier lives



Assist children to make better food choices through Nestlé for Healthier Kids



Partner with chefs to teach better ways of cooking



Support cancer awareness



Back education through programmes like the NESPRAY Maths Challenge



Continue to make our products even healthier

FOR OUR COMMUNITIES



Develop thriving, resilient communities



Support farmers to improve their pastures and provide training



Assist farmers with better nutrition for their families



Provide upskilling programmes for the youth



Ensure surrounding communities have access to clean water



Promote employment and diversity through artisan training and gender equality programmes

FOR THE PLANET

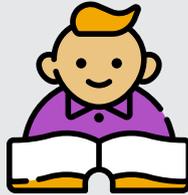
Protect the planet



Create a waste-free planet by rethinking, reducing and repurposing



Introduce more recyclable packaging



Educate children about caring for the climate



Encourage farms to adopt climate-friendly methods



Save water by encouraging water efficiency

COVID-19 INITIATIVES



Invest money in PPE to ensure the safety of our employees



Ensure continuity of work by installing safety measures in the factory and support our work-from-home employees



Mental, physical and financial counselling



Assist the communities around our factories with money and food



Contribute to various government and aid-relief COVID-19 fundraisers



Ensure safe drinking water and hygienic conditions



Help children and parents to plant food gardens



Assist our suppliers with resources and credit extensions



Nestlé

Good food, Good life

TEACH OUR CHILDREN WELL

Developing healthy habits

Children have always been a priority for Nestlé ESAR. In line with this commitment, we are continuously revising and enhancing the Nestlé for Healthier Kids (N4HK) programme, a primary initiative that is now running across all clusters.



- Nestlé for Healthier Kids was relaunched in South Africa in 2020, with an “Add a Little More Goodness” campaign to encourage parents to get their kids to eat fruit and vegetables. This campaign alone reached more than 12 million parents in 2020.



- Nestlé for Healthier Kids was launched in Kenya in 2012 in partnership with the Kenyan Ministry of Education. It reaches 700,000 children, providing essential teaching materials such as posters and interactive manuals. It also focuses on creating nutritional gardens for food security and agripreneurship (see page 8 for more on Kenya’s initiatives as part of this programme).



- The “Sam Dreams” recipe storybook promotes fun cooking with kids. Featuring exciting recipes that use Nestlé brands, the book is available as a free printable download on the Nestlé ESAR website. The campaign has reached 1.7 million parents. The isiZulu version won a Silver Pendorng and a Craft Pendorng for illustration in the print communication category.
- First introduced in Mauritius in 2016, the programme now benefits more than 49,000 Grade 2–5 primary school students nationally. One key innovation was a culinary contest for parents and kids that actively engaged the parents in fostering healthy eating habits.
- Our partnership with the National Association of Primary School Heads in Zimbabwe continues, supported by the introduction of physical and nutritional education in all primary school curricula by the Ministry of Primary and Secondary Education.

Nestlé for Healthier Kids continues to provide nutritional education at schools, increase nutritional education for parents, and introduce more vegetable gardens at school and at home. The programme will also extend the use of a digital platform for parents and teachers through Tembo Education, host cooking shows and competitions between schools, and work with appropriate influencers.

Our work on inspiring people to lead healthier lives contributes to these Sustainable Development Goals (SDGs):



PROMOTING BETTER HEALTH



Getting them cooking

To celebrate International Chefs Day, Nestlé ESAR partnered with qualified chefs to teach young South Africans the art of cooking. Nestlé Professional provided the pack materials for the day's cooking classes, which were hosted in four regions by the Hospitality Trainers and Associates (HTA) School of Culinary Art and broadcast live on HTA's social media channels. After a productive day during which the youngsters learnt more about the benefits of healthy eating, the food they made was distributed to about 500 needy children and adults.



