

Simon Mainwaring:

There are many pressing issues of concern today, but our ability to feed a global population, now very close to 8 billion people, is top of mind. That's because nothing is more destructive to an individual's life than a lack of access to food. And nothing is more destabilizing to communities, societies and countries, then widespread food shortages. Yet that challenge can't be viewed in isolation, for the ability to feed a global population, turns on how effectively we nurture the planet that makes it possible. And as we all know, the current relationship between humanity and the planet is perilous and there's a critical need to accelerate and scale regenerative mindsets and practices to restore and fortify the planet's ability to provide for our future. It's not surprising then that much attention falls on the food sector, both in terms of its capacity to provide for the food we need and care for our planet in the process.

So how does business resolve such a massive, complex and real-time issue? How do we at once restore the planet while also providing for humanity's enormous needs? And how do we do it in a way that meets this challenge with an effective and sustainable solution? This issue is not only critical today, but will become even more so in the near, mid and long terms. The impact of the climate emergency will put even greater strain on our ability to grow the food we need, the global supply chains that distribute it and the cost of that food in different markets around the world. So where do you begin? Do you start with small holding farmers working the land around the globe? Do you start with a macro perspective of global food systems? Do you begin with consumer education? Nothing could be more important to our future. And while this may sound like a daunting challenge, it's also an incredible opportunity to reimagine and re-engineer business to better serve humanity and the planet. So let's dig into these questions that are so important to our future.

From We First and Goal 17 Media, welcome to Lead with We. I'm Simon Mainwaring, and each week I talk with business and thought leaders about the revolutionary mindsets and methods you can use to build your bottom line and a better future for all of us.

Today I'm joined by Rob Cameron. Now, Rob is Nestle's global head of Public Affairs and ESG Engagement. Established over 150 years ago, Nestle is the world's largest, most diversified, food and beverages company. It has a unique global footprint and sells products in over 180 countries working to enhance the quality of life and build a healthier future for people across the globe. And we'll discuss how a company with such a complex and consequential footprint, leads with respect, to ensure what it makes and how it makes it, serves as many people as possible and the precious planet we share.

So Rob, welcome to Lead with We.

Rob Cameron:

Yeah, thanks, Simon, glad to be here.

Simon Mainwaring:

Now Rob, I want to start by asking what might seem like a counterintuitive question, which is why are you positive about the future? Why are you optimistic about our ability to provide the food and food system needs for a planet of a ballooning population and all these multiple crises? Why are you positive?

Rob Cameron:

Well, I think that if you think about it in terms of history, present, future, when I think back to how things used to be in terms of climate change and the lack of attention to climate change and sustainability was receiving in the press, it was always such a struggle to get people to pay attention.

And now I think there's been such an upsurge in interest. I think it's fair to say that the upsurge in interest from all quarters is at least in part driven by some of the physical things that we see around us, and it's been one of the hottest years on record. We know that. And some of the things also that we see around us would give us pause for thought. There's no question. There are concerns, right? There's concerns.

But the thing about concern, about any concern, and it's always been the case in business, if you understand that there's a problem, you've got a chance to do something about it. And I think there are more people mobilizing to do more about the sustainability in general, particularly climate change, than ever I've known in 25 more years working in this space.

So I think there's optimism in the sense that we're mobilizing, challenge in the sense that the scale of the issues, it's big, but hope that human ingenuity can actually drive some progress here. We need it and I think that the mobilizing forces are there now. We just need the will. We know how to do it, we can just keep building the will.

Simon Mainwaring:

I really like what you're saying there because this is not a linear gain. These issues that we're solving for aren't increasing in a linear way. They're exponential because the crises are compounding and they're connected. But as you're saying, our response is exponential as well, as more people join, an ever greater number of people are mobilized, and we've got greater cause for hope. So just for those who don't fully appreciate the scope and size of Nestle, because there are those around the world who might go, oh, we know them and they make the products that add sweetness to our life and joy and the things that we grab, or those who realize just the scope and scale of what you make. Give us a sense of how big Nestle is, the number of brands you have out there, the global footprint.

Rob Cameron:

Yeah. Okay. So in terms of the company's size, present in 180 plus countries, revenues close to a hundred billion Swiss Francs. So revenue-wise, country-wise, absolutely huge. Having said that, a lot of people use the line, Nestle is the world's biggest food and beverage company. We are, but it's also fair to say that if you looked at all of the food systems overall, for want of a rather crude way of putting it, the stomach share that we have, is actually really small. So I think it's important not to get ahead of ourselves. We may be the biggest company, but we still are relatively small against the size of the system as a whole. That said, the other thing that people often overlook, a couple of things people often overlook about Nestle, that I think are worth sharing.

Firstly, we are the global local food company. We have about 2,000 brands around the world. But many of those brands in the countries that they're marketed have subtle differences. So it's not just those 2,000 brands. There are subtle differences in some of the flavors in the makeup of the recipes, to suit local context. So, there's that localization piece around the company that I think is super important, as a facet of what we do.

The other thing to say is that we've got something in the region of 280, 290,000 people around the world. Over the course of my career, many, many, many years ago I used to work in employee communications, and I always felt like one of the ways in which companies can change the world is how they deal with their own employees, the relationship that we have. And I think that's another facet of where we have influence.

