



The "Nest" - The pride of Nestlé

Henri Nestlé adopted his 'coat of arms' as a trademark in 1867. Nestlé means 'little nest', and since then, every Nestlé product carries the 'coat of arms'. The famous symbol is universally understood to represent warmth, security, nourishment, family togetherness, nurturing and caring values to this present day.



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Creating Shared Value *and* Inspiring Happiness

2010



“...Our thinking has evolved from the concept of Corporate Social Responsibility (CSR) to that of Creating Shared Value (CSV).

Creating Shared Value says that for our business to be successful in the long run, it must consider the needs of two primary stakeholders at the same time: the people in the countries where we operate and our shareholders.

Any business that thinks long term and follows sound business principles creates value for society and shareholders through its activities.”

Peter Brabeck - Letmathe
Chairman of the Board

Paul Bulcke
Chief Executive Officer



॥ सर्वजनाः सुखिनो भवन्तुः ॥
("Sarvejana Sukhinobhavanthu")

These ancient words mean 'May all the people in this universe live with happiness and prosperity'. They embody the spirit at Nestlé and reflect its business philosophy and its social responsibility initiatives. Nestlé believes that business and long-term social benefit go hand in hand, entwined like the branches of a banyan tree.

Nestlé business philosophy demands compliance with laws and conventions and emphasises the preservation of the environment for sustainable growth. It is the third dimension - the creation of long - term value for both society and stakeholders - that makes it unique. Nestlé calls this 'Creating Shared Value'.

Nestlé is the leading Nutrition, Health and Wellness company that continues to create economic value for society. With its philosophy of 'Creating Shared Value' Nestlé has gone a step further.

'Creating Shared Value' goes beyond philanthropy. It also reflects the Gandhian philosophy of trusteeship, that we are mere custodians of our resources, not the owners of it. Therefore, we must make judicious use of what we have, and use what we need with efficiency.

When we see our business bringing happiness, prosperity and smiles to people across the geographies of India, Bangladesh and Sri Lanka, we believe we are doing good work.

We apply this philosophy in a manner that touches all our stakeholders across the value chain: farmers, consumers, communities around our factories, employees, associates, vendors and investors. The ultimate expression of what we believe in and what we endeavour to do is to provide 'Good Food, Good Life'.


Antonio Helio Waszyk



Henry Nestlé

Creating Shared Value, the beginning

Our founder, Henri Nestlé was a Swiss pharmacist who developed the world's first milk food for infants in 1867 in his efforts to save the life of a neighbour's child, a premature infant who was unable to tolerate his mother's milk or any of the usual substitutes. Though he believed that during the first months the mother's milk will always be the most natural nutrient and every mother able to do so should, herself, suckle her children, people began to recognise the value of this life saving product that created a global company by 1872. Thus began a legacy of Creating Shared Value which is embedded within our values and corporate business principles.

The journey of Creating Shared Value never ends

Across our business and value chain in South Asia Region, we continue to ensure that we are responding to social needs, environmental issues and at the same time improving our performance.

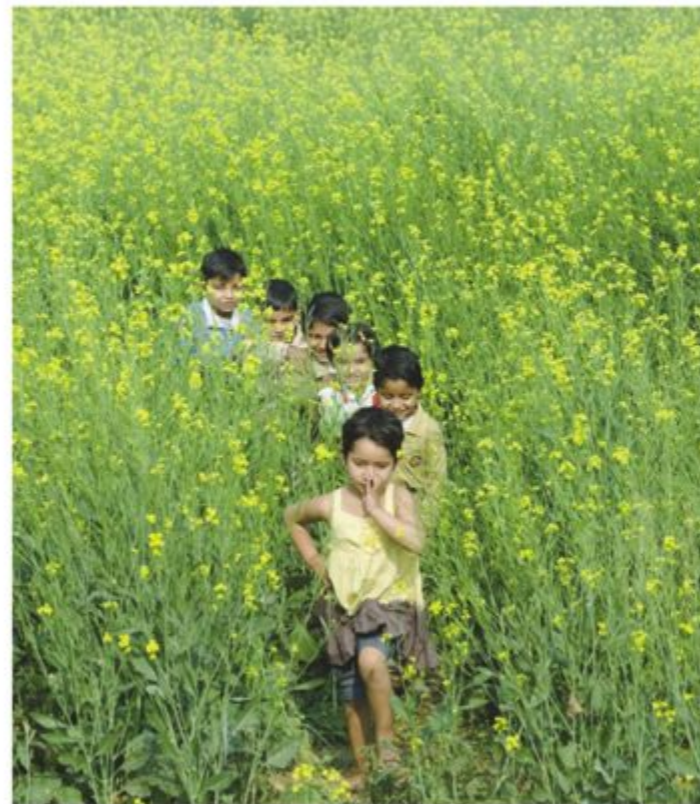


Nestlé technologists at a supplier's factory. Knowledge transfer.



'Create Shared Value' or 'Saanjhapan' as we call it in South Asia Region, is about the impact of our business and engagement through it.

In colloquial thinking Saanjhapan reflects joint benefit, and epitomises our desire to create prosperity and help improve the quality of life for people, in an inclusive manner. The areas of greatest potential for joint value optimisation with society for us are Nutrition, Water and Rural Development. These are also at the core of our business strategy and operations.



Key to the pages



As incomes have risen in India, Bangladesh and Sri Lanka so have the aspirations of the people. The expectations of a better life unite the South Asia Region.

India, Bangladesh and Sri Lanka are riding a common wave. Globalisation has taken root and is accelerating socio-economic change. It is propelling industrial growth, per capita income and consumption demand across the region.

If you were to paint landscapes of India, Bangladesh and Sri Lanka, you would reach for the same brush and the same earthy colors going beyond national boundaries.



Common Colours of SAR: Accelerating social change.



Out of Home consumption is increasing.

In each of the three countries, contours and skylines are changing day by day. The urban-rural divide is getting blurred. Government and private resources are being used to create infrastructure for growth and development. South Asia Region is reverberating with optimism.

India

Population: 1100 million
GDP growth rate: 6.7% (2009)

Bangladesh

Population: 140 million
GDP growth rate: 6.0% (2009)

Sri Lanka

Population: 20 million
GDP growth rate: 3.5% (2009)

Misc. Sources:
Website of Reserve Bank of India,
Government of Bangladesh & World Bank,
Government of Sri Lanka,
World Development Indicators.

Development is shaping lives across India, Bangladesh and Sri Lanka. Prosperity and search for a good life is more visible.



Organised sports activity, Sri Lanka.



Plantations near Choladi factory, India.

More and more youngsters are breaking free and striking out with confidence. Gender gaps are narrowing even in the more conservative sections of society.

With greater disposable incomes in the hands of the new generation, markets have opened up for all manner of products and services.

If trends in the three countries are strikingly similar, so are the challenges.

Growth is only one dimension.
The challenge is to create
sustainable inclusive growth.

Even as growth and social change accelerates the desire to move up the income pyramid, the issues amongst others, of rural development, conservation of water and environmental resources, access to nutrition and food security are potential roadblocks that bind us together. We need to tackle them to ensure that growth is sustainable. Since the bottom of the pyramid is an integral part of the economy, the challenge is to create inclusive growth. Our response to these common issues will impact the sustainability of efforts to create inclusive growth.



SAR is reverberating with confidence. Children at play near Nestlé factory, Nanjangud.



One of the many Milk Farmers of Sri Lanka. Partnership with Nestlé has created employment and empowerment.

Well known economist C.K.Prahalad had raised the question as to why with all our technology, managerial know-how, and investment capacity, we can't create inclusive capitalism.

The fact is that Nestlé has already been doing this through its business strategy of Creating Shared Value. Constantly delighting Consumers across the income pyramid, and investing in the areas of water, rural development and nutrition where the potential for joint value creation with society is the greatest.

Delighting Consumers

Nestlé Continuous Excellence is at the heart of our business to delight consumers and improve the quality of their lives with products that provide Nutrition, Health and Wellness.