Supporting cancer sufferers

Nestlé Health Sciences partnered with a brain cancer survivor, Conn Bertish, to boost access to the Cancer Dojo app. The app allows cancer sufferers to actively participate in their treatments, helping them to stay positive and mentally focused on their recovery.

LEARNING FOR LIFE

Taking education further

Our work on building, applying and sharing nutrition knowledge contributes to these SDGs:



- Nestlé ESAR sent 306 healthcare workers on a course in paediatric nutrition offered by Boston University School of Medicine and supported by Nestlé Nutrition Institute Africa.



- In South Africa, we contributed R1 million towards nutritional content development for Lifestyle Orientation textbooks for high school learners, further strengthening our ties with the Department of Basic Education.



- The annual NESTLÉ NESPRAY Maths Challenge promotes problem-solving and critical thinking among learners in Grades 4–7. Run in partnership with the South African Mathematics Foundation and the Association for Mathematics Education of South Africa (AMESA), the challenge has had excellent results since launching in 1977. More than 1,000 schools and about 90,000 learners from across South Africa took part in the 2020 edition of the challenge, which also encourages learners to interpret and critically analyse everyday situations.

CREATING HEALTHY PRODUCTS

98% of Nestlé ESAR's net sales come from products that meet our internal Nestlé Nutritional Profiling System, which has been internationally validated to measure the healthiness of our products

100% of the children's portfolio meets our Nestlé Nutritional Profiling System

These products now have a clean label, meaning consumers can recognise the ingredient names from their kitchen cupboards

Salad dressings



Supervend



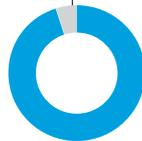
MAGGI Chilli Sauces



CREMORA



We continue to provide nutritional information on- and off-pack through our Nutritional Compass and Guideline Daily Amounts (GDAs) on 100% of our products



We endeavour to have 95% of confectionary products portionable



We provide portion guidance through product format and pack design – for example, the recently launched NESTLÉ Aero Bake



We extend portion guidance to our recipes intended for consumers and increase the addition of fruit and vegetables

Our work on offering tastier and healthier choices contributes to these SDGs:



Helping the children



When schools in Kenya were forced to close due to COVID-19, the Nestlé for Healthier Kids programme stepped in to assist more than 800 students and their parents from 22 primary schools with nutrition, water, sanitation and hygiene (WASH) education delivered through digital platforms. The aim was to address malnutrition and encourage children to replicate at home what they were learning at school. The result was the establishment of 150 home vegetable gardens.

SUPPORTING OUR FARMERS



South Africa

- Our 2020 goal was to help improve the economic sustainability of the farmers who supply us. A study group trialled different ways to improve pastures, looking at increased milk yield per hectare and lower sustainable production cost per litre of milk.
- We focused on improving food availability and dietary diversity among the farmers, encouraging them to replace mono-pastures with multispecies pastures. This increased the soil carbon and created more resilient pastures with higher carbon sequestration capacity.
- Nestlé ESAR promotes responsible sourcing in our supply chain, including animal welfare. Individual somatic cell count testing improves longevity and sustainable milk production.
- Farmworkers' livelihoods and the wellbeing of the children in our agricultural supply chain are vital. We have trained 80% of our farmworkers, building human capacity on dairy competencies such as calf rearing and other dairy-required activities.
- We have improved our farmers' B-BBEE rating and support increased and improved diversity on dairy farms.
- In partnership with the Mzabane Makhoba Trust, we launched an agripreneurship programme that aims to empower 200 farmers.



Zimbabwe

- Nestlé ESAR continues to expand its dairy blueprint in Zimbabwe in partnership with We Effect, an NGO that supports local small-scale farmers. In June 2020, Watershed Dairy Farmers Association at Magure farm in Hwedza received a tractor, disc plough, boom sprayer, portable milking machine, milking buckets, borehole and a solar power system, with Nestlé and We Effect contributing on a 50/50 matching grant basis. The group also received in-calf heifers as part of a similar arrangement in May.

