



Good Food, Good Life

WATER STEWARDSHIP AT NESTLÉ CARING FOR WATER INITIATIVE

***15th INTERNATIONAL CONFERENCE ON LAKES
AND WETLANDS***

Valencia – 7th of MAY 2019

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Context

Water Stewardship at Nestlé

Policy
Mandatory
June 2013

Nestlé
Good Food, Good Life

Appendix to The Nestlé Policy on Environmental Sustainability

The Nestlé Policy on Environmental Sustainability

Nestlé Commitment on Water Stewardship

"Nestlé believes that effective water stewardship will require that provisions are made firstly for water to meet the human right to water, then to ensure that ecosystems are able to function, and finally to ensure that water is used efficiently for agricultural and industrial use."

Our 2020 Public Commitments

w ork to achieve water efficiency and sustainability across our operations

Leading in water resource management and excelling in the reduction of the direct water use in all our facilities

a dvocate for effective water policies and stewardship

Promoting public policies that place value on water at every level

t reat the water we discharge effectively

Setting strict targets for returning clean water to the environment

e ngage with suppliers, especially those in agriculture

Helping to improve their water management with focus on impacts at watershed level

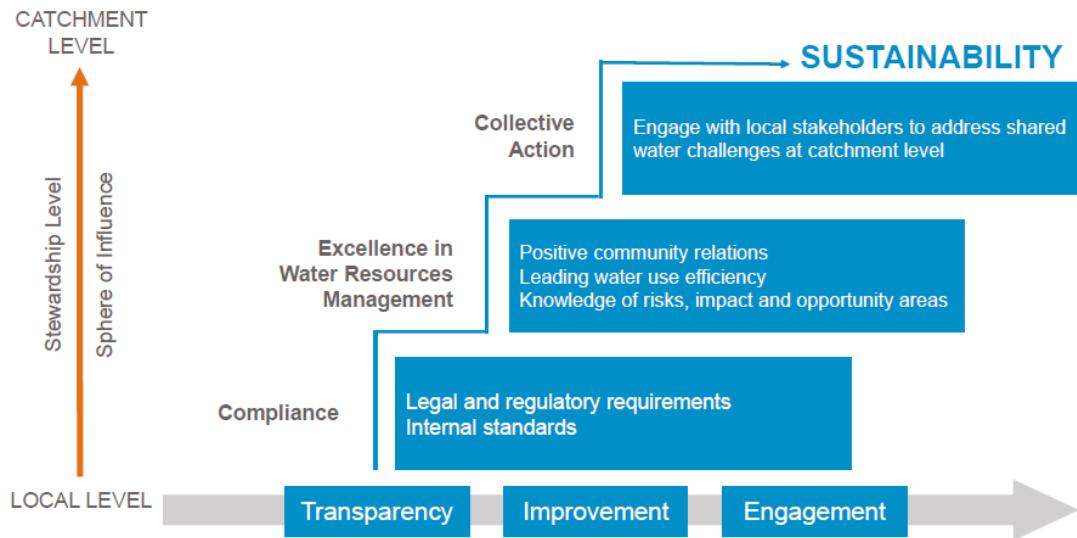
r aise awareness on water conservation and improve access to water and sanitation across our value chain

Engaging employees, communities and consumers in the water imperative



The Water Stewardship Ladder

A 3 steps roadmap towards sustainable water resources management.



- ✓ Address the shared water challenges in the catchment, engage in collective action aiming at **sustainable water resources management**.
- ✓ Be **responsible water users** (minimize negative impacts and maximize positive impacts for everyone)
- ✓ Ensure **compliance** against water related regulatory requirements

Caring for Water
flagship initiative

What is our Caring for Water initiative?

- A FLAGSHIP INITIATIVE of our purpose and value framework.



Caring for Water Guidance

Caring for Water

- Launched in May 2018
- Mandatory within the company
- Supports Water Stewardship initiatives in all countries where we operate.

"At Nestlé, we unequivocally believe that access to water is a basic human right. Everyone, everywhere should have access to water."