In homes across South Asia, Nestlé touches the lives of millions every day. Nestlé is amongst the most trusted companies in the region. Focused on understanding the changing lifestyles and needs of consumers, it emphasises science based innovation and renovation to develop products that provide affordable nutrition. Access to Nestlé's Global R&D is a significant competitive advantage.

NESCAFÉ, MAGGI, MUNCH, KIT KAT, NESVITA, NESTOMALT AND MILO are some of the Nestlé brands that have won the hearts and minds of consumers across the region.

Our core aim is to enhance the quality of consumers lives every day, everywhere by offering tastier and healthier food and beverage choices and encouraging a healthy lifestyle.



We believe that consumers are at the heart of everything we do. We meet consumer expectation by responding to consumers' changing needs, producing safe, high quality and nutritious products, communicating responsibly, clearly and ethically. The objective is to improve or sustain their wellbeing while ensuring the sustainability of our business.

Our competitive advantage is clearly our efforts in innovation and renovation. Nestlé has the largest R&D network in the global food industry, and during 2009 alone it invested CHF 1.3 billion in R&D for food and beverages.

These investments mean that we can respond to changing preferences with relevant products that are superior in Taste, Nutrition, Health & Wellness.

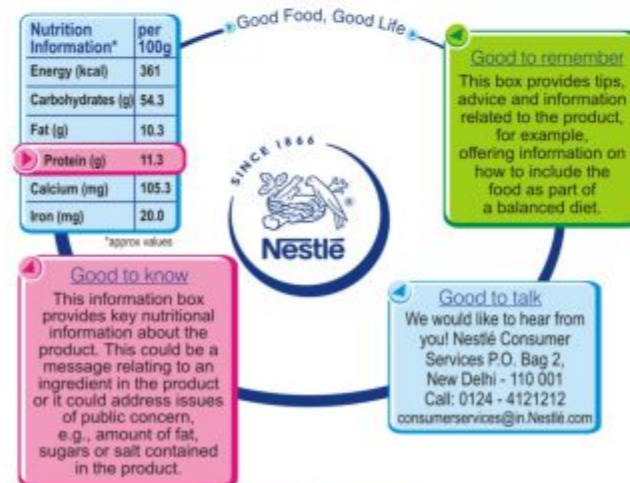
R&D to Delight Consumers

With 29 research, development and technology facilities worldwide, Nestlé S.A. has the largest R&D network of any food company and employs over 5000 people.

It has recently announced a new R&D centre in India. This will strengthen Nestlé's ability to respond to consumers' needs faster and also help develop affordable products that improve quality of nutrition and improve cost efficiencies and sustainability initiatives.



Stone laying for R&D Centre at Manesar, India.



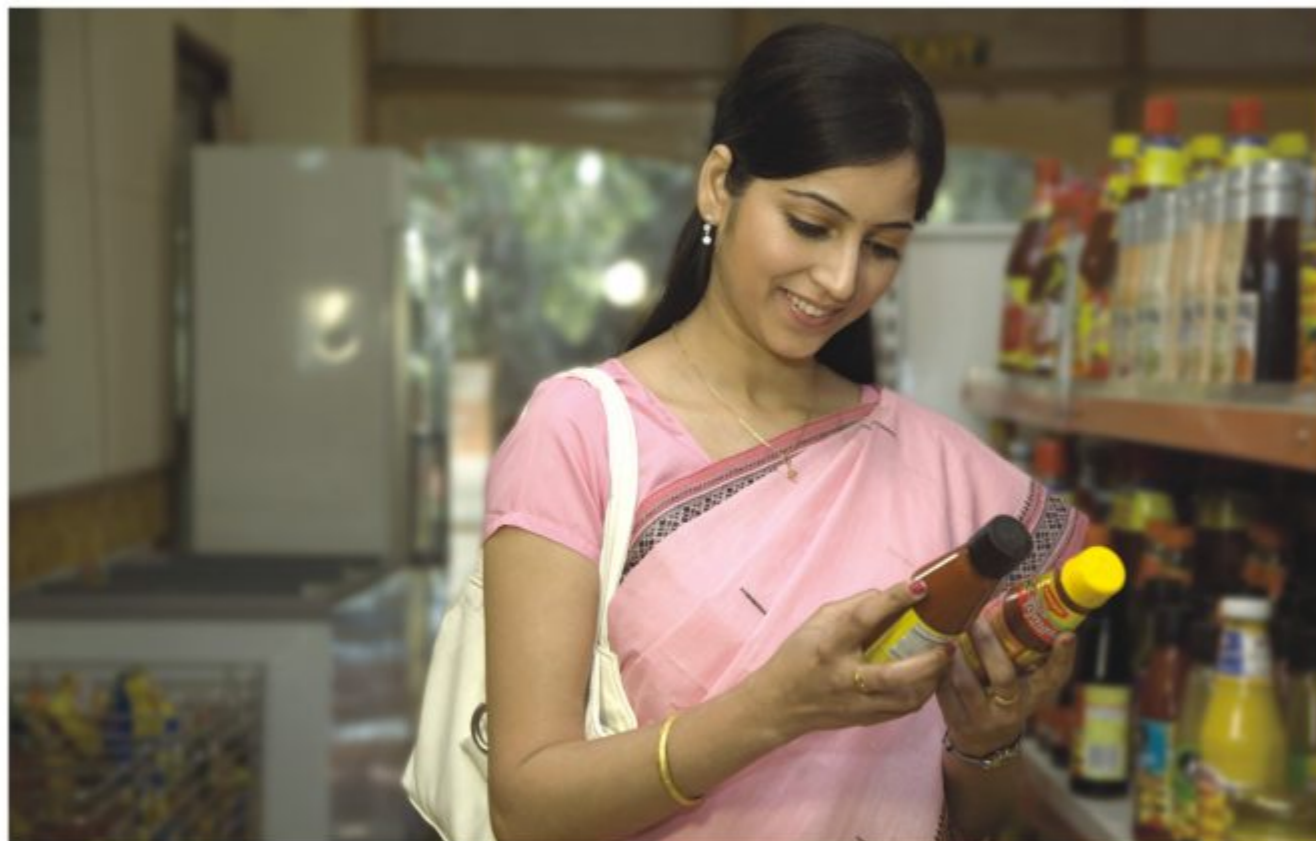
Nutritional Compass

The Nestlé Nutritional Compass on all Nestlé product labels assists consumers to navigate nutritional information and encourages them to make informed choices about their diet and enjoy a healthy life.

NUTRITIONAL COMPASS™
© Reg. Trademark of Société des Produits Nestlé S.A.



Nestlé START HEALTHY, STAY HEALTHY is an educational initiative in partnership with doctors. It aims to make good nutrition a way of life and create a healthier generation. It emphasises the fact that the nutrition that children get in the early years of life can affect their health forever. And it all starts with the mother's milk. As we progress through different stages of life, we have different nutritional needs and we need to understand and balance our nutritional requirements to stay healthy.



Checking labels before buying ensures informed choices.





MAGGI Vegetable Multigrainz ke 'multi-gun'



NESTOMALT - The Nourishing Cup



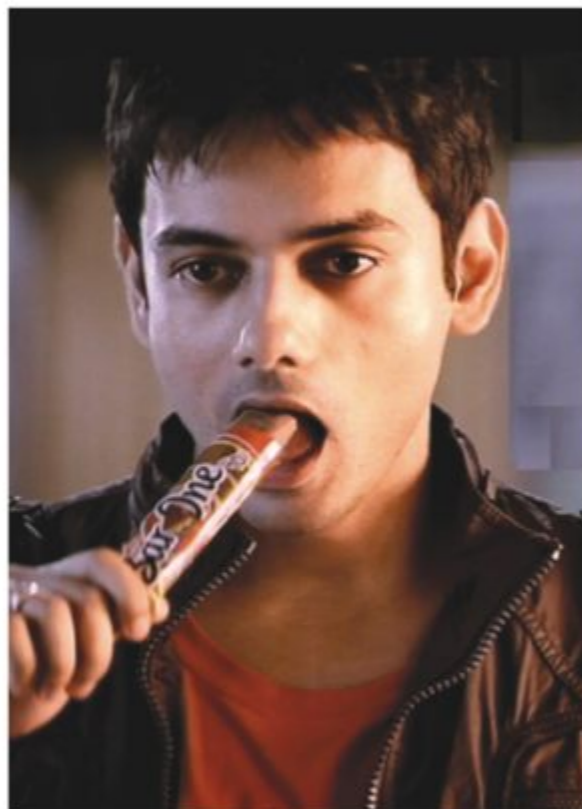
NESVITA - Pioneering Probiotic Dahi



MAGGI Soups: Taste Bhi Health Bhi

Innovation and Renovation:

With growing need for nutrition and balanced diets, Nestlé focuses on insight and science based innovation and renovation to develop relevant products.



