

An underwater photograph of a coral reef. A yellow and white plastic bag, partially covered in coral and other marine life, is the central focus. The bag has the word 'Magic' in blue and 'Simigang' in red. The background shows various types of coral and small fish swimming in the blue water.

Nestlé

A giant plastic problem

GREENPEACE

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The plastics crisis

Every year, millions of tonnes of plastic waste is polluting our oceans, waterways and communities and impacting our health. Plastic packaging, designed to be used once and thrown away, is one of the biggest contributors to the global plastics waste stream.¹ The vast majority of the 8.3 billion tonnes of plastic that has ever been produced has been dumped into landfills or has ended up polluting our rivers, oceans, waterways and communities and impacting our health.² Between 4.8 to 12.7 million tonnes of plastic enter our oceans each year,³ with only nine percent of plastic waste recycled globally.⁴ We don't know exactly how long oil-based plastic will take to break down, but once it's in the environment, it is impossible to clean up; and so the plastic waste crisis continues.

Much of this plastic tsunami is branded with the logos of fast-moving consumer goods companies, used to deliver their branded products, such as food, drink, cosmetics and cleaners. An increasingly vocal movement is demanding action and as a result, some of these companies have begun to acknowledge their role in creating the problem. Nevertheless, they continue to push mass production and consumption of single-use products, especially in developing markets, together with the limited solutions promoted by the plastics and fossil fuel industries such as litter reduction or increased recycling. However, recycling can never solve the plastics waste problem on its own,⁵ while plastic waste exported for "recycling" by high income countries is overwhelming countries in Southeast Asia, despite attempts to ban this trade.⁶ Only a massive reduction in the amount of single-use plastic produced and placed on the market will begin to solve this problem.

Nestlé's plastic footprint and impact

Nestlé has both a huge responsibility for the plastic pollution crisis, but also an opportunity to tackle the problem at the source, by reducing its use of single-use plastic.

Nestlé was found to be the top brand responsible for plastic waste during a 2017 beach clean-up in Manila, and in 2018, a global brand audit of beach clean-ups in 42 countries revealed Nestlé as one of the top three brands responsible for plastic waste. A recent series of waste audits by the Global Alliance for Incinerator Alternatives (GAIA) placed Nestlé as the top plastic polluter in the Philippines. GAIA's analysis found Nestlé and Unilever are responsible for a quarter of the branded waste analysed.⁷