How do we roll out? The pillars to focus our efforts

Caring for Water

- A **flagship initiative** of our purpose and value framework.
- Focuses on **FOUR KEY IMPACT AREAS**:
 1. in our **FACTORIES**, continuously improving water use efficiency;
 2. in **WATERSHEDS**, working with partners to protect shared water resources;
 3. across our **AGRICULTURAL SUPPLY CHAIN**, where water challenges are putting the sourcing of our raw materials at risk;
 4. in the **COMMUNITIES** where we are present, to widen access to clean water and sanitation.



Aligned to support AWS certification

- Caring for Water Initiative is aligned with the **ALLIANCE FOR WATER STEWARDSHIP STANDARD (AWS)**, where Water Stewardship is defined as:

The use of water that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site- and catchment-based actions.

- 16 factories certified AWS so far
- 3 factories in Spain in preparation
- All Waters factories to be certified by 2025



Caring for Water
in action

FACTORIES

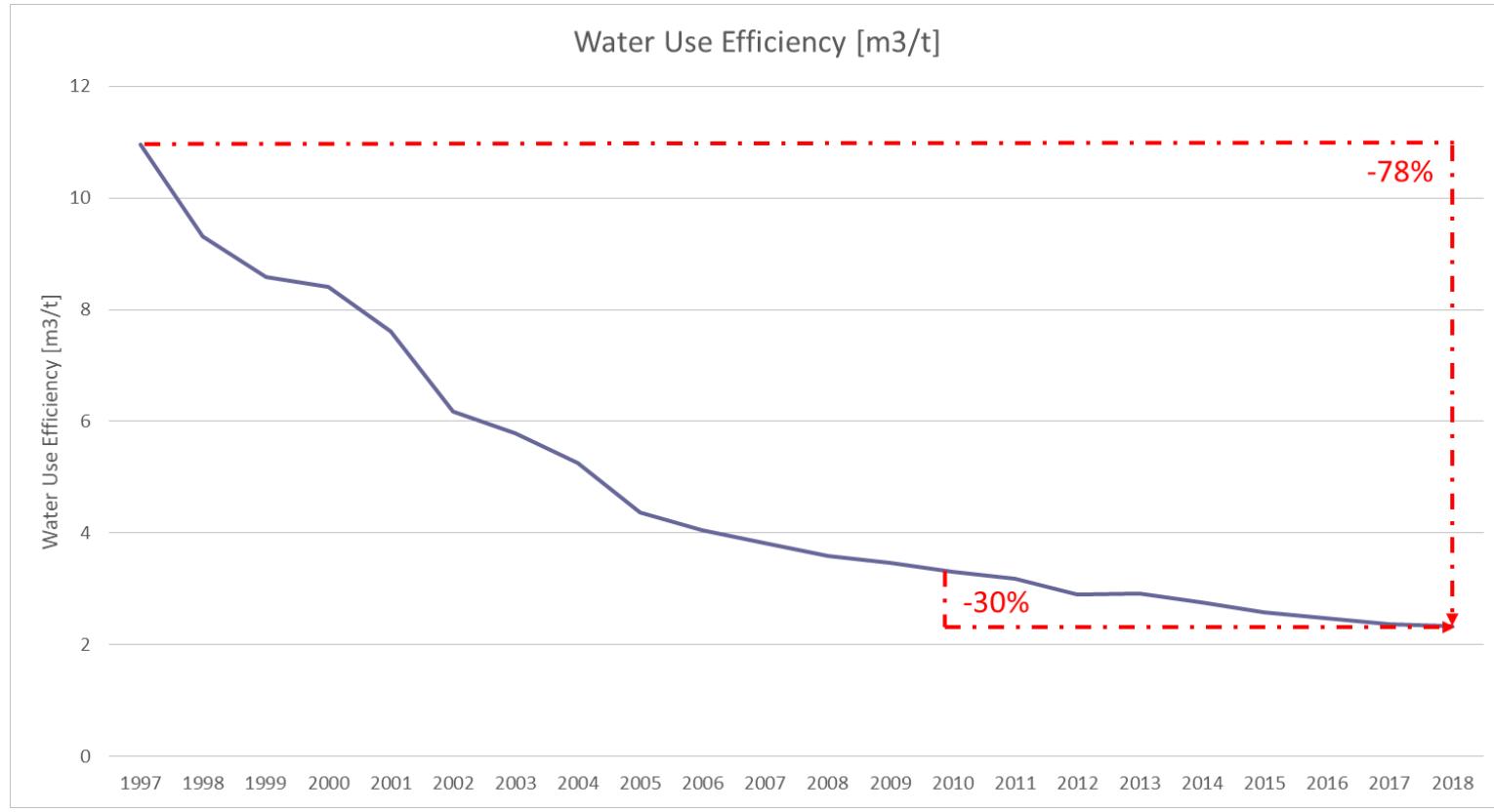
Addressing water challenges in factories