Watershed Dairy Farmers Association now has 32 farmer members, 12 of whom are women. Having started with 10 milking cows, the group has since doubled its herd as well as its milk volumes, producing over 4,000 litres per month.



- Nestlé ESAR has invested about ZWL30 million in farmer development through interest-free loans since the beginning of 2020, as sustainability is the best way to deliver long-term investment returns.
- We collaborate and channel resources to help our Zimbabwean farmers develop and improve their agripreneurship levels annually.
- The 2020 strategy has been strengthened and reinforced to deliver the three- to 10-year milk plan together with our dairy business partners.



Our work on enhancing rural development and livelihoods contributes to these SDGs:



Kenya

In 2016, Nestlé launched the Farmer Family Nutrition Programme to improve the nutrition status of farmers and their families. The programme now includes Kenya, Mexico, Indonesia, Côte d'Ivoire and the Philippines.

After joining the programme in 2017, the coffee farmers in the NESCAFÉ Plan communities in Kenya could benefit from nutrition workshops and cooking demos. Participants also received seeds and agronomy support, and were taught how to establish and maintain kitchen gardens.

The families have been encouraged to adopt nutritious indigenous vegetables such as amaranth (mchicha), spider plant (saga) and nightshade (managu), which are more resilient to climate change and extended dry seasons. The plan is to now partner with other organisations that focus on nutrition.

[Read more](#)

CARING FOR OUR COMMUNITIES



Supporting better water access

- Nestlé Ethiopia donated CHF100,000 to the Ethiopian Red Cross Society to improve access to water, sanitation and hygiene (WASH) services for 1,100 households in Sululta. The money was used to construct a water spring and water collection points, cattle trough, washing basin and shower, and to improve the security of Bosaka Spring by rehabilitating the fencing. Nestlé's support of Red Cross WASH projects in Sululta has indirectly helped to prevent COVID-19 outbreaks in the city.
- Nestlé South Africa has been instrumental in ensuring that surrounding communities have access to clean water, especially during times of drought and COVID-19. More than 200,000 litres of water was transported to Herbertsdale to prevent the spread of COVID-19. Water was also transported to the drought-stricken Kareedouw area as part of the Underberg KZN Emergency Water Plan.



PROMOTING EMPLOYMENT AND DIVERSITY

In keeping with the global trend of helping young people to develop their skills to find good jobs or start their own businesses, we rolled out the Nestlé Needs YOUth initiative across all our operations.



The Artisan Training Programme (ATP)

This 12-month experiential learning and trade-testing programme aims to create a pool of skilled potential employees for the business. In 2020, all targets were met for the Internship Programme; Virtual Internship Programme; Graduate Programme; Differently Aabled Programme; Future Talent Bursaries at Nestlé South Africa; and Alliance for YOUth programme. We also started an eight-to-12-week project-based employment scheme to help young people get experience while earning a salary during the COVID-19 pandemic.



Fostering gender equality in Rwanda

About 2,830 woman coffee growers from five coffee washing stations in Rwanda have been empowered to manage their own coffee farms. Women in Rwanda play a significant role in coffee farming activities, but are frequently denied equal opportunities to receive training or to take on leadership roles.

The project offers a tailored programme to increase household incomes, strengthen financial management and develop communication and influencing skills, helping some of them to assume leading community roles. The aim is to empower more than 3,000 women over three years.

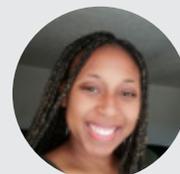


Kenya's female coffee farmers

Nestlé has empowered about 2,770 woman coffee farmers from 12 farmers' cooperative societies in Kenya to manage their coffee farms as businesses, while improving productivity by implementing good agricultural practices. Of these female farmers, 312 completed an intensive training module on leadership, farm management and financial literacy to empower them to take up leadership roles. In addition, about 6,040 women were trained in cooperative leadership, coffee production, confidence building, self-development and coffee verification in the first two phases of the NESCAFÉ Plan. The three-year programme has also equipped 717 coffee growers under the age of 30 with technical and managerial skills.