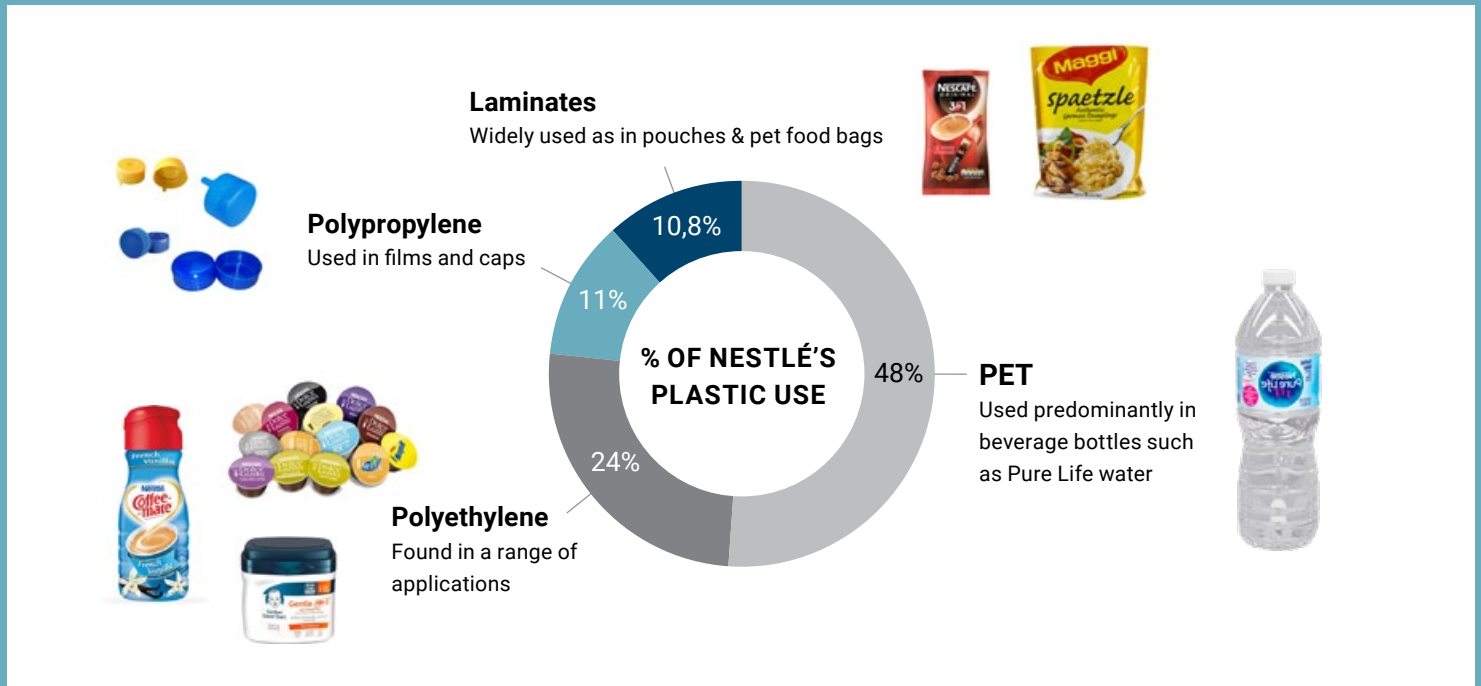
© Greenpeace

- 1 Greenpeace (2018). *Crisis of Convenience*, p. 5. Referencing: American Chemistry Council and Trucost (2016). *Plastics and Sustainability a valuation of environmental benefits, costs and opportunities*.
- 2 Roland Geyer R, Jambeck J R, Law K L, Production, use, and fate of all plastics ever made, *Science Advances* 19 Jul 2017: Vol. 3, no. 7, e1700782, DOI: 10.1126/sciadv.1700782 <http://advances.sciencemag.org/content/3/7/e1700782.full>
- 3 Jambeck, J.R., Andrady, A., Geyer, R., Narayan, R., Perryman, M., Siegler, T., Wilcox, C., Lavender Law, K., (2015). Plastic waste inputs from land into the ocean, *Science*, 347, p. 768-771.
- 4 Jambeck, J.R. et.al. (2015), op.cit.
- 5 Greenpeace (2018), *A Crisis of Convenience The corporations behind the plastics pollution pandemic*, 23 October 2018, see Box 2: The Recycling Myth; <https://www.greenpeace.org/international/publication/19007/a-crisis-of-convenience-the-corporations-behind-the-plastics-pollution-pandemic/>
- 6 Greenpeace International (2018). *The Recycling Myth*. <http://www.greenpeace.org/seasia/Press-Centre/publications/THE-RECYCLING-MYTH/>
- 7 GAIA (2019). *Plastics Exposed*. Page 29 Page 7 <http://www.no-burn.org/wp-content/uploads/PlasticsExposed-3.pdf>

Nestlé's Plastic Use

Nestlé's biggest category of plastic used in its packaging is PET (48% of its plastic use) used predominantly in beverage bottles such as Pure Life water, followed by polyethylene (24%) which is found in a range of applications such as Dolce Gusto coffee

capsules, Coffee-Mate liquid creamer, Gerber baby formula and Boost nutritional supplement; polypropylene (11%) used in films and caps, and laminates (10.8%), which is widely used as in pouches for Maggi meal kits, sachets for Nescafé coffee, and bags of pet food.¹¹



About Nestlé

Nestlé is the largest food company in the world⁸ and one of the world's largest consumer goods companies with 2018 sales of 91.4 billion CHF (equivalent to about 91.3 billion USD, or 80.6 billion EUR).⁹ Nestlé's products range from beverages, nutritional supplements, baby formula, milk and ice cream, pet food, prepared food, confectionery goods, and bottled water; some of the company's biggest brands are Nescafé, Milo, and Maggi. Though much of Nestlé's sales are in North America the company continues to expand and grow into Asia and developing markets. Its top segment is powdered and liquid beverages (24% of the total; along with water, sales of liquid beverages are 32% of its sales).¹⁰