BARONE - Kaafi Hai



Relaying the message of healthy lifestyles

In Sri Lanka, Nestlé MILO promotes nutrition. The energy drink for growing children supports competitions in athletics, swimming and diving, badminton, netball, rugby and cricket, while Nestomalt, another energy drink, lends its name to the Marathon, an annual feature in Sri Lanka.

In India, the 'Maggi Minithon', draws public attention to the importance of physical activity in our lives.



KIT KAT - Have a Break, Have a KitKat

The current advertising is a fresh emotional approach that focuses on the benefit. Our lifestyles keep us stressed and we miss seeing even the obvious. But KIT KAT breaks are good for us because they help connect with ourselves and our surroundings and, we are able to look beyond the obvious to find new meanings. Have a Break, Have a KitKat.....Can you hear the Squirrels sing!"



NESCAFÉ - Switch on the best in you

The youth wants to make their own choices and choose their own destination. The advertising for NESCAFÉ reflects the thinking that we can reach this destination when we have a sense of purpose. It has a simple message "Switch on the purpose. Switch on the best in you."



MAGGI - Connecting with consumers

On the 25th anniversary of MAGGI, consumers were invited to share their 'Maggi Moments'. Thousands of stories poured in and demonstrated the consumers' emotional bonds with MAGGI.

Nutrition

Value for Society

Greater access to safe, high-quality responsibly produced nutritious food and greater knowledge of nutrition and health issues.



Sri Lanka. Students enjoying NESPRAY Maximum Milk.

Understanding of nutrition, knowledge of balanced diets and access to good nutrition is essential for a good life. Nutrition, Health and Wellness is in the DNA of Nestlé, and our continuous effort is to facilitate this in the community that we touch.

“ Even though South Asia Region has shown remarkable economic development and increased prosperity, balanced nutrition remains a challenge.”

Antonio Helio Waszyk, Nestlé



Encouraging physical activity and balanced nutrition.

Malnutrition is a complex phenomenon. It is both the cause and effect of poverty and ill health, and follows a cyclical, inter-generational pattern.

It is inextricably linked with illiteracy, especially female illiteracy, lack of safe drinking water and proper sanitation, ignorance, lack of awareness and ill health.

It creates its own cycle within the large cycle of poverty.

[Report of the Food and Nutrition Board set up by the Government of India-2009]

The South Asia Region is expected to increasingly bear the double burden of under-nutrition in a large section of its population, along with obesity, diabetes and cardiac diseases amongst more well-to-do populations.

The geographical, climatic and cultured diversity in South Asia is known for its complex culinary habits and solutions are not easy. However, creating awareness for balanced nutrition is necessary.



Food habits vary across South Asia.



Improving nutrition in low income areas.

With economic growth and changing lifestyles, nutritional needs are changing across the income pyramid. Using technology and its expertise in science - based nutrition Nestlé has been developing products with a 'Health plus' for everyday consumption. In India, it has developed MAGGI Masala-ae-Magic which is an affordable taste enhancer at Rs. 2/- fortified with iron, vitamin A and iodine, useful for families across income groups.



MAGGI Masala-ae-Magic available through vegetable vendors.

Nutrition Awareness Programme

In April 2010, Nestlé India launched the Nutrition Awareness Programme. This initiative is being implemented in the South Asia Region under the Nestlé philosophy of 'Creating Shared Value' and is part of Nestlé Healthy Kids Global Programme.

This programme was inaugurated by Ms. Agatha Sangma, Hon'ble Minister of State for Rural Development, Government of India and Mr. Antonio Helio Waszyk, Nestlé. The programme consists of simple but engaging modules and is being rolled out under the umbrella of 'SAANJHAPAN' across the region, in communities where we have our factories.



Ms. Agatha Sangma and Mr. Antonio Helio Waszyk.

“ Food availability and habits differ from region to region and therefore the content for the modules is customised, in collaboration with leading universities in each region who have local nutritional knowledge.”

Sanjay Khajuria, Nestlé

The programme modules are spread over six weeks and structured to help students absorb basic knowledge in a practical manner. It focuses on the role of food in our bodies, how food is digested and how we can improve the balance of nutrients in our diets. The modules specifically devote time to explain how cooking practices can improve nutrition as well as the need for food hygiene, sanitation, and physical exercise to improve health and wellness.



A programme module in the local language.



Nutrition Awareness Programme:
Moga, India

993 Students in 6 village schools have been covered during 2010. In addition to this another 200 students from 2009 batch have undergone a one day refresher course.



Collaborator:
College of Home Science,
Punjab Agriculture University

“ Adolescence is a period of transition from childhood to adulthood, during which the adolescents undergo a series of physical, physiological and psychological changes at a very fast pace. The nutrient requirements of the body increase to cope up with these changes. The dietary intake of the adolescent girls needs to be scheduled properly along with diet counseling to provide balanced diet for optimum physical and psychological development.”

Dr. Neelam Grewal, Dean, College of Home Science, PAU.



Nutrition Awareness Programme:
Ponda and Bicholim, India

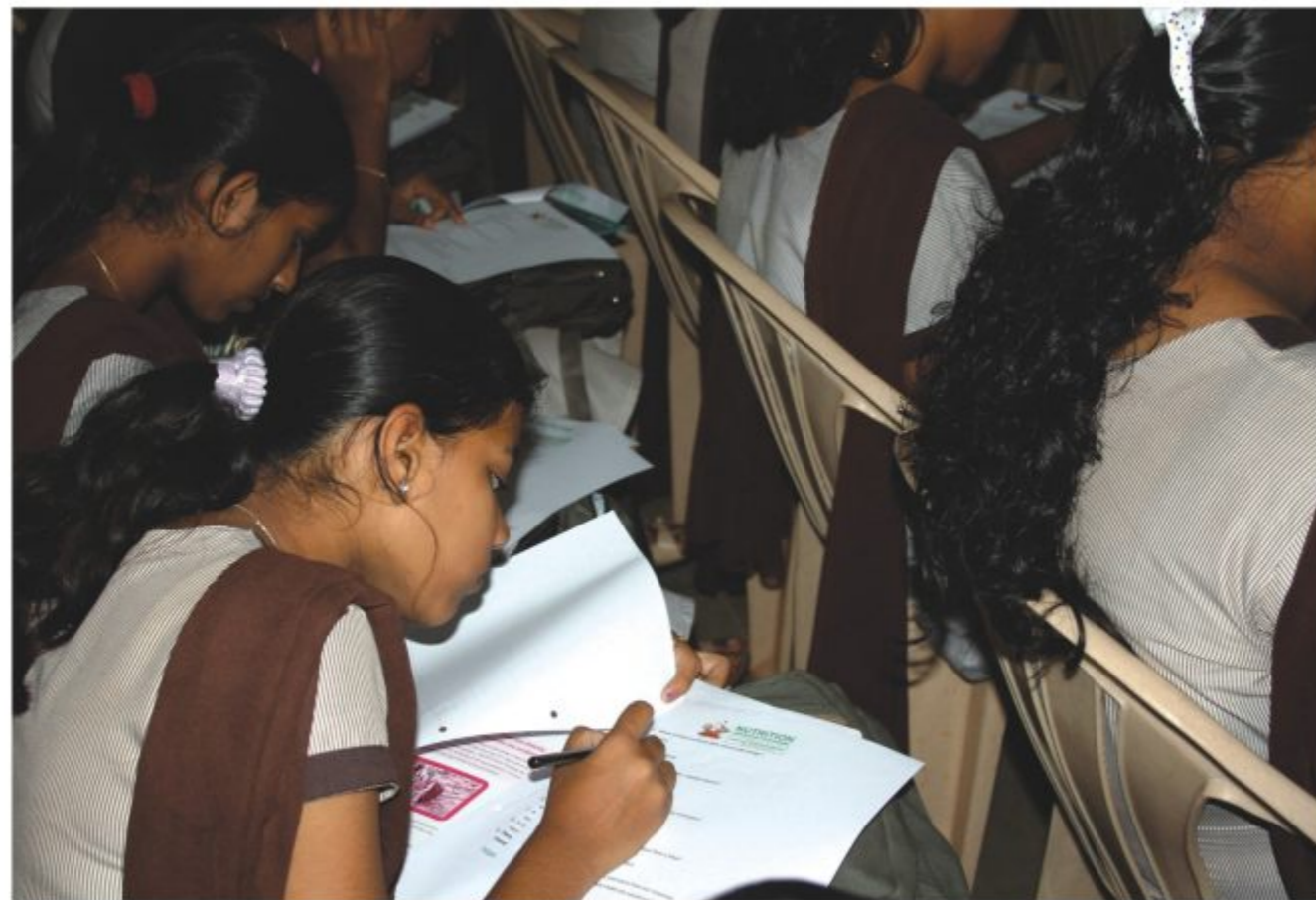
1012 Students in 8 schools have been covered in this area during 2010.