- All factories strive for water efficiency, applying the “**Reduce, Reuse, Recycle**” approach, going as far as necessary.
- Using a **Context-Based Approach (CBA)**, selected factories go further.
- Efficiency targets are defined by exposure to water stress and product technology.

➤ Best Practice: [ZERO Agua factory](#) (Mexico)

Water Use Efficiency



AGRICULTURAL SUPPLY CHAIN

Context and challenges for the agriculture supply chain

Agricultural activities use 70 % of the world's freshwater withdrawals, and up to 90% in some developing countries.



The most commonly faced issues in agriculture are:
Quantity of water used

- Over-exploitation of local water bodies, rivers or aquifers, for agricultural and farm use
- Over-irrigation, leaks, inefficient irrigation technology
- Evaporation from soil, from irrigation network (reservoirs and canals)
- Surface water run-off

Quality of water returned

- Leaching, contamination of water bodies with pollutants of agricultural origin
- Soils and sediment erosion

COMMUNITIES

Five key challenges around access to water



- **Availability**
People do not have a sufficient quantity of water – less than 50-100L per person per day.*
- **Quality**
The water quality is not sufficient - not in line with WHO drinking water quality standards.
- **Access**
The drinking water source is too difficult to access - more than 100 meters away from the point-of-use.
- **Cost**
The water is too expensive – hence the household spending on water surpasses 3% of the family budget.
- **Taste**
The water taste is not in line with local cultural expectations.

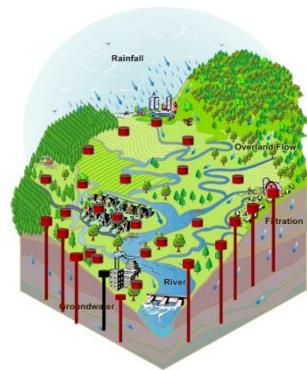
* UN, Human Right to Water and Sanitation

WATERSHEDS

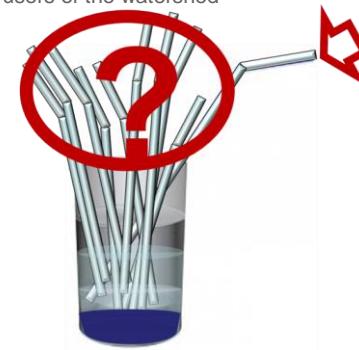
Addressing water challenges at watershed level



- A watershed or catchment area includes different users, introducing different risks, but also engagement opportunities.

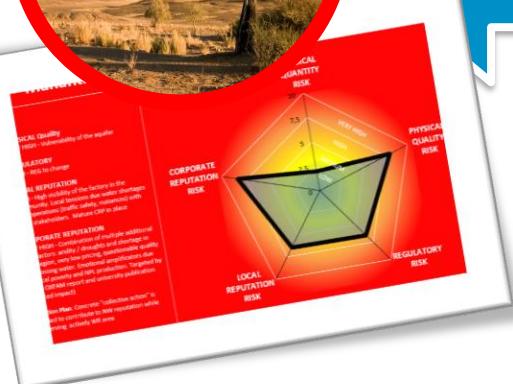


The other users of the watershed



- Water stewardship means more than individual efforts. We cannot work alone. Achieving sustainability within a catchment is about collaborative efforts with stakeholders