So it's a big company with a lot of influence, but we're also very humble when it comes to looking at the system as a whole and understanding that we could change things, we can influence things, but we

don't have the power to change the way that the world does everything. There's the strong theme of humility that comes through the business.

Simon Mainwaring:

No, I've always had a sense of the brand that it's always led from that humble place, and I think your point is well taken in as much as you are the global local company. And that gives you great power because all of these things on the ground need to be executed at a local level. So if you were this overarching brand, you'd struggle to do that. So I think that's really helpful in that sense.

I want to ask another contextual question because I think of all the issues out there, you've got the climate emergency, extreme weather, probably food is probably in the top two or three in terms of people's minds. Everyone's aware of the rising population and so on. But just to step back a little bit, I mean you with your experience as being the chief executive at Fairtrade and then the think tank, SustainAbility, probably have one of the best lines of sight as to the arc of this conversation over the last several decades, that now manifests in all this dialogue around regeneration and so on. But really there was CSR and to some degree philanthropy. Then there was sustainability which was risk mitigation through supply chain and then there was sustainability in a broader sense. And then now there's purpose and ESG and regeneration. For those who sometimes get lost in all of this, give us a sense of how you see the shape of that dialogue and what's going on.

Rob Cameron:

Well I think you've crystallized that there's been a lot of evolution. I remember in the late nineties and some of the people I was working with were debating about are we going to call this corporate responsibility or are we going to call it corporate social responsibility or corporate social and environmental responsibility, all these terminologies and eventually ended up with CSR and then evolved as you said. I think regeneration is a theme whose time has come. It's a theme whose time has come because we have to do this now. We have to do this. There's no other way forward. To my mind, the idea of a regenerative economy is one that puts life at the center of its decision making. That's how we talk about it here. And I think it's absolutely essential we do think like that because sustainability as a way of thinking, has been a very strong and powerful driver for companies. No question.

But we need to go beyond sustainability. The idea that there's so much remediation that has to be done and if you put life at the center of everything, life begets life. The idea that in our agricultural operations, the idea that we are enhancing biodiversity, creating the conditions in which the natural world can continue to restore itself, we see this over and over again, that where you allow nature to flourish, flourish it does. So that expression of regeneration, based on through regenerative agriculture, that's something great tangible we can get hold of, but it's more than that. There's a whole kind of philosophy around regeneration.

But one other thing which I think is really important to say, we talk about regeneration, as you know, a lot. I think it's really important that we honor, cherish and nurture the concept. It's at risk of being overused and diluted. And I think it's too important. This transition, and I'm not going to say pivot because it's not a pivot. This transition through the kind of concepts into ESG and sustainability and now into regeneration. This transition is really super important, but we have to grow into it, rather than just say, oh well we can just flip and do it. You don't just do the regeneration. It doesn't work like that. You grow into it. It's a way of thinking. It's something we have to evolve into fast. But I think it's important that we honor it. I think very deeply about what we mean by it, what we mean by a regenerative economy.

Ultimately in my eyes, a regenerative economy would be one in which the more you buy something or the more you use something, the better the world becomes. That's the kind of spirit of the thing and my word, we've got a long way to go before we get there, but that's the direction of travel that we want to go in.

Simon Mainwaring:

And I think that distinction is so important because the timelines we're working against are contracting, and so the integrity of what we're doing is critical so that we're doing it for real. And I do think, as you pointed to, this is about us reframing our role, our species in the context of being part of the system rather than in control of the system. And that's a huge shift.

But let me ask you this, the cynic amongst us, those who question motives in business, we've seen with the flight of capital to ESG funds, we're seeing the shakeout between disingenuous and genuine behavior. And it seems like whether it's through the lens of purpose or sustainability or ESG, there's always those actors that will play at it and manage the optics rather than doing it for real. And to some degree we've had enough time to indulge that frailty in human nature, but we're out of time now. So how do we make sure that we almost course correct around this disposition in human nature to not do it for real, to play at it, to monetize it, to work the optics of it. How are we going to make sure that this time we're doing it for real? Because if not, if you look at the IPCC report and so on, there's going to be huge cascading consequences.

Rob Cameron:

That's absolutely right. We can't afford to backslide on this. I think one of the areas that I feel very strongly about is that there's been an awful lot of target setting and then failure to deliver. And I think that all too often, some businesses have been very focused on the headline you get for announcing your intent or the goal or the commitments, and not enough follow through on the actuality. So to give you an example of that, when it comes to deforestation, there was a report just put out by Global Canopy that out of 160 global food and beverage companies, strongly based on agriculture, out of 160, only nine have made decent progress on their deforestation targets. And you can go back and see all these goals that people were signing up for about deforestation.

Now we're one of those companies and we're not quite where we want to be. We made a huge amount of progress. We wanted to be a hundred percent deforestation free across our big five commodities. We're not quite there yet. There's a reason why we're not quite there yet though, and it's the human dimension. And that might be something we want to talk about a little bit as well, because I think we get a little bit caught up on failing to think about the people dimension.