Collaborator:
College of Home Science,
Goa University

“ It is imperative that adolescent girls be armed with sound knowledge of Nutrition and Health so as to take care of their own health and of the family, as future home makers. This partnership between Nestlé India Limited and the Goa College of Home Science will definitely enrich the community at large and adolescent school girls in particular. ”

Rajal K. Shinkre, Principal, Goa College of Home Science.



Nutrition Awareness Programme:
Nanjangud and Choladi, India

During the year 1050 Students in 3 schools have been covered in the village community around these factories.



Collaborator:
Department of Food Science and
Nutrition, University of Mysore

“ There is an age-old saying - If you teach a girl, you teach an entire family and very appropriately, Nestlé 'Healthy Kids' Global Programme aims at creating awareness regarding health and nutrition in adolescent girls from village schools. Ignorance about healthy foods is one of the main reasons for an extremely high incidence of malnutrition in our population. ”

Dr. Jamuna Prakash, Chairperson, Department of Food Science and Nutrition, University of Mysore.



Nutrition Awareness Programme:
Samalkha, India

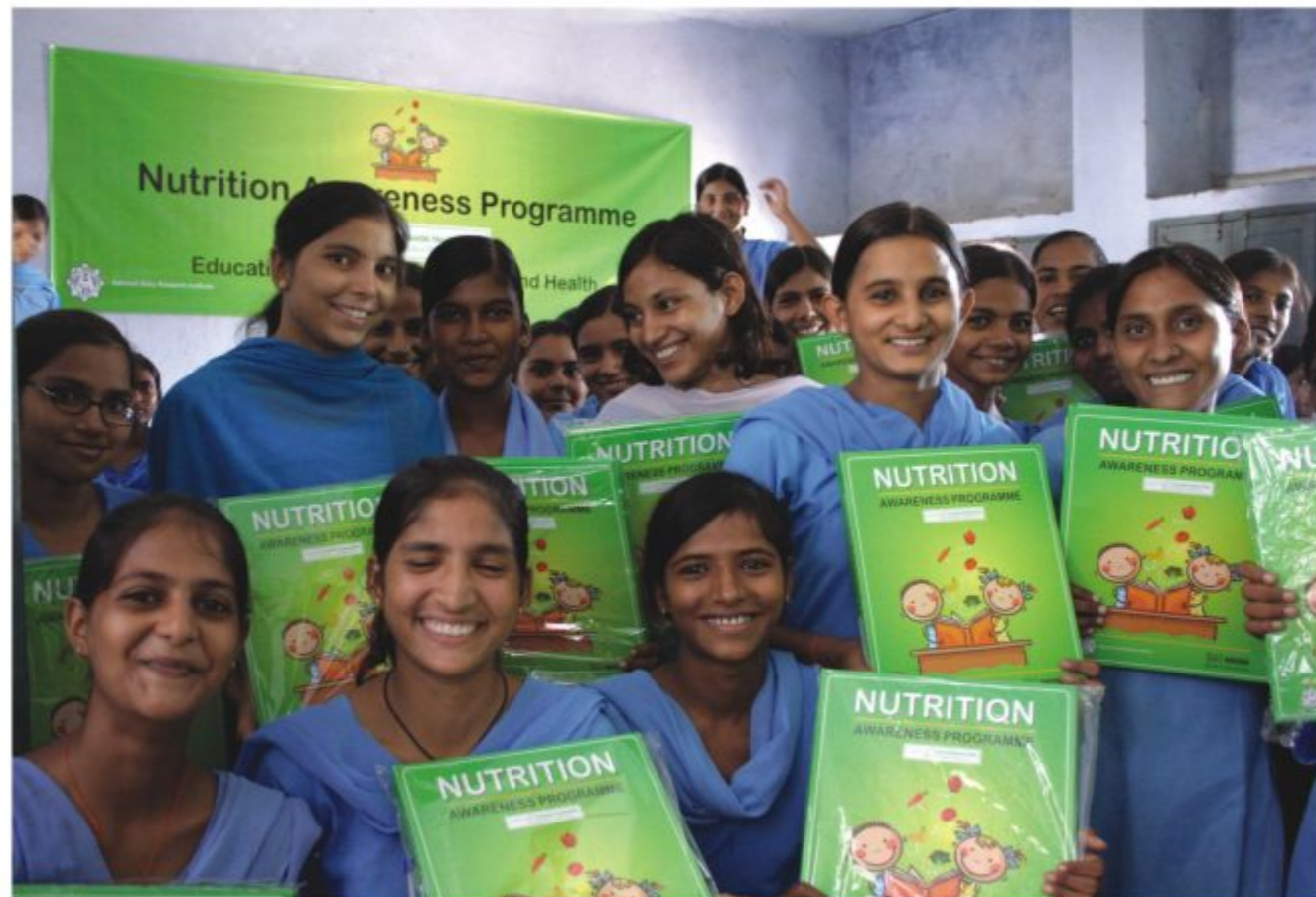
526 Students in 3 schools have been covered during 2010 around Samalkha factory.



Collaborator:
National Dairy Research Institute,
Karnal

“ मनुष्य की युवा अवस्था में आने पर शरीर में विभिन्न प्रकार की वृद्धि और शरीर क्रियाओं में विशेष रूप में हार्मोन्स के कारण ऐसे विकास होता है कि लगभग 2-3 वर्षों में युवकों एवं युवतियों में विशेष अन्तर दिखाई देने लगता है। अतः युवा अवस्था में पौष्टिक खाद्य पदार्थ और पोषण उत्त्वों की अत्याधिक आवश्यकता हो जाती है। इस सन्दर्भ में यह अति आवश्यक है कि पूर्ण रूप से यौवन में आने से पहले लड़कों और लड़कियों को पूर्ण विकास हेतु पौष्टिक खाद्य पदार्थों और पोषक तत्वों की जानकारी हो। ”

Dr. A.K. Srivastava, Director & Vice Chancellor,
National Dairy Research Institute.



Nutrition Awareness Programme:
Pantnagar, India

501 Students in 3 schools have been covered during 2010 around Pantnagar factory.



Collaborator:
Department of Home Science,
Govind Ballabh Pant University
of Agriculture and Technology,
Pantnagar

“ Inadequate calories or imbalanced composition of food leads to poor health, retarded growth, low mental ability and low body resistance against diseases. Such situations have been reported to be more common among girl children in developing countries particularly in rural areas. The efforts of Nestlé India to create awareness about balanced nutrition among school children specially for girls is a commendable initiative and needs to be supported by all. ”

Dr. B. S. Bisht, Vice Chancellor, G.B. Pant University of
Agriculture and Technology.