- The company claims to sell over a billion products a day,¹² and states that 98% of its products in 2017 were sold in single-use packaging.¹³
- Nestlé recently disclosed that it used 1.7 million tonnes of plastic packaging in 2018.¹⁴ Its annual plastic packaging use for 2017, as disclosed to Greenpeace US, was 1.5 million tonnes, which translates to a staggering 13% increase in one year.¹⁵ Despite progress reports showing a reduction in the weight of all packaging used in the last five years, Nestlé revealed to Greenpeace US in 2018 that the share of plastic as a proportion of all packaging materials, which it estimated was one third the total packaging it uses globally, had actually increased by 5% since 2013.¹⁶

8 Mba skool.com, Top 10 FMCG Companies in the World 2018, <https://www.mbaskool.com/fun-corner/top-brand-lists/17609-top-10-fmccg-companies-in-the-world-2018.html?start=9>

9 Nestlé (2019). Annual Report 2018. Page 1. https://www.Nestle.com/asset-library/documents/library/documents/annual_reports/2018-annual-review-en.pdf

10 Nestlé (2019). Annual Report 2018 op.cit. Page 2.

11 Nestlé (2018), Creating Shared Value and meeting our commitments 2018; https://www.Nestle.com/asset-library/documents/library/documents/corporate_social_responsibility/creating-shared-value-report-2018-en.pdf

12 Nestlé website (undated). <https://www.Nestle.com/aboutus/history/Nestle-company-history/Nestle-150-years>

13 Nestlé (2018). Response to Greenpeace survey.

14 New Plastics Economy, Global Commitment, Spring 2019 Report, March 13, 2019, p.28; <https://newplasticseconomy.org/assets/doc/GC-Report-Spring.pdf>

15 Nestlé (2018), response to Greenpeace survey. Additionally, Nestlé website (undated) Accessed March 10, 2019. <https://www.Nestle.com/ask-Nestle/environment/answers/tackling-packaging-waste-plastic-bottles>

16 Nestlé response to Greenpeace survey, 2018 (Crisis of Convenience).



- Based on the data disclosed by Nestlé in the last 2 years,¹⁷ there is an apparent trend for increasing its reliance in single-use plastic. To put this in context, if the same increase were to continue in years to come (200k tonnes additional single-use plastic use every year) then in 6 years, without significant measures to reduce plastic usage, Nestlé's annual single-use plastics use would increase by 1.2 million tonnes! In other words the company could reach 2.9 million tonnes of throwaway plastic per year in January 2025!¹⁸
- The data that Nestlé does disclose is incomplete and not comparable, for example, it states that 2.7 million tonnes of plastic has been saved by reducing the plastic content of its half-litre water bottles by more than 60%,¹⁹ however, the dates for this reduction are not given and it is unclear how this compares to its statement that 1.7 million tonnes was used in 2018.
- The majority of Nestlé's sales come from beverages, both powdered and liquid, including Milo and Nescafé. These products are either sold in PET bottles, capsule systems, or single-use sachets made of multiple materials (laminates); despite being non-recyclable, sachets are over-marketed in Southeast Asia, where municipal waste facilities are unable to cope.
- Nestlé has acknowledged to Greenpeace International that its use of sachets is a concern but has not prioritized sachet phase-out or investment in alternative delivery systems for consumers in Southeast Asia;²⁰ even in Nestlé's recent "negative list" of materials it will phase out, "non-recyclable paper/plastic combinations" is on the list,²¹ but not the combination of plastic/foil which characterizes much of the sachets on the market.
- Nestlé does not disclose its packaging portfolio by brand type, neither does it report on the number of specific units. It is not clear if the company is not collecting this data or is simply not disclosing it, but consumers are left in the dark about Nestlé's specific use of single-use plastic and other materials and its progress towards phase-out and reduction.

Action or Greenwash?

Despite Nestlé's promises, most of the company's efforts have so far focussed on lightweighting, material substitution and recyclability.

- In April 2018 Nestlé announced plans to accelerate its actions to tackle pollution by committing to make 100% of its packaging recyclable or reusable by 2025.²² However, the statement lacks transparency, clear targets to reduce the number of plastic packaging items and any significant investment in refill and reuse systems.
- In a statement in January 2019 Nestlé explicitly references switching to other throwaway materials such as single-use paper packaging for Nesquik, switching to paper straws and bioplastics.²³
- Nestlé created the Nestlé Institute of Packaging Sciences²⁴ ostensibly to accelerate innovation in product design, including bioplastics, as part of the packaging roadmap. Unfortunately innovation for refill and reuse systems does not seem to be part of the Institute's mandate.