Taking internships to the next level

Nolwethu'Thando Nkosi was chosen to be part of Nestlé's Alliance for YOUth (All4YOUth) initiative, which teaches unemployed graduates key skills through a three-month internship. When COVID-19 prompted Nestlé to adapt the initiative, Nolwethu'Thando's role in the Employee Wellness team shifted to working on COVID communications and learning a new way of working.



What has this internship meant to you, particularly during COVID-19?

The virtual internship gave me an introduction into the new world of work. The COVID-19 pandemic changed the way work is done and accelerated the Fourth Industrial Revolution, and I got to be at the forefront of it.

I discovered so much about myself – most of all that I thoroughly enjoy being creative and that I am really good at it. My love for learning new things became even stronger. Working in Employee Wellness,

I learnt about physical, mental and emotional wellbeing.

The internship made a huge difference not only in my life but also in the lives of those around me. I created and collaborated on a lot of COVID-19 content for our region and everything I learnt about COVID-19 I shared with my family and friends.

This expert information allowed me to break many of the myths surrounding the virus in my community.

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How did you become involved?

I was doing my postgraduate diploma in management at Wits University and we had to complete an internship. I wanted to work in the FMCG market because I was curious about the industry.

I came across the virtual internship from Nestlé online, and to apply you had to participate in an online game, which I realised was assessing our suitability, and this later led to an interview. I was successful at both, and was offered the position of HR Virtual Intern in Employee Wellness.

How has it made a difference in your life?

Being chosen by Nestlé to be part of this virtual internship programme has meant that I am more than capable of setting goals and achieving them. It was a goal of mine to work in the FMCG industry and now I was interning for the world's leading food and beverage company.

It meant that I have had the opportunity to use my human resource management degree in a real setting and I was very excited about that.



Empowering Zimbabwean women

The Zimbabwe Women Empowered in Business (ZIWEB) initiative seeks to empower women in Zimbabwe with the opportunity to start and sustainably run their own business by becoming sub-distributors for Nestlé. The initiative is at the core of our concept of Creating Shared Value.

The women recruited into the programme are trained in critical aspects of business management, such as entrepreneurship skills, finances, selling, product knowledge and customer-care skills. Nestlé Zimbabwe fully funds the development costs and start-up capital. This initiative feeds into the national agenda of job creation and building a middle-class economy for Zimbabwe by 2030.

Our work on promoting decent employment and diversity contributes to these SDGs:



Uplifting the youth

Evan Jones is CEO of Inyosi Empowerment, a partner of Nestlé that has provided substantial funding and assistance to Springfontein Dairy in Kokstad, South Africa, and helps to oversee our agripreneurship programme.

Tell us about the programme.

The YES programme has given 100 students from the Mzabane Makhoba community the opportunity to study and work on the farm for a year, offering exposure to a broad range of learning and work activities that ultimately improves their employment prospects.

How has the surrounding community been helped?

Unemployment is a huge problem. These youngsters are given experience, training, and the self-belief for them to start businesses and find jobs. They earn a stipend, which is money going back into the community. Some have started a greengrocer that sells milk they buy from the dairy and vegetables they have been taught how to grow. It has also helped integrate the dairy closer into the community, which should have long-term benefits.

Are there long-term benefits for the participants?

Inyosi focuses on building sustainable businesses. So far, we have grown the number of employed people substantially, through the project directly or through businesses they have started with Inyosi's support. Last year we earmarked eight students for succession planning, who now work under the Dairy Manager and will get further training through SETA. They will work at Springfontein Dairy for four years and hopefully train overseas in the fifth year. They are the future of the dairy and a beacon of hope for the community.

Why has the partnership with Nestlé been important?