Identify and Implement Collective Action in Watersheds



Water
Challenges

Challenges in
Communities

Collective
Action



Collective action defined at watershed level

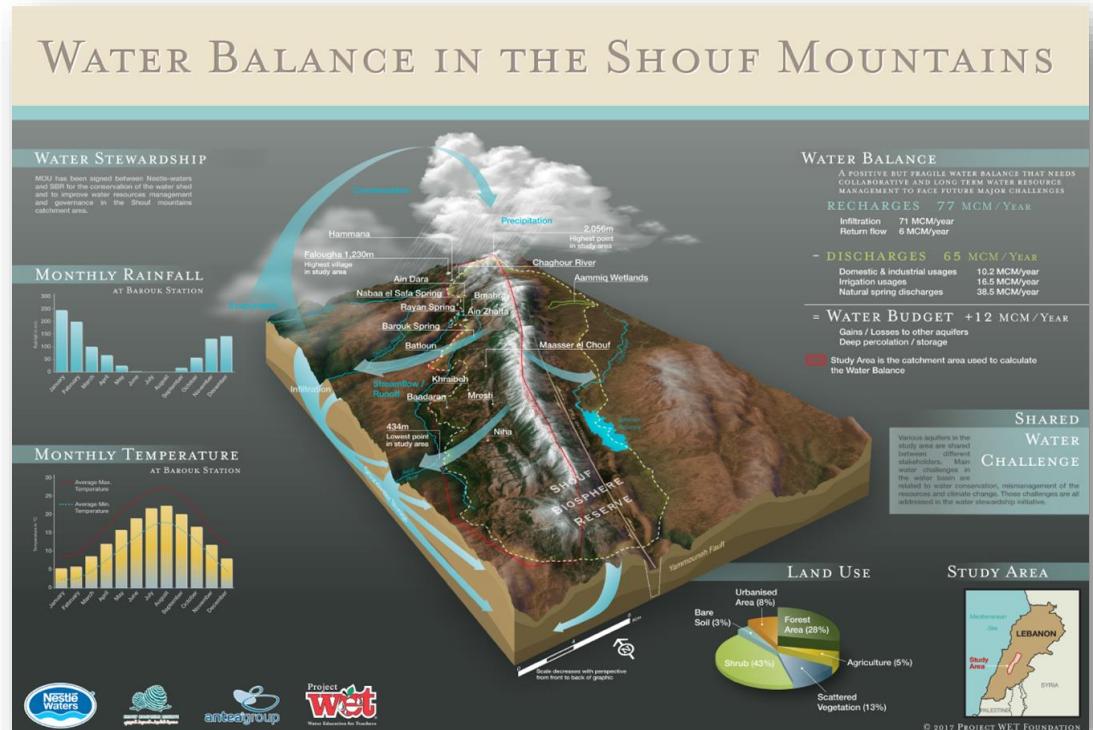
Achieving sustainability within a catchment is about collaborative efforts with stakeholders

What is a watershed (or catchment)?

“The area of land from which all surface runoff and subsurface waters flow through a sequence of streams, rivers, aquifers and lakes into the sea or another outlet at a single river mouth, estuary or delta; and the area of water downstream affected by the site’s discharge”.

What is collective action?

“Corporate water management initiatives that involve interaction with government entities, local communities or civil society organizations”.



ALLIANCE FOR
WATER STEWARDSHIP

Approved



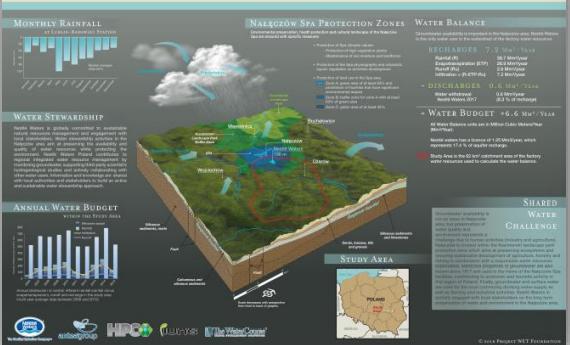
TRANSPARENCY...

3D BLOCK DIAGRAMS AND BEYOND...