Nutrition Awareness Programme:
Bangladesh

1493 Students have been covered during 2010
in 7 schools around Dhaka and the Sreepur factory.



Collaborator:
Institute of Nutrition
and Food Science,
University of Dhaka



Signing the MOU.



Nutrition Awareness Programme:
Sri Lanka

1293 Students have been covered during 2010
in 8 schools around Kurunegala factory.



Collaborator:
Food Science Department,
The Peradeniya University



Nestlé Lanka Healthy Kids programme module being presented to Madam Shiranithi Rakapaksa, Sri Lanka's First Lady.





Nestlé has collaborated with the Swiss Embassy and the Government of India for an interesting initiative, the 'Science Express' train exhibition.

Nestlé exhibited posters that carried nutrition related information and arranged brief lectures for visiting students. The 'Science Express' travelled to 56 locations across India over a period of 7 months.

Everyday an estimated 8000 visitors benefitted from this exhibition.



The 'Science Express'.



Nestlé also conducted the Nutrition Awareness Programme in ten 'Kendriya Vidyalayas' / Government schools in Delhi in partnership with the Embassy of Switzerland.



Need for Nutritional Awareness cuts across income strata and populations.



The 'Nutri Corner' initiative continues to be implemented across urban centres and in areas with high footfalls. Trained dieticians and experts help people understand the importance of nutrition and how they can balance their diets.



Nutri Corner activities. Helping consumers relate to Nutrition, Health and Wellness.

“ I am really happy that I had the opportunity to participate in this Nestlé Nutrition Programme at my child’s pre-school. Today, even I was educated in my daughter’s school. ”

Vasanthi Pathiraja
(pictured with her daughter Vasitha)



Nestlé runs a nutrition programme for mothers at pre-schools in Sri Lanka. The objective is to give them a better understanding about nutrition, and to address the main nutritional deficiency in Sri Lanka - Vitamin A.



Knowledge and understanding of nutrition needs to be continuously upgraded. This is equally important for colleagues across Nestlé operations in South Asia Region.

We treat nutrition awareness as a priority for our own employees. More than 80% have already completed the 'Foundation Workshop' on nutrition and a large number have completed advanced workshops on food nutrition specific to our business areas.



A yoga session at Nestlé India Head Office.

HIV/AIDS is another concern for the region. In India alone over 2 million people are estimated to be affected.

Good nutrition is critical for people living with HIV/AIDS as it strengthens the immune system to fight and delay the progression of the disease. Nestlé has actively responded to the HIV/AIDS crisis in the region and has partnered with the Indian Red Cross Society to develop relevant information.



Nutrition awareness camp on HIV/AIDS.

Indian Red Cross Society

NUTRITION AND HIV/AIDS: BASIC FACTS

Nestlé
With the support of Nestlé India Ltd.

Water and Environmental Sustainability

Value for Society

Creating and increasing awareness to help preserve the environment.



Our ambition is to produce tasty and nutritious food and beverages that also have the lowest environmental footprint, so we strive to continuously improve our operational efficiency and environmental performance.

“ We are thankful to Nestlé for providing clean drinking water to our children and teaching them about saving water.”

Joginder Singh, Village Aliwal, India

Water is a scarce resource and in the region a large section of the community does not have access to clean drinking water. In order to create awareness in the communities about the importance of water for a good and healthy life, Nestlé has been actively setting up 'Clean Drinking Water' projects for the benefit of students in village schools around its factories.



The Nestlé Water Awareness Programme reaches out to the community.

School children: People take water for granted, treating it as an endless resource. Nestlé treats children as 'water ambassadors'. The programme creates awareness and educates students on the importance of clean, hygienic water; the need to check depletion of water resources; and methods of conservation. Children carry these messages home, widening the impact of the programme.

Farmers: Agriculture is a heavy user of water. Nestlé is increasing awareness regarding water depletion and advises farmers on optimal water usage in agriculture and dairy.

Women: Nestlé continues to educate village women in dairy farming practices and water management, helping them improve productivity and increase earnings.

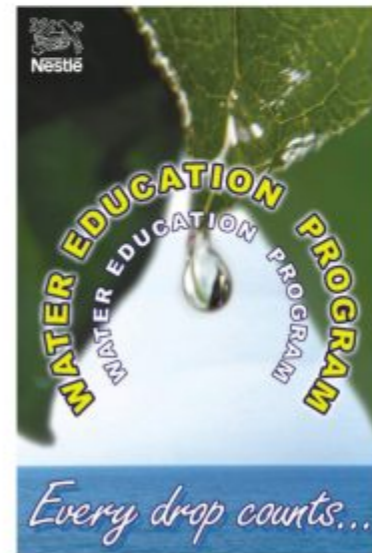
Employees: On World Water Day, an extensive poster campaign on water conservation and preservation was launched across all factories, branches and Head office.



Clean drinking water facility at a village school in Sri Lanka.

“ With clean drinking water in school, fewer children are falling sick. They also go home and help their families to save water.”

Dalbir Kaur, Teacher, Fatehgarh Primary School, India.



Clean drinking water facility at a village school in India.

Clean Drinking Water Projects

Setting up these water projects is a continuing process. With every new Nestlé Clean Drinking Water project 'water education' becomes a part of the curriculum in one more village school and more children learn about water conservation and the link between clean water, hygiene, health and wellness. Across the South Asia Region, over 100,000 students in village schools are already benefiting directly. Sri Lanka has set up 10 projects, Bangladesh has 23 and India has invested in 155 water projects. Many more are planned.



“ Emphasis on conservation of resources is a priority within our factories.”

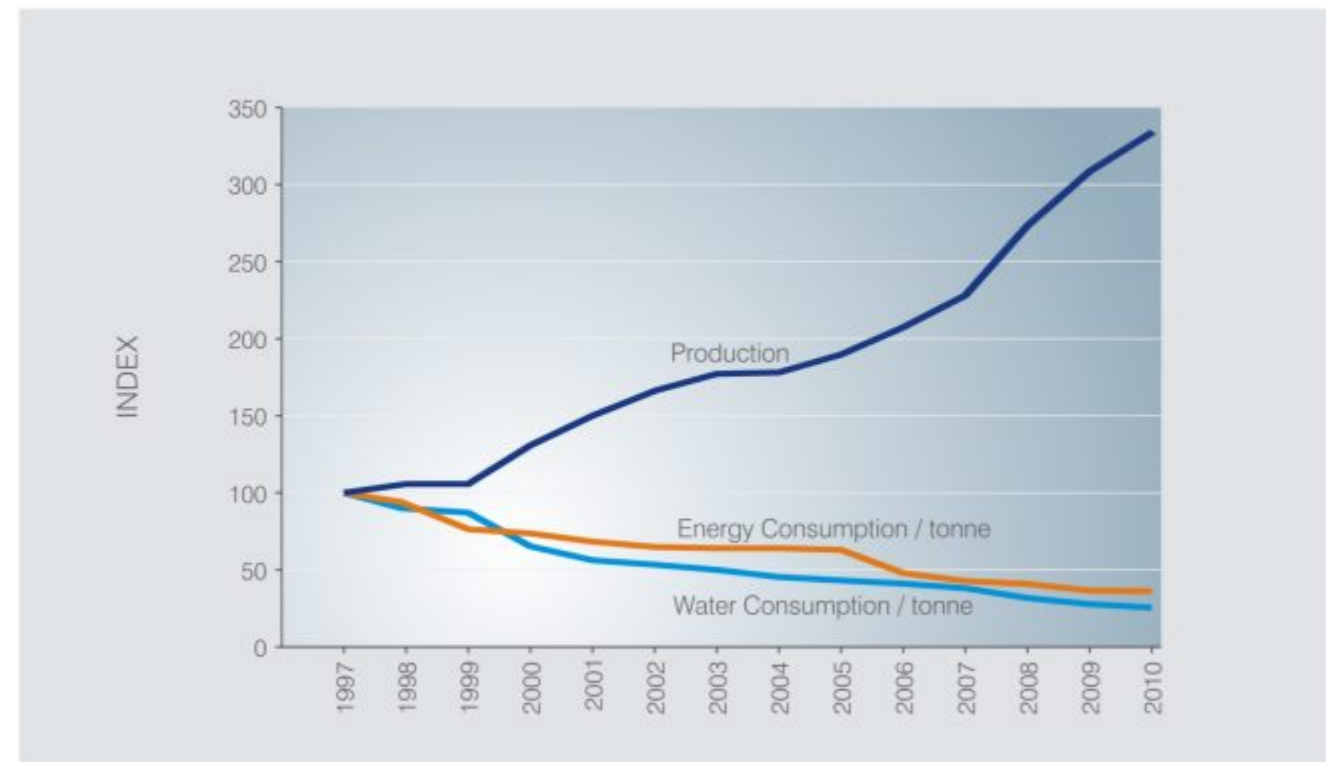
Christian Schmid, Nestlé



Planting a tree, a must on all important occasions.

