



For Immediate Release

Contact: Conrad MacKerron 415-391-3212

(cell 510-761-7050)

311 California St, Suite 510
San Francisco, CA 94104
T 415-391-3212
F 415-391-3245
www.asyousow.org

Nestle Waters Sets 60% Industry Recycling Goal for PET Plastic Bottles

SAN FRANCISCO—October 23, 2008—As You Sow congratulates Nestle Waters North America which today announced a commitment to an industry-wide 60% PET plastic bottle recycling rate for U.S. beverage makers who use PET by 2018. Nestle Waters, the largest bottled water company in the US, is the first beverage company to commit to an industry-wide bottle recovery goal. Less than 25% of US PET plastic bottle waste is recycled; the rest goes to landfills and incinerators.

For several years, As You Sow and Walden Asset Management have led an investor dialogue and filed shareholder proposals with Coca-Cola Co. and PepsiCo on beverage container recycling. As a result, last year Coca-Cola Co. pledged to recycle the equivalent of 50% of all plastic and aluminum containers it sells by 2015. Nestle's commitment may be more ambitious because it has proposed an industry goal rather than a company goal but other beverage makers will need to participate for it to be successful.

“We recognize Nestle Waters' leadership in proposing a beverage industry goal when no other beverage company has been willing to do so,” said Conrad MacKerron, director of the Corporate Social Responsibility Program at As You Sow. “CEO Kim Jeffery has said the beverage industry needs a more comprehensive, 21st century solution to container waste. We agree. However, it is important for the company to follow up and provide sufficient stakeholder engagement to get buy-in from the rest of the industry. Also, we hope the 10-year time frame to get to 60% can be reduced.”

The company says As You Sow's engagement helped make it more responsive on container recycling. An AYS report card ranking companies on container recovery gave the company, which did not submit a response, a failing grade two years ago. “Over the past two years, AYS engaged Nestle Waters North America in a respectful but insistent dialogue on container recycling,” said Alex McIntosh, director of corporate citizenship for Nestle Waters. “Its 2006 container recycling report and scorecard got our attention, and encouraged us to look at the recycling challenge more broadly. As a result, our company has developed a deeper understanding of the challenges and opportunities of improving container recycling rates and recycled content, and has helped us adopt a bolder vision and commitment to comprehensive recycling in the US.”

Last fall Mr. Jeffrey broke with decades of industry opposition to container deposit legislation by calling for a low cost, high-impact legislative solution aimed at providing more benefit than current deposit laws.

The company says it wants a proposal that would be fairer to consumers, retailers, manufacturers and recyclers. As You Sow hopes other beverage industry leaders will follow Mr. Jeffrey's lead and work together towards agreement on a new legislative model for state container redemption programs.

AYS was disappointed that Nestle Waters did not announce a near term-goal on recycled content. AYS and Walden's efforts in 2004 resulted in commitments by Coke and Pepsi to use 10% recycled content PET in their plastic bottles by the end of 2005. Both companies met the goal. Nestle Waters, a subsidiary of publicly traded Nestle SA (Switzerland), has set a goal to put at least 25% recycled PET into one of its brands of water but the company says it will take five years.

Nestle Water's release may be accessed at <http://www.csrwire.com/News/13531.html>.

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As You Sow is a non-profit organization that utilizes capital markets, shareholder leverage, innovative legal strategies and grantmaking to transform corporate behavior to create a more socially and environmentally just society. www.asyousow.org