Nestlé has been a very supportive partner of this project. 2021 is the third year that will see over 300 youth finishing the programme. It has enjoyed the support of Nestlé's senior management, who understand that with hard work and a credible implementation partner, coupled with a strong community-led vision, a shared path to prosperity and sustainability is achievable.

THE GOAL OF A WASTE-FREE FUTURE

Towards sustainability

Nestlé ESAR started its RE Programme in 2020 to reinforce its sustainability initiatives, strategies and resources. The programme aims to strengthen our contribution to a waste-free future by focusing on three concepts.



RETHINK and improve society's relationship with the environment by helping people change their behaviour. This includes water conservation, recycling and supporting environmentally responsible practices.



REDUCE our environmental impact to zero. This is part of Nestlé's global ambition to strive for zero impact on the environment by 2030. We will do this by driving the reduction across our value chain, including food and plastic waste, operational inefficiencies that contribute to waste, and more.



REPURPOSE by upcycling and reusing materials. This is where we accelerate our circular economy business models and projects, showing our commitment and leadership in this space.



Putting plastics to work

Nestlé ESAR partnered with local sustainability consultancy TS Environment in a plastics waste recovery programme in Ethiopia, with the aim to achieve plastics neutrality within 12 months. By the end of 2020, an estimated 40 tonnes of plastic waste had been collected, sorted and recycled or incinerated. The programme has accelerated the process of collecting, recycling and sustainably disposing of plastic waste in Ethiopia.

Once the plastic waste is collected, it is sorted and weighed. The recyclable plastic is processed to produce other plastic products, while the non-recyclable plastic waste is incinerated to release energy through an environmentally friendly process. Nestlé's plastics waste management initiative also creates income-generating opportunities across the value chain.

Our work on safeguarding the environment contributes to these SDGs:





Waste not, want not

Nestlé ESAR's Feed Responsibly campaign urges consumers to take responsibility for what they buy, eat and store. At feedresponsibly.org, they can take a stand against food waste by making a pledge:

“If you're not going to eat it, don't buy it”.

So far, R28.8 million worth of products has been repurposed towards feeding the vulnerable instead of going to landfill.



Creating recyclable packaging

- SMARTIES Mini Bags and SMARTIES Chocolate Bars became more environmentally friendly this year with the conversion of the wrappers from plastic to paper. The new SMARTIES packaging is made from coated paper that is widely recyclable.
- Thanks to new plastic packaging reduction projects at our factories, we have reduced our total market plastic use by 4%.

[Read more](#)



Educating our children

Our Captain Fanplastic partnership with Soapbox educates schoolchildren about caring for the climate. As part of this initiative, Nestlé ESAR has donated 200 books to the Trevor Manuel Primary School in Durbanville, South Africa.



AGRICULTURAL INTERVENTIONS

Encouraging climate-friendly practices



Nestlé Zimbabwe, in collaboration with an NGO called We Effect, is supporting farmer development through climate-friendly farming projects and practices.

In 2020, we launched solar-powered dairy farming in partnership with our two large-scale dairy farmers in Zimbabwe, while four solar boreholes were drilled for our small-scale farmers. Through the ESAR Water Fund, water will be saved from old boreholes. Four new solar boreholes will be drilled and installed for small- and medium-scale farmers to secure water and enable irrigation.

These actions are part of Nestlé's commitment to the United Nations' carbon pledge. Through sustainable agriculture and supplier development, we are also gaining a competitive advantage. Climate-friendly agricultural practices play a key role in achieving these goals.

Our work on acting on climate change contributes to these SDGs:



Nestlé backs sustainability



Skimmelkrans Boerdery in George will soon be South Africa's first net zero dairy farm. The family-run farm has been in the dairy business for 100 years and has been supplying Nestlé for 65 of those. CEO **George Kuyler (jnr)** shares his experiences.

Why did you start on this journey?

We have always talked about sustainability, about finding ways of doing more with less, and about our carbon footprint. About five years ago, we embarked on a big project to save water. We also looked at ways of generating electricity through water, sun and methane and bringing energy usage down.