WATER BALANCE IN THE SHOUF MOUNTAINS



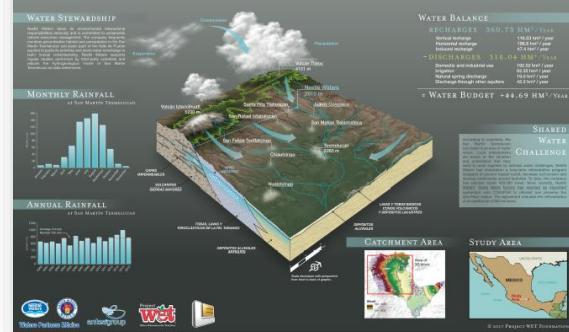
WATER CYCLE IN NAŁĘCZÓW AREA



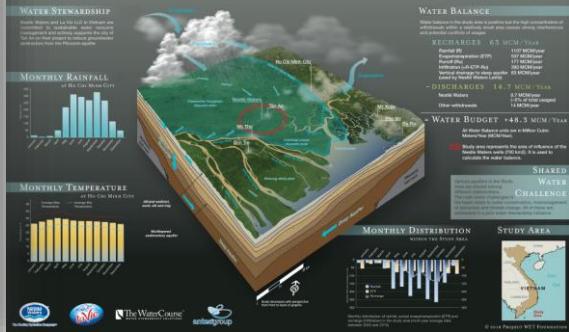
BALANCE HÍDRICO EN EL ÁREA DE EXTRACCIÓN - ECO DE LOS ANDES



WATER BALANCE OF THE SAN MARTIN TEXMELUCAN SUB-BASIN



WATER BALANCE IN THE VÀM CỎ RIVER WATERSHED



WATER BALANCE IN ONTARIO, CALIFORNIA



WATER STEWARDSHIP

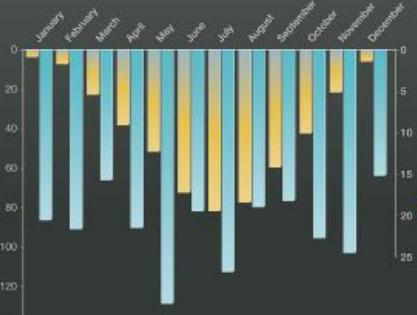
Nestlé Waters is globally committed to sustainable natural resources management and engagement with local stakeholders. In Henniez, the ambition is to become the regional reference in terms of integrated water management, environmental stewardship and circular economy. Among different projects of the "ECO-Broye" program, a biogas station has been inaugurated in 2016 to transform 30 kt of manure and industrial by-products (essentially coffee ground) into renewable energy, converting simultaneously a contamination threat into an opportunity. In parallel, more than 2,400 ha of ecological network have been implemented with 72 farmers, whereas introduction of old species of crops and fruit trees are improving biodiversity in the area, for the benefit of the Environment, the Water Cycle and all the local stakeholders.