But put back to one side for a moment. The key thing for me is that people talk about green, I'm talking about target washing. If you put the target out there and look, yeah, I mean the number of times companies just let that slide. We can't keep doing that. We absolutely need to get on with some delivery, and see some actual return on all the effort and some progress. And when it comes to climate change, that means, and come back to this point about targets, I'm very frustrated with the idea that somehow or other people can get away with, we're going for net zero, but we're only doing on scopes one or two, when actually for many companies, most of their missions are in scope three. So that's the sort of thing.

So in response to your question, which is kind of a general one around how do we avoid getting this wrong? Well you're right, there is a degree of green washing, but the way around that is the companies should be held to account by their investors and their stakeholders for their scope three emissions and

for delivery on their targets, not just giving people pats on the back for grandstanding on showy commitments that don't actually add up to any delivery.

Simon Mainwaring:

Yeah, and this issue duplicity is multifaceted. I mean there's a lot of dialogue right now here in the United States about the Inflation Reduction Act and how certain companies on one hand are supporting the bill, but on the other hand they have lobbyists resisting the bill because the tax hikes for them, they argue is going to make them uncompetitive. So how do you solve for these tensions between the private sector and policy making and so on and lobbying?

Rob Cameron:

Well, transparency. Absolutely, transparency is key here. I mean I'm not going to ask for other companies. I think it's risky to talk about business in general in that regard. What I feel, personally speaking, and I think the company would go along with this, is that we need high bar regulation. We're absolutely totally up for that. We have a particular way of valuing carbon inside the business, but ultimately of course there should be a price put on carbon. We need level playing fields. We need policy makers, regulators to step up with regulation that raises the bar for everybody. But in the meantime, some of us just got to get on with it, and so we do. And we encourage anybody and everybody. I mean put it this way. If there's any business out there that doesn't have a Paris aligned net zero roadmap and they are delivering on it, then there's something wrong. We need every decent sized business to do this.

Simon Mainwaring:

Yeah, no, I couldn't agree more. The whole point of this whole Lead With We thesis is really the future of collaborative leadership. We got in this mess together and we've got to get out of it together, and half of us doing it half the time is just not going to get it done.

And moving to the execution piece and getting it done in a sense, and the distinctions you drew about Nestle are really meaningful. But also as a leader there's higher scrutiny. You might say that there's greater inertia because you've got all the investments in the past and you've got to self disrupt and so on. Yet at the same time you've got more resources. What is it like to be an "industry leader" and feel the pressure from all these different sides, all stakeholders, investors as well as employees and consumers? What's it like in the hot seat?

Rob Cameron:

Honestly, people see the company in different ways, let's put it that way. So, organizes this. But people see the company in many different ways. In certain parts of the world, you say Nestle and people go. "Oh yeah, Nestle." And they've got a negative view about the company. In many, many parts of the world, we are a very welcome partner. Coming into the inside of the business, I was quite pleasantly surprised that in many parts of the world, Nestle has a fantastic corporate reputation, and terrific, we do what we can to earn it. But as our chairman points out, we are the biggest, and the tall poppy often catches the wind. So we are the totem. We are a totemic example of a big business. A lot of people have high expectations of us.

But I think also to say, that we talked earlier on about the company, about the different types of framing of this, that you've got ESG, you've got sustainability, corporate responsibility and so on. As you probably know, Nestle, in its Nestle way at the time, coined, together with Porter and Kramer, the creating shared value concept. And that has kind of stood the test of time up to a point. And I actually

think regeneration as a theme, is almost like a logical extension of creating shared value. Now why did Nestle put itself all in on creating shared value? Well as people here will say, it was done through conviction. It was done because there is a conviction in the business, always has been, always will be, that we cannot be around for the long term unless we're creating value for society in the broadest sense. That is a conviction that runs through this business and has done for 150 something years.

The length of the business, its success over the long term, I think really does tune people into, we really do want to be around for the next 150 years and we're not going to be around for another 150 years unless we address these broader environmental and social concerns, and unless we're delivering value for a broader stakeholder base than simply our shareholders.

So, this conviction thing, is a really important part of the culture in the business, and I've been pleasantly surprised at just how strongly that runs through once you're on the inside. I mean I saw it from the outside, I heard about it from the outside, but on the inside, yeah, it really is. It's part of the culture of the business.

Simon Mainwaring:

It's really important what you're saying because as the context becomes more acute for business with all these challenges we face, your relevance, whether you're going to be on the right side of history, will increasingly turn on your participation in these things. And through the lens of your work outside of Nestle and inside of Nestle, give us a sense, because we're all in our own little wormholes in the world and so on, about the complexity of solving for these issues. Where do you start? Do you look at the food systems themselves and try and troubleshoot what needs to be fixed? Do you start with your HQ and go out to your brands? Do you start in the markets and go up from the brands back to HQ? If you were tasked to really feed a growing number of people around the world, more responsibly on a challenged planet, how on earth do you start whiteboarding that strategically?

Rob Cameron:

Well, if you try and do it that way, you're kind of a little bit lost because you're trying to boil the ocean. So you have to pull back from that a little bit. But one of the other things, I think this is an interesting reason why we've taken some pretty big strategic decisions lately. So I think you may know that Nestle used to have a zone structure with three zones. We now have five zones. And the reason why five zones is because it pushes decision making further out into the business. That structure gives us I think far more agility when it comes to activation.