17 Based on data on single-use plastics used in 2018 (disclosed in the CSR report and on their website - see New Plastics Economy, Global Commitment, Spring 2019 Report, March 13, 2019, p.28 ; <https://newplasticseconomy.org/assets/doc/GC-Report-Spring.pdf>) and that used in 2017 (Nestlé (2018), response to Greenpeace survey and Nestlé website (undated) Accessed March 10, 2019 <https://www.Nestle.com/ask-Nestle/environment/answers/tackling-packaging-waste-plastic-bottles>)) Nestlé has increased its use of single use plastics from 1,500 000 tonnes in 2017 to 1,700 000 tonnes in 2018. This is an increase of 200 000 tonnes of single use plastics used in one year.

18 This is a very rough illustrative estimation, based on the initial data available, that does not reflect any compound effects, growth trends or realities of different product segments. We welcome any more detailed information from the company on their projections.

19 Nestlé (2018), Creating shared value, op.cit. p.51.

20 Internal correspondence (this was from a meeting with Greenpeace in 2018).

21 Packaging Insights (2019), The negative list: Nestlé identifies the six "no go" plastic types in its sustainability charge. <https://www.packaginginsights.com/news/the-negative-list-nestle-identifies-the-six-plastic-types-it-will-avoid.html>

22 Nestlé press release (2018), Nestlé aiming at 100% recyclable or reusable packaging by 2025, 10th April 2018; <https://www.Nestle.com/media/press-releases/allpressreleases/Nestle-recyclable-reusable-packaging-by-2025>

23 Nestlé press release (2019), Nestlé accelerates action to tackle plastic waste, 15th January 2019; <https://www.Nestle.com/media/pressreleases/allpressreleases/Nestle-action-tackle-plastic-waste>

24 Nestlé press release (2018); Nestlé creates research institute for packaging to accelerate sustainability agenda, 6th December 2018; <https://www.Nestle.com/media/pressreleases/allpressreleases/Nestle-institute-of-packaging-sciences>



- Nestlé has substituted some of its PET bottles with bio-based PET; initial trials use non-virgin sources such as used cardboard and sawdust, however, material substitution also carries risks and demands resources.²⁵
- Nestlé is piloting some reuse and refill systems, such as joining the online shopping service “the Loop” which offers home delivery/pick-up of certain refillable products, along with other companies. Though this service challenges throwaway culture, unfortunately, Nestlé currently only offers one ice cream brand (its competitor Unilever will offer nine brands). This therefore remains a small experiment rather than a serious investment at the global scale that would be required to tackle the problem.

Nestlé’s packaging roadmap includes an explicit move from plastic to paper and bioplastics.²⁶ Material substitution is a false solution and will not suffice as it will likely either continue to impact the world’s oceans or shift impacts to the world’s forests and agricultural lands.²⁷ For example, Nestlé’s demand for pulp outrstrips the availability of responsibly sourced pulp: Nestlé’s current figures on pulp claim that 89.7% is responsibly sourced,²⁸ but those sourcing guidelines rely on certification schemes which are inconsistently applied across regions and thus insufficient to ensure that the pulp is free of forest degradation or deforestation.²⁹

Global double standards on problematic packaging - the example of coffee

Nestlé coffee brands are a strong driver of the company’s growth. The popularity of individual coffee capsules for home machines has skyrocketed; in 2012 the company reported it had sold 27 billion Nespresso capsules worldwide.³⁰ Due to their size and contamination from coffee grounds, coffee capsules are not widely recyclable.

Nestlé’s premium Nespresso capsules are made from aluminum, and the company initiated an in-house recycling collection program to address the lack of recycling available for the small capsules. However, capsules for Nestlé’s newer, less-premium coffee capsule system, Dolce Gusto, are made of plastic, not aluminum. The company’s FAQ brushes off any concerns about the plastic, noting only that it’s the most “appropriate” material for the capsules.³¹ Nestlé has trialled some collections for recycling, specifically for used Dolce Gusto pods in certain countries, but without wider implementation, this does not address the total plastic footprint of coffee capsules.³² Even if this were the case, Nestlé’ is not addressing its global market for instant soluble coffee which could be twice the size as the market for capsules; Nestlé no longer reports sales for its individual brands, but 2013 figures showed Nescafé representing 70% of Nestlé’s coffee sales, compared with 26% for Nespresso and 4% for Dolce Gusto³³. Nescafé coffee is widely consumed, particularly in Southeast Asia, in single-serve sachets, such as Nescafé 3-in-1 which packages the coffee with powdered milk and sugar. Brand audits in Southeast Asia reveal that sachets are widely prevalent.³⁴