Within our factories and in areas under our control there is a continuous effort to minimise consumption of natural resources and reduce waste and emission, while maximising production. All processes follow the Nestlé Environment Management System and business practices comply with government policies, environmental laws and regulations using state-of-the-art technology and equipment.

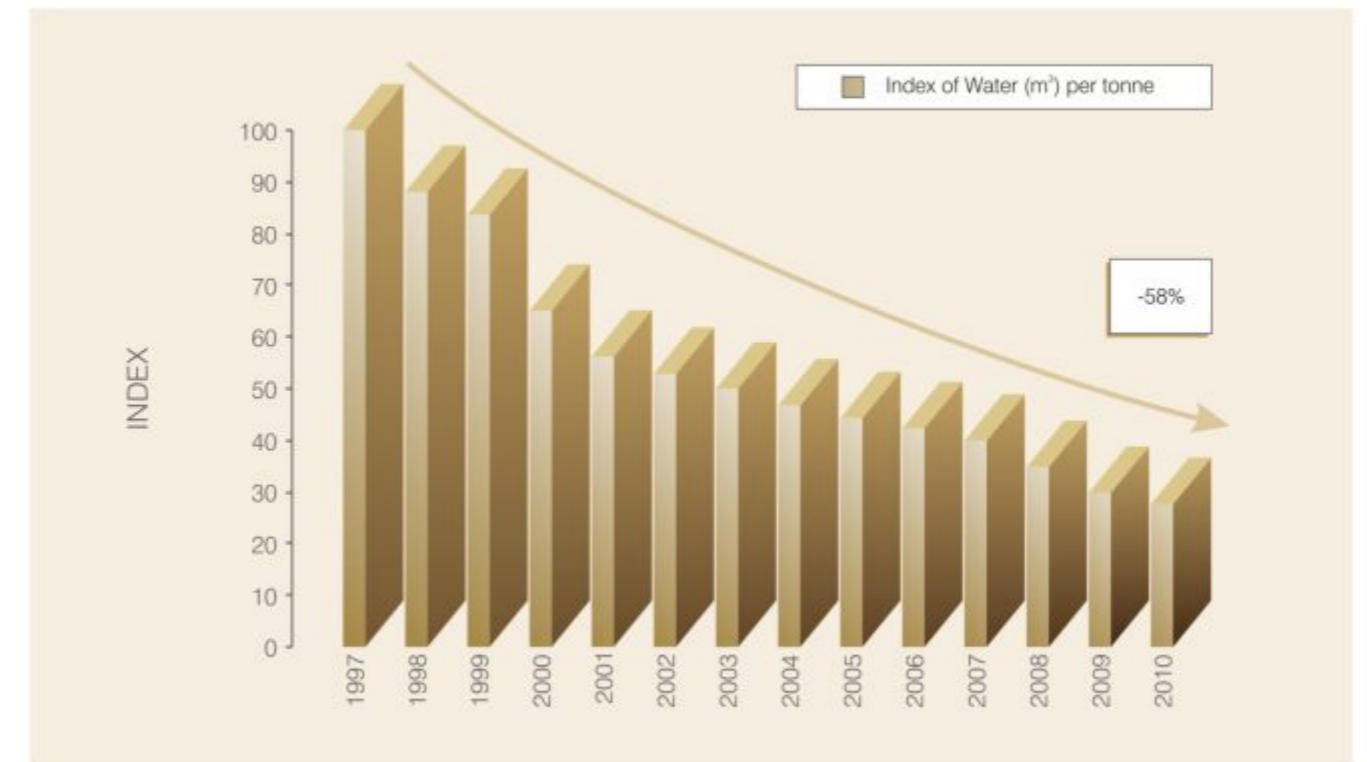
Even as production volume has been increasing, there has been significant reduction in usage of energy and water and reduction in emission of green house gases per tonne of production.



Water consumption per tonne of production has reduced substantially and water use efficiency has improved by 58% by deploying efficient methods and technologies.



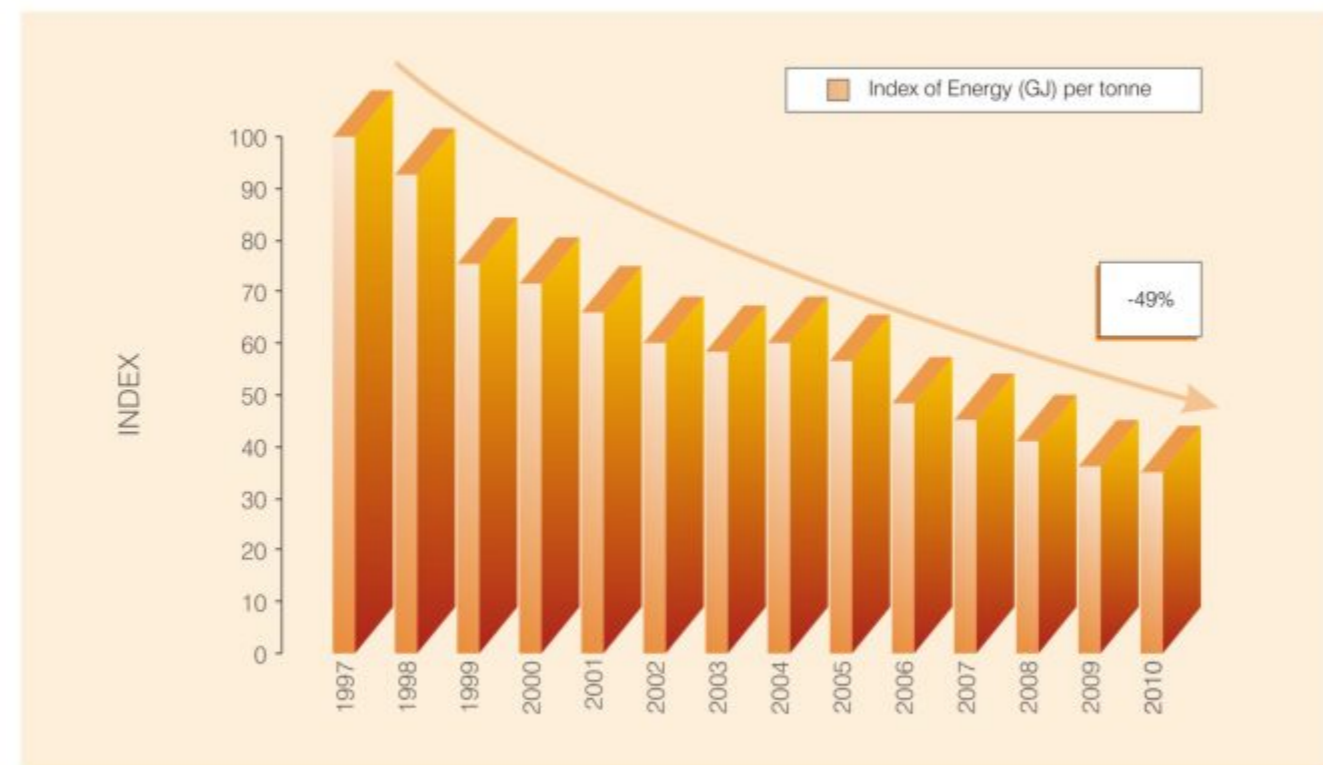
Investment in Reverse Osmosis plants for more effective recycling of water.



Energy consumption per tonne of product has reduced by 49% through investments in energy efficient systems and processes, and cutting down on energy losses.