But coming back into the center group for a moment, obviously it starts with leadership, and I'm just delighted to have the CEO that we have, very thoughtful, very considered. He'd be the first to say he wasn't the first to the party when it comes to climate change and sustainability. But having thought about it, he has come to the conclusion that it is the defining issue of our time. And I think that the way it's being positioned, and Mark Schneider is really leading the way with this, is that there has to be a just transition. So that is an absolute given now in the business. There is no transition to net zero unless there is a just transition, and we need to look at how we express that in reality. So, well the way we do that is also through regenerative agriculture. There'll be no transition into regenerative agriculture without it being a just transition. The same could be said for the forests agenda that we work on. There has to be justice and social justice. So it's putting people in the center of this.

But thinking of it in those terms, I think is quite inspiring for people in the business and we can activate it in field. So what does all that mean? Well, if you think about it in terms of activating regenerative

agriculture, how can we possibly do that? Well we're fortunate in that we have direct sourcing relationships with 700,000 there or thereabouts, farmers around the world.

Simon Mainwaring:

And these are largely small holding farmers. They're not massive farms. Yeah, yeah.

Rob Cameron:

Exactly. So although we're obviously buying from the big trading companies, yes of course they're important for us in terms of buying ingredients. We also though have this direct relationship. We have 2,000 agronomists. Now, if you're thinking about the kind of transition we want to make in regenerative agriculture, there is a transition cost and we need to help farmers. We can't just impose it. So we work with the farmers. We work with those farmers we work with directly, and we're talking in terms of technical assistance through the agronomists. We're talking about transition farms, pilot farms, so that farmers can come and see what's going on themselves. We're talking about finance support, and we're talking about paying premiums, so financial rewards for farmers to sell us produce that's been produced using regenerative practices. Now all of that is needed for the business. That's great for addressing climate change, reducing the impacts.

But it's actually essential for us because going back to this idea of advancing regenerative food systems, we believe the food systems should be giving back more than they take. And agriculture is obviously the way in which you do that, that's why regenerative practices matter.

So it's this kind of network state. When you've got 187 countries, there or thereabouts, operations in all of them, on the ground. You can't sit here in Vevey and just direct it from here. What you can do is set the tone, set the theme, set the direction, and then you allow people to go and get on with it. That's how we do it.

Simon Mainwaring:

Right. And let me push in on that a bit because it's so complicated. It's not easy. For example, there's probably legacy mindsets and practices amongst those farmers, especially in certain regions around the world, where this is the way things have always been done and there must be quite a heavy lift to get them to transition. At the same time you've got subsidies in different markets and so on that are almost counterproductive because they're keeping the old ways of doing things in place. So how do you resolve these tensions?

Rob Cameron:

Well, I'll give you a very specific example actually. It's one of those topics where you're touching on regen ag, but not quite, but you're really focusing on the social concerns. So let's talk about poverty and child labor in West Africa for a moment. So we know, everybody knows, anybody who's ever had any connection with the cocoa industry knows, that there are endemic problems with child labor and it is a devilishly difficult problem to fix. We've gone about this in multiple ways, including an extremely intensive child labor monitoring and remediation system. It's almost like a starfish principle. You're making a difference on individual lives and it's super, super intensive and it's not necessarily going to solve the problem because it doesn't necessarily solve the root causes. The root causes are multiple, but one of the causes is the economics of cocoa farming. So we came up with recently launched, we launched this, this year, we call it the cocoa income accelerator, and it's designed to address the root causes of child labor by addressing cocoa livelihoods.

So, the way in which we're doing this is we're actually rewarding farmers. We're paying farmers cash premiums for adopting certain practices. But the first practice they have to adopt, put your kids in school. Don't put them on the farm first, put them in school. You get a financial reward for doing so. You get a financial reward for adopting certain agricultural practices. You get a financial reward for actually setting up something that will generate you more income. So we're actually rewarding people for generating income, for doing things that were to generate an income in future and so on.

So in a sense we're taking what's actually a very well established policy in Europe, the kind of environmental management systems that we have in many, many, across the EU and certainly in the UK, and we're applying it in a new context in West Africa.

Now, one of the practices when it comes to farming practice that we're financially rewarding is pruning because culturally, pruning is actually a bit of a challenge. Now, very heavy pruning of cocoa trees makes a huge difference positive. But for many farmers, culturally it's complete anathema, because it's very often trees that have been in the family's farm for a long time. So that's the kind of practice that by making a financial reward, working with farmers, working with and providing labor gains and so on, you can actually shift behavior because you're rewarding the thing that you want to see. And ultimately those cocoa farmers should get a better return for their cocoa, by increasing the productivity, increasing yield and encouraging kids to be in school.

Simon Mainwaring:

No, it's incredibly powerful and it implies something, a shift that's inherent in every solution almost we need today, which is there's a long termism here rather than a short term view. And I want to ask you, especially for publicly traded companies, and especially when there's inflation and a recession and there's downward pressure on stock prices and so on, often you hear it's much harder to make these investments outright, let alone for the long term when you're beholden to your shareholders. So how do you resolve all of that?