25 Nestlé press release (2017), Danone and Nestlé Waters Launch NaturALL Bottle Alliance with California Startup to Develop 100% Bio-Based Bottles, 2nd March 2017; <https://www.Nestleusa.com/media/pressreleases/Nestle-waters-launch-alliance-naturall-bio-based-bottles>

26 Nestlé website (undated), Improving packaging performance; <https://www.Nestle.com/csv/impact/environment/packaging>

27 For more information see: Greenpeace Position on Single-use Plastic Products and potential bio-based material substitutes (<https://storage.googleapis.com/planet4-international-stateless/2019/03/45b91dc4-greenpeace-position-on-single-use-plastic-products-and-potential-bio-based-material-substitutes-jan-2019.pdf>)

28 Nestlé website (undated), Pulp and paper; <https://www.Nestle.com/csv/raw-materials/pulp-paper-new> Accessed March 15, 2019.

29 Greenpeace International (2018), Greenpeace International to not renew FSC membership, 26th March 2018; <https://www.greenpeace.org/international/press-release/15589/greenpeace-international-to-not-renew-fsc-membership/>

30 Quartz (2014), The world’s growing love affair with the most wasteful form of coffee there is, Roberto A Ferdman, 30th March 2014; <https://qz.com/193138/the-worlds-growing-love-affair-with-the-most-wasteful-form-of-coffee-there-is/>

31 NESCAFÉ® Dolce Gusto® (undated), Frequently Asked Questions; <https://www.dolce-gusto.us/pages/info-and-services/faq>

32 Financial Times (2018), Nestlé brews shake up instant coffee with Gold Blend revamp, 8th March 2018 (needs subscription); <https://www.ft.com/content/33a231e6-1d74-11e8-aaca-4574d7dabfb6>

33 Reuters (2013), Nescafé promising more “gusto” after 75 years, 26th March, 2013; <https://www.reuters.com/article/Nestle-nescafe/nescafe-promising-more-gusto-after-75-years-idUSL5N0CI2Y120130326>

34 Greenpeace (2018). Branded: In Search of the World’s Top Corporate Plastic Polluters. Page 14. <https://www.breakfreefromplastic.org/global-brandauditreport2018/>

Undermining progress on tackling plastics

Despite Nestlé's promises on plastics innovation and improving recyclability, Nestlé's lobbying and alignment with the plastics industry suggests that their commitments may be paper promises and the company intends to continue business as usual.

In October 2018, Nestlé, along with Coca-Cola, PepsiCo and Danone, lobbied EU member states to water down proposed legislation, specifically to scrap a proposal to force companies to make sure plastic bottle caps are not detachable.³⁵ Nestlé and others suggested instead a non-binding commitment to improving collection efforts "whichever scheme is established at the local level."³⁶

Some of Nestlé's involvement in multistakeholder initiatives that include the plastics production industry may undermine Nestlé's supposed ambition to truly tackle the plastics crisis. As industry-driven initiatives thus far they are focusing mainly on improving recycling and recyclability rather than producing and using less plastic. For example, Nestlé is a member of some plastic-related initiatives, that are also supported by the American Chemistry Council (ACC),³⁷ which created the American Progressive Bag Alliance front group (now under the Plastics Industry Alliance)³⁸ in order to play a more active role in lobbying against plastic bans. The ACC has worked through the conservative "bill mill" American Legislative Exchange Council (ALEC) to push model legislation that has resulted in at least 10 statewide laws prohibiting local regulations on plastic bags.³⁹⁴⁰ As another example, Nestlé has received praise for its investment into the Closed Loop Fund.⁴¹ It counts the American Chemistry Council and 3M as partners for its Closed Loop Ocean project focused on waste management in Asia.⁴² Another Nestlé sponsorship is Keep America Beautiful, which is funded by the beverage and bottling industry and develops ad campaigns that narrow public perception of the plastics crisis to one of litter and personal recycling.⁴³

The plastic and chemical industry do not intend to slow the production of plastic. Plastics producers intend to increase production by an additional 40% over the next decade: with natural gas as a cheap feedstock, oil companies like Shell and ExxonMobil have invested \$180 billion since 2010 into plastic production,⁴⁴ and are expanding facilities to turn chemicals into plastic resins. Bioplastics are also often produced by petrochemical companies; agricultural materials such as corn or Brazilian sugarcane are processed into resin that is then chemically indistinguishable from fossil-based plastics.