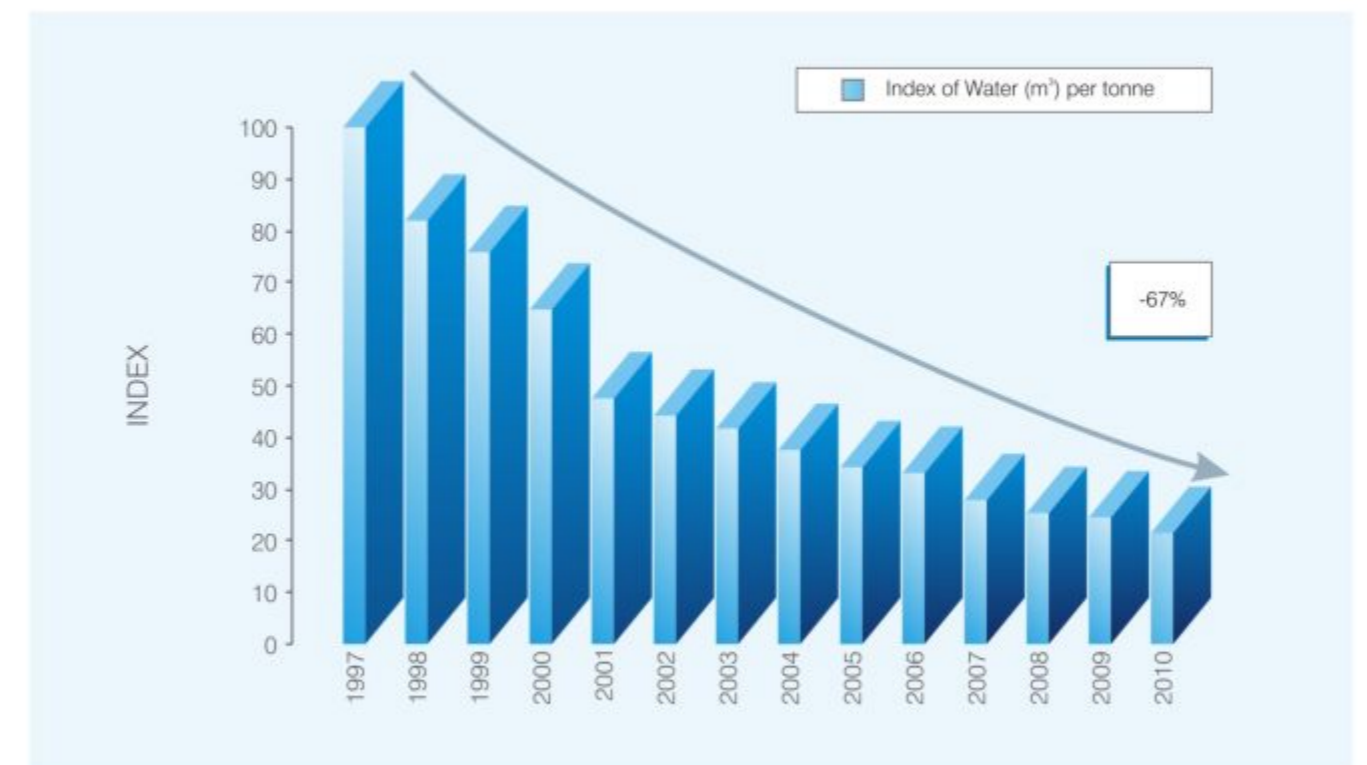
Using waste heat to generate steam.



Waste water discharge per tonne of product reduced by 67% as a result of the reusing of water and more efficient processes that reduce water need.



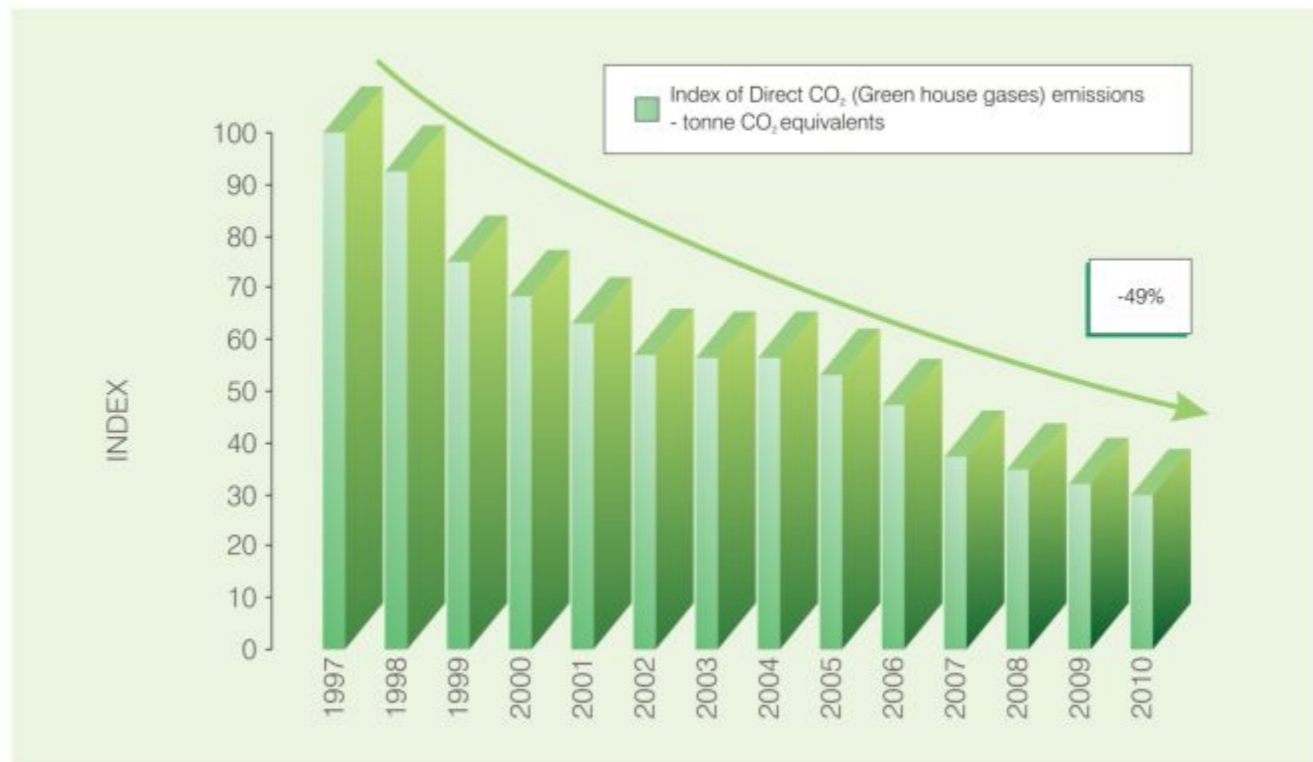
Treating waste water for re-use.



Our carbon footprint has been significantly reducing as a result of our focus on technologies to improve combustion, while utilising renewable fuels such as coconut shells and process waste to replace non-renewable fuels.



Spent coffee grounds being used as fuel.



Nestlé and IWM

Nestlé is currently working with the International Water Management Institute (IWM) to identify key areas where local initiatives for better water management in agriculture could be developed.

This included a six-month study of the water footprint in dairy and other local crops in Punjab, India.

Rural Development

Value for Society

Training and technical assistance; greater yields; better quality of milk and crops; increased income; employment and economic development opportunities.



Village Women Dairy Development Programme in Rajasthan, India.

The well-being of the community from where we draw our agricultural raw materials is important for us. By encouraging sustainable practices we not only help improve the supply and quality of raw materials but also improve the standard of living of the communities in a sustainable manner.

Our relationships are based on the understanding that our investments must result in long term sustainable growth and economic and social progress for the community as well.



Nestlé works with communities to Create Shared Value and follows a two-fold approach. On one hand, it creates direct and indirect employment, and in parallel, through transfer of technology, knowledge and other development programmes it enables people to actively participate in economic activity. While the successful work with dairy farmers is an outstanding case study, less known is our continuous work with other suppliers of raw materials such as Coffee, Spices, Chicory and Sugar.