Rob Cameron:

I think one of the most interesting changes over the course of the last decade or so, for me, having come personally very much from the sustainability world, most of the people I used to work with years ago took a very dim view of the financial world, that investors don't understand it, do they? Investors don't get it, do they? Investors don't think long term, do they? I think I had this dawning about, I don't know how long ago, maybe five or so years ago, I had this dawning when I was in some conference room or other, with a bunch of people from various investment houses, and suddenly realized that they knew a heck of a lot more about my world than I knew about their world. And that was the moment, it was almost like a defining moment in my life, holy cow, we've been sitting there in a kind of holier than now, we are the sustainability people, we know where all this is going, and those investors, they don't take it seriously, do they?. And we were wrong.

Well, that we were right maybe 10, 20 years ago, but suddenly realized, holy cow, this has changed. Everything has changed. And I think the level of questions coming into the role that I'm now in, the level of questions I get from investors about our sustainability efforts, our regeneration efforts, are on a different level from most that I get from NGOs and activist groups. They're on a different level of understanding. There's a different level of how these things are impacting the business. They're negative if you don't do them, positive, if you do.

I think it's really interesting and it really has made a huge difference I think, but speaking for this company. I will tell you that our chief finance officer, at our internal marketing conference just a few



weeks ago, he was the one that was giving the presentation, that was talking about sustainability and why our sustainability investments make us a better company. Why they make us a company that investors want to invest in. I think that's absolutely brilliant.

Simon Mainwaring:

I mean it's so powerful. I know in the 12 years of We First, we've seen who we talk to go from the head of CSR and philanthropy to the CMO, to the CEO, to the CFO, as the integration of sustainability and regeneration into the business becomes more clear and apparent and self-evident to everybody. I mean the degree of difficulty of all of this is just through the roof. And another specific variable I want to look to is you've got all the fallout of the climate emergency, such as it is today. For example, you've got markets like India and Pakistan and heat waves and so on, which are so important markets outright, but also in supply chains. So what is the onus on a company like Nestle to support those markets in ways that aren't directly related to their business because the viability of those communities then has an impact on the business?

Rob Cameron:

Yeah, I think one of the ways in which we can do this is stand with the farmers that have supplied us for many years. Give you an example, I mean in the case of India it's really interesting because of course India, they were one of the first countries to mandate, well they call it CSR. I would call it philanthropy, mandate philanthropy. And I think that's a reflection of the kind of social condition in India, that there is a responsibility that people have to take care of others around them. And we certainly feel that too, when it comes to the dairy farmers that we work with in India. Most of the farms that we work with in India are relatively small, and so we have to think very, very carefully about the direct relationship that we have with them and helping them to ensure that their milk is kept fresh and that we're not rejecting them. So rather than rejecting, we work with them to make sure that they've got the equipment that they need.

And there's a long termism, and I'll take an example in the UK. We've been on a program of work with farmers in the UK, dairy farmers, to introduce regenerative agriculture. And we're finding it's possible to do. The reason why it's possible to do is because when the milk price was fluctuating wildly some years ago, we stuck with the contracts. We didn't change the contract. We didn't drive the contract down, even if we were experiencing cost pressure ourselves. We'd enter into a contract with the cooperative, First Milk. We said we'd stay with it. We did stay with it. And now we're trying to do something different with farmers, they're willing to engage with us because we're a trusted partner. And I think this idea of being the trusted partner, do we get it right all the time? Of course, we don't. It's not possible to get it right all the time. But the theme that runs through is to build trust, build for the long term. Those relationships matter. You have to nurture them.

Simon Mainwaring:

It's one thing to upgrade, evolve, iterate, old practices. It's another to leverage innovation. And I mean there's so many amazing things happening, like companies pulling carbon out of the air and creating cultures that make protein equivalents and so on and so on. In your sort of lens on how A, we're going to feed a growing number of people and B, what type of food we're going to give them and the climate consequences of that, how important is innovation in the mix and is there a strategy whereby you try and work with and bring into the fold, companies that are doing very, very disruptive technologies, bring them to market in the food category?

Rob Cameron:

Yeah. So I think it's funny, conversations that we've had around Vevey, you can't separate innovation and regeneration action. Anything and everything we do in an innovation should have some sort of element that's supporting the regeneration agenda. But you can't do regeneration unless you're thinking innovatively.

So for us, we're sitting here, we have the Nestle Research Center just down the road. I am stunned about what they do there. Honestly, it's absolutely brilliant. So give you a couple of examples. We set up some years ago the Nestle Packaging Institute because we couldn't find the science that we needed to make the transitions that we want to make when it comes to packaging. And you think about it, it's all very well saying, well we're going to stop using plastic. Well of course we all want to reduce virgin plastic use and we also are serving customers, consumers in many parts of the world with high degree of heat, high degree of humidity and so on. So if you want to transition to paper, you want to transition to bulk, you need the science to make that work. So we couldn't get it, so we built it.