The results were phenomenal – we saved on average 40% of water. Then 18 months ago we started looking at our carbon footprint seriously and decided to prove that we could be a net negative carbon farm in three years.

What steps did you take in the beginning?

We brought in an independent company, Trace & Save, to benchmark and establish how much carbon we were producing. This involves everything from how much methane cows are producing to how maize and other feed comes to the farm. The end result was our target: the amount of carbon we have to prove we are offsetting.

Explain how the project progressed.

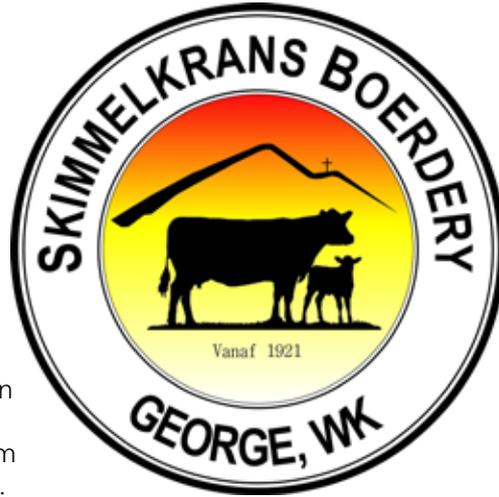
One of the biggest projects was the sequestration of carbon in the soil. We are a pasture-based farm so we have about 700 hectares of farmland, of which half is vegetation under irrigation, and the other half is dryland. The plants play an important role in absorbing the methane and carbon produced by the farm.

Continued on page 16



Nestlé ESAR works closely with farmers to help them lower their carbon footprint. In South Africa, this has resulted in what will be the first net zero emission farm in the Nestlé group: the Skimmelkrans Net Zero Carbon Emissions Project in George. Our commitment is for the farm to be carbon net zero by 2023.

[Read more](#)



The Black Wattle Feeding Project was started with the Mzabane Makhoba Trust in KwaZulu-Natal to help control one of South Africa's worst invasive plant species. Clearing out the black wattle trees also improved the water catchment area.

Continued from page 15

We started to look at our soil and the way we plant crops and irrigate very differently. We were a monoculture pasture and did some things we shouldn't have, such as using too much chemical fertiliser, which has made the soil almost sterile and the plants totally reliant on this artificial method. We changed this completely, did a lot of liming, put gypsum into the soil and corrected the mineral imbalance.

We also moved to a more organic way of farming to create natural harmony in the soil and used natural fertiliser, which has worked wonders and is more cost-effective. We also changed to a multispecies pasture, combining different types of grass, each of which has a different profile in the soil.

What other changes have you made?

With methane being a big carbon challenge, we have added black wattle (which we clear off the farm) to the cows' feed, and are growing moringa to feed them, both of which reduce methane emission. We've greatly reduced our reliability on bought feed and now use more home-grown crops.

Insecticide is also no longer used. Instead, we focus on biofriendly ways, such as wasps that we have introduced to tackle the flies. We also have owl houses to keep the mouse population under control and will be getting bat houses to deal with moths and worms.

Have these changes made a difference?

It's been massive. In January 2020, we produced 406,000kg of milk with 1,220 cows. In January 2021, we produced 590,000kg of milk with 1,110 cows. We've seen a 45% increase in milk and a 10% decrease in cows.

When is your deadline to achieve zero emission?

In April this year, we're getting back our first soil analysis after the implementation of the carbon project. This will give us a good indication of progress. We've set ourselves a three-year target to get to net zero – so the target date is April 2023.

How has Nestlé helped?

Nestlé is a crucial partner in this business. Not only have they assisted financially, they have helped us with knowledge, not just through consultants but also with training.

The best thing is they are looking at ways of replicating this method on other farms, which will be a win-win situation for everyone.