Nestlé Lanka. Creating value with coconut suppliers.

“ Nestlé constantly guides us, providing technology and best practices to upgrade our quality to international standards. They now use our supplies to substitute imports and at the same time it opens the export market for us.”

Paras Budhiraja, PARAS Foods, India.

Creating Value for Suppliers

Nestlé has worked extensively to develop dairy farming and make it a sustainable income source even for small and marginal farmers. Nestlé follows this approach across suppliers, helping local companies improve quality or supporting farmers grow crops that benefit them, as in the case of chicory cultivation. In recent years Nestlé has helped expand cultivation and quality of chicory in different areas of India by developing and guiding specific vendors who are in direct contact with chicory farmers. Transfer of technology and education in improved processing has expanded the area under cultivation and improved crops, while better knowledge of roasting and processing has increased yields. During the past 10 years the number of chicory farmers benefiting from this has increased from 1000 to 7500 and production has gone up by 600% from 2,000 tonnes to 12,000 tonnes.



Helping establish quality processes at a suppliers factory.

“ Nestlé has taught me how to keep our cattle healthy and the milk clean, and how I can help my family live a better life. ”

Daljit Kaur, Village Walipur Khurd, India.

The Milk Economy of Moga, India: a global case study [Harvard Business Review]

When Nestlé started operations at the factory in Moga in 1961, only about 180 farmers were willing and able to supply milk. Nestlé India introduced the concept of dairy farming in the region. Nestlé teams went door-to-door, educating people and chipping away at social resistance. It took time for the farmers to come around but when they did, they began a white revolution.

Over the years Nestlé has worked with them and developed their capabilities to supply high quality milk. Today, Moga has a flourishing milk economy. This has had a multiplier effect. With over 100,000 farmers supplying nearly 1.3 million litres of milk everyday, doors of opportunity have opened, benefiting generations of families to prosper.

Nestlé investments in milk collection infrastructure, technical assistance to improve herd management, farm productivity and farm economics have continued to increase. The result: sustained long-term growth for both Nestlé and the community.

The factory in Moga in 1961 was just the first Nestlé landmark. Today, Nestlé has nine factories across the region and more investments are planned.



Milk Chilling Centre at a village in Moga, India.

“ The war took away my cattle. Nestlé got them back. ”

Aruna Bandara, Sri Lanka.

Sri Lanka: reaching out

As the largest private sector collector of fresh milk in Sri Lanka, Nestlé plays a large role in contributing to the development of rural communities and the local economy.

In 2009, Nestlé was the first private organisation to initiate milk collection and set up collection points and chilling centres in the northern and eastern parts of the island where development was affected due to internal conflict. Nestlé Lanka recently opened a Milk Chilling Centre in Kilinochchi, a central town in the Northern province. This is Kilinochchi's first Milk Chilling Centre in 30 years.

Nestlé collects over 35% of the milk produced on the island. This amounts to almost 120,000 litres of milk every single day.

Recently Nestlé has been awarded the Swarn Lanka 2010 award for immense contribution towards developing the local dairy industry.



Mr. Alois Hafbauer receiving the award from Honourable Chamal Rajapaksa.



Inaugurating a Milk Chilling Centre in Kilinochchi.

Girl student tend to drop out of schools due to lack of sanitation facilities. Nestlé provides sanitation facilities to reduce these drop outs.



Sanitation facility for girls student in Nanjungud India.

Nestlé believes that education and empowerment of girl students can benefit the quality of life in communities. To facilitate this and remove what is considered to be a major cause of drop outs it is setting up sanitation facilities for girls in the village schools.



Completion of sanitation facility for girl students at Sri Lanka.

Empowered women, happier homes

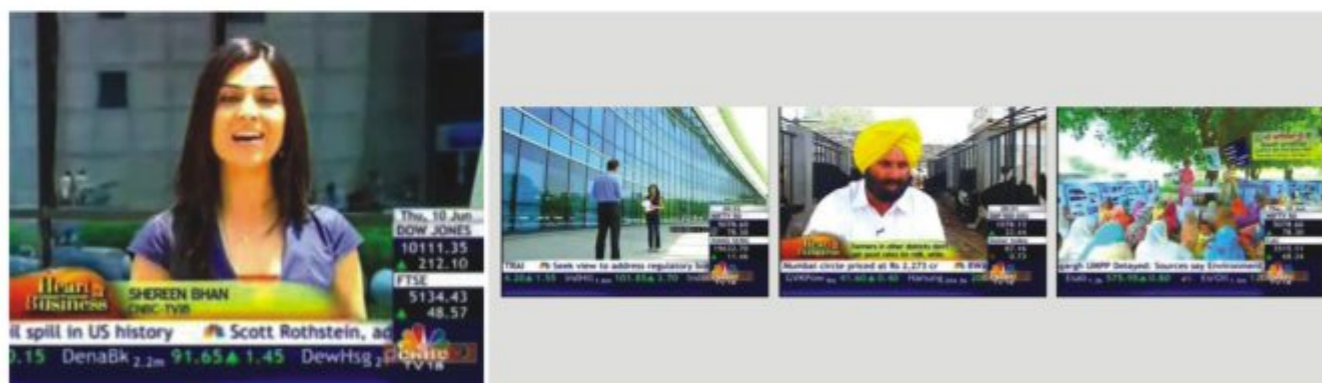
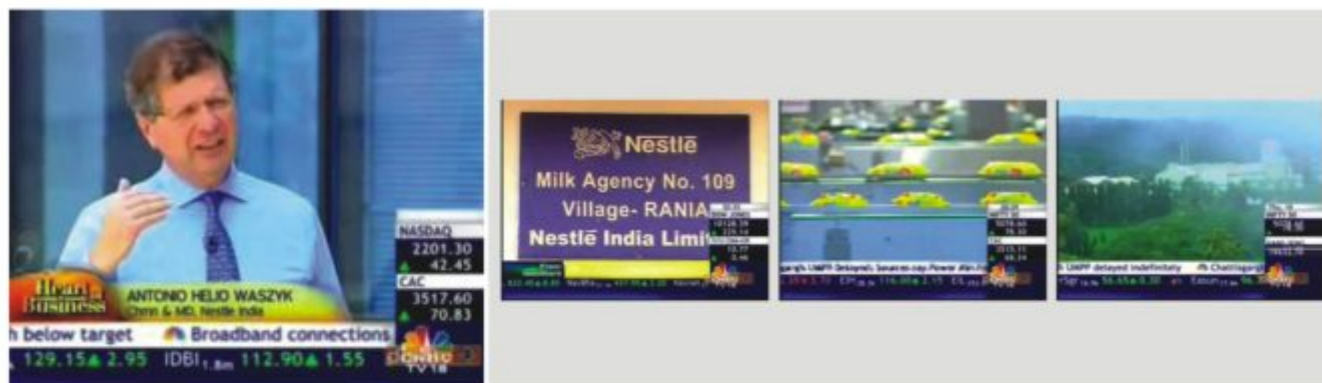
Recognising the active role that women play in the community, Nestlé India runs special training programmes for village women on good dairy farming practices. This Village Women Dairy Development initiative also spreads awareness about personal health, hygiene, water conservation and economic independence. In the last five years more than 1200 camps to educate, empower women have been held and more than 45,000 women have been benefited.



One of many Dairy Development Programmes for village women in India.



Nestlé Redefining Corporate Social Responsibility



“Jitendra Singh for instance is amongst the one lac farmers of Moga who sell milk to Nestlé everyday, He started with two cows in 1996 and with Nestlé's financial and technical support, today he owns 78 cows.”

-CNBC TV18

“ If you teach a woman, you teach a family. With that belief Nestlé is surely helping village women in Punjab to become financially independent.....

.....Company's women development programme may be a model that other corporates would like to follow.”

-CNBC TV18

“ Instead of investing in land and setting up its own milk farms, Nestlé decided to help create a model where it provides the technology with the farmer being the pillar of the strategy. So farmers like Sardool Singh have used Nestlé's technology to help increase produce hygienically and reduce wastage.”

-CNBC TV18