Similarly, we've got the Nestle Institute of Agricultural Science that just launched down there. So that's on the science side. And then, on the R&D side, the innovation side, we're dependent on youth, I mean hugely dependent on youth. So we built this thing called the Nestle R&D Accelerator, to help young people bring their ideas to fruition and then accelerate them out, spin them off. And there's already a whole stream of examples that are out there already that we've worked with. There's an acquisition strategy as well that's around this, all to say that we know that innovation is important, but it's also the pace of which you bring those innovations to market, and we have to increase the pace. That's another focus for us.

Simon Mainwaring:

We touched on your net zero commitment. We touched on generation regeneration, you work with farmers and piloting new programs and innovation. One of the frameworks with which we look at crises of this scale, is the sustainable development goals. And it was interesting that the last two years have been mad, Rob. I mean I felt that the conversation with the SDGs was increasing in 2019. It was finally getting its feet underneath it after a lot of faltering over the years, these 17 goals that the United Nations and other heads of state set back in 2015, and then COVID took over and all these other issues. How do you work towards those? Are they an organizing principle for you in terms of your commitment and how do you collaborate with other companies within the food industry to achieve them more quickly?

Rob Cameron:

I think it's fair to say that they're a thread, that runs through. So we're always referring back to them when it comes to our reporting. We're always referring back to them when we're thinking about, well what is the direction of travel for our commitments? We did anyway, we kind of had a bit of a commitment setting phase shortly after I arrived. And I think we've got that fairly well set now. One or two things that we still need to build out. So it sits there as a theme, that's a thread that runs through. I couldn't tell you that it's an organizing theme. We can't organize the business taking that as a template. It's not an organizing model for us. What it is though, is a really, really incredibly useful template for what are the issues that matter the most and what have we got to get after?

I mean obviously goals one, two and three stand out for us. But I want to just make a bit of a call out also for goal 16. I think the idea of peace and justice and the idea of peaceful and just societies is an incredibly important one for us. And it's one of the reasons why we do so much work. Just think about

the many of the places that we work in. There's some quite fragile states that we work in and we see that.

I think 16 and 17 for me are the two that really stand out, not as an organizing principle, but as a real driver of thinking. The others perhaps can be more specific in terms of, well here's a thing you've got to hit and here's another you've got to get to. 16 and this idea of democracy, peace and justice and human rights, massively important. If you don't get those things right, you won't get the other things. If you don't get the other things, you want to get that right. But it is, I think an entry point.

And 17 for collaboration. We can't fix these problems alone. We have to learn to work together better and we have to learn to work together across the divide of the biggest stakes of business on the one hand, finance, the NGO world, the regulatory and the government world. I'm not sure that we collectively as a civilization are particularly good at getting across those things, but I think we've got to get better at it.

Simon Mainwaring:

Yeah, I'm a little hopeful because I mean, in the context of crises, we come together in ways that are unimaginable in normal times. And we've seen that with COVID and so on. Here's my concern about this re-imagining of the food systems and our ability to feed people is that on one hand it's just unconscionable that so many people around the world are going to face these challenges of access to clean water and food, especially in the global south. But also if you reflect on it a little bit longer, people are never more desperate and never take more strident action when they're literally fighting for survival. And this can lead to obviously refugees, it can lead to nationalism, it can lead to protectionism and so on. So when you say this context of peace, peaceful communities and societies and so on, I really do worry through the lens of food as to what can go wrong.

So I know you're doing work around micronutrients and so on, these are very powerful and interwoven issues. So do you look at it through that lens because peace and stability is really enabled by food in the first place?

Rob Cameron:

Well it is, and deeply aware of that, deeply, deeply aware of that. And it goes back to the point I made earlier on, that as a company we have a huge amount of influence. But let's be clear, Nestle can't feed the world. It's not in our scope to do that, much as one might like it, it's impossible for us to think in those terms. What we can do though, as you absolutely point out, micronutrient fortification. We are thinking very deeply about the affordable nutrition programs that we have in place. And there's a whole range of affordable nutrition things that we've got.

I mean to give you again, sorry, random examples, but if you look at some of the things that we're doing in West Africa, Golden Morn is porridge that we produce. It's an upcycled. So there's a waste in the agricultural supply stream that could be put for purpose. It's good protein and carbohydrates. So what can we do to do something with that and turn it into porridge that's affordable? So it's a wonderful example of eliminating waste in the supply chain, finding a way to repurpose it that actually delivers something that's highly nutritious with micronutrient fortification. That's the kind of thing we can do. Now, we can do it at some scale, but is it going to fix every food problem ever? No, of course it's not going to do that. But it is a direction we can go that makes a difference to people.

So the affordable nutrition programs that we have are really very, very strong and they will need to get stronger. There's no question about that. I think the whole area of affordability is one that we are just going to have to start looking at in other markets as well. We can't avoid that in my eyes. How we do

that is going to be very much down to local market context because what's appropriate in East Asia, isn't appropriate in southern Spain [inaudible 00:39:15]. So that's where I think our country operations, our local operations have got a big role to play.

But I think what you're describing is absolutely right. I mean if you think about it in terms of food banks, I mean food banks when, I don't know 15 years ago when we started seeing them, they're extremists. So people are really in difficulties, but it's becoming almost like part of everyday life now, that people are depending on food banks. So that is a worry. And I know a lot of people are very concerned about it and I spent some time with people at an event earlier this year, on this very topic. It's something where we have a role to play. We can't fix it, but we can certainly play a part and we will.