SAVING OUR WATER

Taking ownership

Nestlé believes access to clean, safe water for drinking and sanitation is a basic human right. Water is also needed to grow the ingredients we source, to run our factories and for consumers to enjoy many of our food and beverage products.



Nestlé ESAR is the co-chair of the Strategic Water Partnership Network (SWPN), which was recognised as one of the 15 State of the Art Partnerships for Collaborative Climate Change at the P4G Copenhagen Summit in 2018.

The SWPN aims to close the gap between water demand and water supply through interventions including:

- Water-use efficiency and leakage reduction
- Effluent and waste-water management
- Agricultural supply chain
- Skills development and transformation
- Water stewardship
- Sanitation.



Strategic Water Partners Network
SOUTH AFRICA

Nestlé ESAR currently leads the SWPN's Water Use Efficiency and Leak Reduction working group, which develops solutions and innovative ideas to address failing municipal infrastructure and secure water supply.

Key water initiatives

- With 66% of South Africa's water being used for irrigation, Nestlé is helping farmers to better manage and save water in their daily farm operations. In 2017, Cluster 6 launched Project Eden through its Water Stewardship Fund to install soil moisture content analysis meters (known as DFM meters) on two dairy farms in the Western



Cape. The aim was to increase awareness about where the farm water is coming from, how to use it responsibly and where it is going. This project continues to expand to more of our farmers each year.

- In Zimbabwe, Nestlé ESAR established the Watershed MCC with 37 members in Hwedza to support our large-scale farmers. In addition, as part of our 2020–2023 Zimbabwean Dairy Strategy roll-

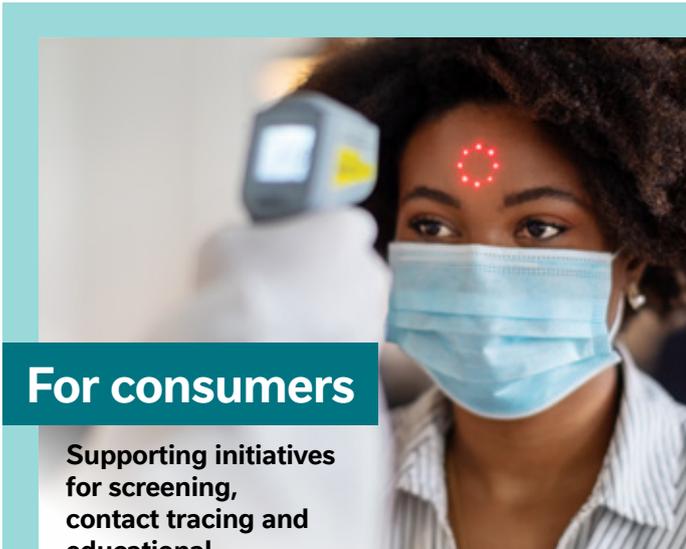
out, Nestlé supports suppliers and drives development to ensure water and energy sustainability, animal welfare and good labour practices, through programmes including ESAR Innovations, the ESAR Water Fund and responsible sourcing platforms.

Our work on caring for water contributes to these SDGs:



OUR RESPONSE TO THE COVID-19 SOCIETAL CHALLENGE

In these difficult times, Nestlé ESAR continued to demonstrate our purpose of contributing to a healthier future by giving back to communities in which we operate. Nestlé ESAR has invested more than R127 million.



For consumers

Supporting initiatives for screening, contact tracing and educational campaigns through outreach programmes across our clusters



Gave food parcels and products to vulnerable communities in Botswana, Kenya, South Africa and Zimbabwe

For communities



DONATED HAND SANITISER FOR HOSPITAL STAFF IN MUHIMBILI HOSPITAL, TANZANIA



Provided safe water and sanitation to Ethiopia and Mozambique's Red Cross Societies, and established washing stations across key hotspots



Monetary donations to Red Cross Societies in Ethiopia, Kenya, Madagascar, Mozambique, South Africa, Zambia and Zimbabwe