WATER CYCLE

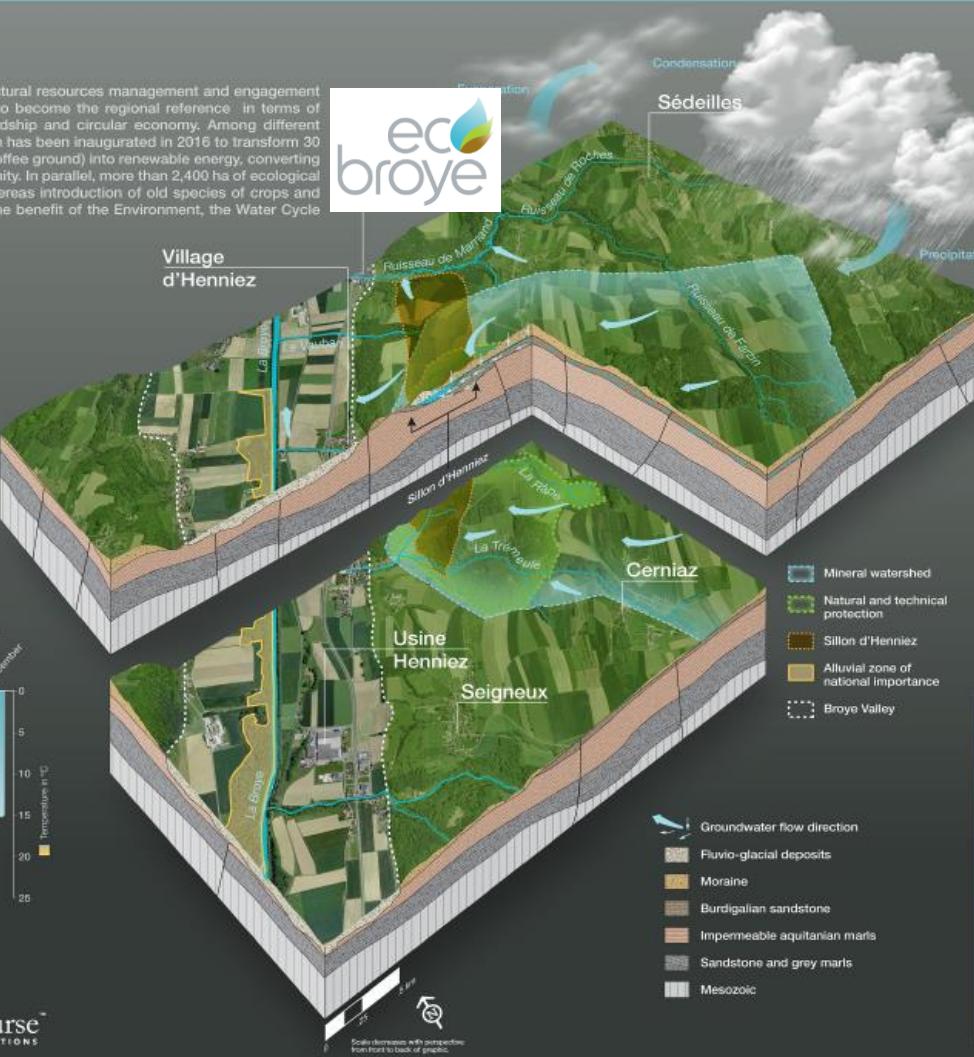
In the recharge area, the efficient rainfalls (Rainfalls-Evapotranspiration-Runoff) are infiltrating in the fluvio-glacial deposits and the moraine, towards the Burdigalian sandstones. Blocked by the impermeable clays of the Aquitanian below, the water is being drained by the Sillon d'Henniez - an erosive structure inherited from the Rhone Glacier retreat - where it appears again in the springs after a small decade journey. The overflow of the system goes directly in the River Broye.

MONTHLY PRECIPITATION AND TEMPERATURE

2013 - 2017 AT MOUDON STATION
PRECIPITATION AVERAGE 1075 MM/YEAR



The WaterCourse
WATER STEWARDSHIP SOLUTIONS



SHARED

WATER

CHALLENGE

Siting in a water abundant area – Switzerland is considered to be "Europe's water castle" – Henniez and the whole Broye Valley are situated in a rural area, relying essentially on agricultural economy. These activities often represent an important threat towards long term underground's water integrity for all the water users. Therefore, the Water Stewardship mindset aimed at harmonizing sustainable natural resources management – especially WATER - and local economic development in the Henniez region, by converting shared challenges into collaboration opportunities with local administration and stakeholders.

WATER BALANCE

The Henniez water balance study area covers a surface area of 37 km²

RECHARGES 322 MM/m²/YEAR

Mean annual rainfall
Infiltration
1075 mm/m²/year
322 mm/m²/year

DISCHARGES 12.24 MM/m²/YEAR

Henniez factory withdrawal
12.24 mm/m²/year
(3.8% of total usage)

= WATER BUDGET +309.76 MM/m²/YEAR

STUDY AREA



DESIGNED BY THE WATERCOURSE

STEWARDING
WATER RESOURCES
EVERWHERE
WE OPERATE



Enhancing quality of life and contributing to a healthier future

Values rooted in respect



FOR INDIVIDUALS & FAMILIES

enabling healthier and happier lives

- Offering tastier and healthier choices
- Inspiring people to lead healthier lives
- Building, sharing and applying nutrition knowledge



FOR OUR COMMUNITIES

helping develop thriving, resilient communities

- Enhancing rural livelihoods
- Respecting & promoting human rights
- Promoting decent employment and diversity



FOR THE PLANET

stewarding resources for future generations

- Caring for water
- Acting on climate change
- Safeguarding the environment

Brands with purpose

WATER IS A GLOBAL CHALLENGE...



... THAT MUST BE TACKLED LOCALLY, BUT COLLECTIVELY!



The use of water that is socially equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site- and catchment-based actions.