Simon Mainwaring:

Right. Yeah. And even here in the United States, food banks are becoming a staple of communities and society.

Rob Cameron:

A point you made earlier on, which I think is really important about extremists, much as the challenges that we face right now are looming large, it's compelling us to think in ways that we couldn't have thought of before. I am deeply, we're all deeply worried about wheat. We're deeply worried about fertilizers. We're deeply worried about energy. We're deeply worried about all of these things. But it's forcing us to think and I say, oh, it's not just Nestle. I'm talking about all food actors, to thinking in ways that perhaps we wouldn't have been able to previously, that might help accelerate some of the progress that we need to make.

Simon Mainwaring:

I mean the onus on companies of all size, especially leaders, to think and act in new ways, not only applies to long term systemic solutions, but also realtime crises. And I mean Ukraine could not be more dramatic. What has Ukraine taught you as a company in terms of really thinking and acting like a first responder in a sense? Because the lack of access to those core crops like wheat and so on, that have only recently started getting their way out of the ports and so on, how has it changed the way you think? And also this is not the end of something, it's the beginning of something. And as much as there's going to be climate refugees all around the world and people are going to be forced to live in new ways and new areas. So how do you think about the role of a company like yours, solving for an issue of a real time crisis like Ukraine?

Rob Cameron:

There's a lot of learning that's come out of Ukraine, the invasion. I mean let's call it what it is. Russia invaded Ukraine. In a way, the COVID crisis was the one that was more of a learning piece for us. And it comes around in sort of three ways that we think about it. And I think it's how we saw it in the case of COVID, in a way we probably apply in other situations such as Ukraine. First and foremost, protect our people. I mean it's always the thing we do. I said earlier on, we've got certain 270 odd thousand people around the world and in most parts of the world there's some people that are directly associated with our company. And the first thing we do is take care of those people.

Second thing we do is look at how we can keep the stocks up, keep pantries stocked. If people are depending on us, then that we need to be reliable. So in the case of the pandemic, certainly, I mean the amount of went into keeping factories running, keeping supplies up, making sure that we didn't let

stocks run too low and avoid the kind of inevitable consequences of that in terms of panic buying and so on. That's the second thing.

Third thing, where can we lend a hand? How can we make something happen that isn't happening? Who needs our support? What can we provide? Is it a case of donation of food? Is it a case of finance? Is it a case of something else? What resources do we have that can enable us to make a difference to support? We did that particularly through the IFRC in the pandemic.

One of the other things which I think is worth noting, is that given the countries that we work in, we work in many fragile countries around the world. We don't have a point of view about regimes. We stand for democracy, we stand for peace and stand for stability. But you can't go into countries and just start pontificating about how that country should run itself. No. What you can do is serve people and it keeps coming back to this again and again and again. Direct relationships, serving people who work for us, people who depend on us for their everyday food stocks, that's how we have to see it. How do we help people?

Simon Mainwaring:

And I want to push on that a little bit because we've looked upstream to your farmers and suppliers. We've looked downstream to consumers in different markets and all their regional needs. But your people, your 270,000 people, every company around the world of any size, has been challenged to keep their people, to get the most out of them. And at this critical time to manage their work life balance more effectively, to look at the whole human being. With that many people and that many markets to manage, how do you organize that? What are your strategies?

Rob Cameron:

Well again, it's the tone and the direction is set from the center. But this is not, I'm not even sure if we call the building, I'm sitting in headquarters, because that would imply some kind of command control system that we simply don't have. We set the tone, we set the certain themes that we set from here, but there's so much of what happens is decided at zone level and then at regional level, at a market level.

But one thing, we had a conversation earlier this morning funnily enough, about values and company value sets. And over the course of my career I've worked with certain company value sets. I always think they're really frankly rubbish. We don't have a value set. We have one word, it's respect. That's our value set, respect, respect for ourselves. You have to respect yourself and what you do. Respect the colleagues around you. Respect for the customers, respect for the world and crucially, respect for the future generations. We genuinely talk about respect for the future and the future generations. And I think that summing it all up in that one word is incredibly powerful, because whatever the regional or geographical or national culture that you might experience at the different Nestle operations around the world, that one word is totally transversal everywhere you go, and people know what you mean.

Now that's how it is for the company. But one other facet, and going back to your first question which is around optimism, we need to be an employer that attracts the very best talents coming to the business. And it is incredibly, incredibly powerful. I know it's not you, but it bears repetition. The youth of today, if they're going to go into a nine to five in the first place, which many people don't want to do, but if you're coming into a job, if you want to work in a business, you want to know that that company is taking its responsibility seriously, especially when it comes to climate change. Not exclusively, social concerns as well. People don't want to work for a company that isn't taking care of these issues. So

that's another driver, for it to be built through the business. I like that word respect. Respect is the core of it.

Simon Mainwaring:

And what I love about what you're saying is that a term like respect can seem empty or aspirational. But from an executional point of view, what it translates to is you are not a command and control HQ, but rather the brand or the overarching brand of Nestle, the parent company, the enterprise, is almost like a platform on which the markets stand, on which the employees stand, on which the brands stand, and you build up from there. And I think that's how it translates to something meaningful.