Distributed 500 scrubs and 500 rubber boots for frontline workers to the Ethiopia Ministry of Health, and more PPE to authorities, communities and health workers in Ethiopia, South Africa and Tanzania



Products and money to COVID response (solidarity) funds in Kenya, Mauritius, Mozambique, South Africa and Zimbabwe



Sponsorship to 100 nurses in public hospitals in South Africa



ACCESS TO WATER IN KENYA AND SOUTH AFRICA



Cardamom tea donations in Kenya and donations to children's homes sponsored by NKL

TOOK PART IN THE MPO (MILK PRODUCERS ORGANISATION) PROJECT, THROUGH WHICH DAIRY FARMERS DONATED 1% OF THEIR MILK OR MILK INCOME TO BE CONVERTED INTO DAIRY PRODUCTS BY THEIR MILK BUYERS. PRODUCTS WERE DONATED TO COMMUNITIES AFFECTED BY COVID-19



R113 million on transport arrangements, meals and BCP activities



Sanitiser for all employees to use at work and at home



R7 MILLION ON MASKS



- R16 million on splitting plants
- Free mental, physical and financial counselling
- Extended operating hours at on-site clinics

WELLNESS CAMPAIGNS AND EDUCATIONAL SERIES TO INFORM ABOUT COVID-19

WHAT TO DO IF YOU THINK YOU HAVE COVID-19

COVID-19 has touched many of our lives. Some of us have lost loved ones. Some of us have been ill ourselves. Some of us are still recovering. It's more vital than ever that we stop the spread. Do you know what to do if you think you have the virus?

DON'T BE AFRAID
Remember that **82%** of cases are mild. Most people can recover at home.

SYMPTOMS TO LOOK OUT FOR

MOST COMMON SYMPTOMS	LESS COMMON SYMPTOMS	SERIOUS SYMPTOMS
<ul style="list-style-type: none"> • A fever above 38.5° • Dry cough • Fatigue • Shortness of breath • Sore muscles/body 	<ul style="list-style-type: none"> • Aches and pains • Sore throat • Diarrhoea • Conjunctivitis (pink eye) • Headache • Loss of taste or smell • A skin rash, or discoloration of fingers or toes 	<ul style="list-style-type: none"> • Difficulty breathing • Chest pain or pressure • Loss of speech or movement

- IT solutions
- Thermal screening
- Workplace adapted for social distancing

- Deep cleaning sites after a positive case
- Technology and connectivity provided for working from home for those who can
- Free PPE, including surgical and cloth masks, at all sites
- Thermal cameras being rolled out at sites for screening



POINT-TO-POINT TRANSPORT – IN SANITISED VEHICLES – PROVIDED TO EMPLOYEES REQUIRED TO BE PRESENT AT WORK



SUPPORTED OUR DISTRIBUTORS TO HELP THEM MANAGE THEIR COVID-19 RESPONSE FROM A SAFETY POINT OF VIEW



Air-freight raw materials to keep factories operating

- Nestlé Professional offered a rental waiver for NP solutions machines
- Stock cover in raw and packaging and finished goods
- Resources provided to build resilience of suppliers
- Logistics alternatives due to delays at ports
- Granted credit extensions and paid sellers and distributors salaries during curfews
- Incentivised merchandising agents and allowed earlier payment to vendors
- Supported our competitors by supplying them with raw materials

For customers



UNLOCKING THE POWER OF FOOD TO ENHANCE QUALITY OF LIFE FOR EVERYONE, TODAY AND FOR GENERATIONS TO COME

Botswana



Burundi



Comoros



Djibouti



Eritrea



Eswatini



Ethiopia



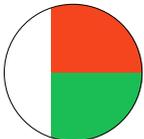
Kenya



Lesotho



Madagascar



Malawi



Mauritius



Mozambique



Namibia



Rwanda



Seychelles



Somalia



South Africa



South Sudan



Tanzania



Uganda



Zambia



Zimbabwe



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Good food, Good life