And I want to just push in on a couple of things. It's almost as if the landscape, the topography, the map on which Nestle and every other company has changed under its feet, because the impact of climate means arable land is shifting, temperatures are shifting. You have to shift what crops you make and where you make them and so on. So it's not just that you've got to maintain your supply chains and innovate and scale and adapt in real time, but it's almost the very soil under your feet that you've got to work with. The very nature of it is shifting. So how does a company of your complexity and scale maintain what it's always done, in the context of where it came from, while also adjusting for what's changing under your feet?

Rob Cameron:

Again, there are some technical things that we could do. You mention climate change affecting soils, but we need living soils. That's the corner stone of regen ag is living soils, and there's so much work that we do with farmers and with our Institute of Agricultural Sciences around how to bring soils to life. And there's great examples projects we've already done in northern France in that regard. And I say northern France, at the same time, I could be talking about drought resistant coffee plants that we're now distributing. We distribute so many thousands of coffee plants to coffee farmers to help them with the regeneration of their coffee farms. I saw this in Fairtrade, watching farmers with declining yields because the trees were exhausted on exhausted soils. It takes three years for a coffee plant to become active again, to become viable and deliver a decent harvest. Well you're not going to grub up the old plants and lose your income, in favor of the new ones if you got a three year time horizon. So you keep the old ones going, but the old ones are declining. It's bridging that kind of gap.

Now we can do that because we've got those direct relationships. We can work directly with the farmer on the ground. But I know it sounds repetitious, but it comes back again and again to this [inaudible 00:48:46] but all the sides of the business. It's the local context and the local operations. And I said right at the start, people often think of us as a big, homogenous, global business. We're anything but that. It's a vibrant, multiple headed thing that's got so many local, I mean, I don't know actually. I almost think we should do a kind of a model. You could look at [inaudible 00:49:09], the fungi. It's almost like that actually the multiple little touch points that are going on that have lots of interactions that nobody quite knows what's happening over there, here, there everywhere. But there's just a thread that kind of runs through it.

Simon Mainwaring:

I think that a lot of people are talking about mycelium these days and these networks under the soil because that foundational connectivity, it's almost like we've lost that as human beings and we're yearning for that after our screen living and so on. I mean to your point, Rob, we started by talking about why we're optimistic. We're mobilizing people on a scale never before. But from the lens of your experience at Fair Trade and Sustainability and now at Nestle, what is one thing that has to happen for

there to be a very meaningful unlock to take us to the next level? What's one obstacle where, if only we could do this, we could take these growing best efforts even further that much more quickly?

Rob Cameron:

It's a really interesting question, one thing. I'd love to give you a direct answer to that question. The one thing that I think could make a substantial difference but I don't have a huge amount of hope that this would happen, is that every person everywhere that has the luxury of a vote, would vote for a candidate that has climate change top of their agenda. But that isn't going to happen. So if you want something with optimism, you better cut the above because it isn't going to happen.

Simon Mainwaring:

No, I hear you. But the point is well taken. Yeah.

Rob Cameron:

Yeah. No I think the democratic politics isn't putting it at top of its agenda and it needs to. It's starting to happen. I think the IRA is a huge step forward. Simon, at the risk of undermining the question. I think the challenges we face are so complex. I'm not actually sure there is a magic switch, if only we could... I personally can't see it. I can't see what the one thing. There's a whole string of things we can do. We need a price on carbon, right? We need a global price on carbon, but global price on carbon does not mean a single price on carbon, right? Because we have multiple prices on carbon in this business because it's not sensible to have just one. You need more than. So we need a carbon price and methodology and then you end up in complexity and you get into stasis.

I think, one answer to the question that could help is that if the G20 and the G70 could come together. Actually I think there is a way forward here. Yeah, I hadn't thought of it this way. I don't have a huge amount of hope of COP 27. I'm not hugely optimistic of COP27. But I do think the COP28 might be the one that could really drive things through. Yeah, I don't know. I'm not giving you a great answer to this question. [inaudible 00:52:17] there is one.

Simon Mainwaring:

What I'm taking away from your answer though is participatory democracy. We need to show up. In the same way that we need participatory capitalism, we need to vote with our dollars every day. And I want to thank you, Rob. I want to thank you for not only showing us the complexity of the problems, but also the sophistication of the solutions that are required. And it's great, very heartening for all of us, and someone in my position, to hear that those who have so many more resources and reach and reasons to participate, are doing so, so meaningfully. So, thank you for sharing and peeling back the curtain and giving us a sense of what's going on in Nestle, and look forward to continuing the conversation.

Rob Cameron:

Yeah, well all I can say is Simon, thanks for the good work that you do. And the We First Model puts people at the center of everything. And you said at the beginning of this that I've had a career that embraced lots of different facets of sustainability. All I can say is that working on the inside of a business, I've seen firstly, how damn difficult it is. Secondly, how damn committed people are to driving change and it's a privilege to have the opportunity to do this work. So yeah.

Simon Mainwaring:

Thank you Rob. Thank you.

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