While investment in waste recovery and municipal recycling of its products is important, recycling alone will not alleviate plastics pollution in the places most saturated with plastic, and Nestlé should prioritize investments compatible with an urgent reduction in single-use plastic.

The way out - solutions to the single-use plastics crisis

To truly tackle the plastics epidemic, companies need to fundamentally rethink how they bring products to people and innovate away from single-use packaging altogether. It is important that as companies like Nestlé innovate away from single-use plastic that the programs are well resourced, accessible to a wide range of customers in all geographic regions, are incentivized to customers, and well advertised to ensure success.

Some of the most promising alternative delivery systems, with examples of where these systems are already in existence, include:

- Reusable packaging with takeback infrastructure eliminating single-use (eg coffee cups that are returned or lunch services that take back containers);
 - Vessel, CupClub, GO Box, Loop, reusable milk bottles

35 Independent (2018), Coca Cola, Pepsi and Nestlé attempt to water down new plastics laws, leaked letter reveals, 18th October 2018; <https://www.independent.co.uk/news/business/news/coca-cola-pepsi-nestle-plastic-pollution-leaked-letter-water-down-laws-a8590916.html>

36 The Coca Cola Company, Danone, Nestlé, PepsiCo (2018), letter to EU Ministers on Single-Use Plastics – alternative proposal to address littering of beverage caps, 9th October 2018; https://www.euractiv.com/wp-content/uploads/sites/2/2018/10/Letter-on-tethered-cap-alternative-solution_Council.pdf

37 For example, the The Materials Recovery for the Future (MRFF). <https://resource-recycling.com/plastics/2018/06/20/flexible-packaging-project-names-sorting-partner/>.

38 American Chemistry Council (2011), ACC, SPI Align and Expand Efforts to Defend Plastic Bags and Increase Plastic Film Recycling, 11th December 2011; <https://www.americanchemistry.com/Media/PressReleasesTranscripts/ACC-news-releases/ACC-SPI-Align-and-Expand-Efforts-to-Defend-Plastic-Bags-and-Increase-Plastic-Film-Recycling.html>

39 American Legislative Exchange Council (ALEC); https://www.sourcewatch.org/index.php/American_Chemistry_Council

40 National Conference of State Legislatures (2019), State plastic and paper bag legislation, 27th February 2019; <http://www.ncsl.org/research/environment-and-natural-resources/plastic-bag-legislation.aspx>

41 Sustainable Brands (2018), Closed Loop Fund Announces Historic Partnership on Funding for Recycling Infrastructure; <https://sustainablebrands.com/read/defining-the-next-economy/closed-loop-fund-announces-historic-partnership-on-funding-for-recycling-infrastructure>

42 Sustainable Brands (2018)a, Coke, Dow, Kimberly-Clark Join Coalition to Tackle Ocean Plastics in SE Asia; <https://sustainablebrands.com/read/waste-not-1/coke-dow-kimberly-clark-join-coalition-to-tackle-ocean-plastics-in-se-asia>

43 Mother Jones (2006), The Origins of Anti-Litter Campaigns, 22nd May 2006; <https://www.motherjones.com/politics/2006/05/origins-anti-litter-campaigns/>

44 The Guardian (2017), \$180bn investment in plastic factories feeds global packaging binge, 26th December 2017; <https://www.theguardian.com/environment/2017/dec/26/180bn-investment-in-plastic-factories-feeds-global-packaging-binge>

- Refill Stations where you can bring your own packaging
 - Ecopod refill kiosk
- Redesigned products for less packaging (eg, reusable bottles that are filled with concentrates and mixed with tap water, solid soaps, syrups to make drinks in home);
 - Splosh, Lush shampoo bars, Soda Stream
- Alternative food provision systems (eg, hydroponics and local food); and
- Package-free delivery systems (eg, package-free grocery, laser labeling foods).

What Nestlé Needs to Do

To demonstrate real leadership Nestlé needs to immediately commit to achieving 'peak' single-use plastic production and set year on year reduction targets for the total units produced, while massively scaling up investment in alternative delivery systems, and working with its supply chain and retail partners to bring them to life. Efforts to make its packaging lighter and more recyclable, combined with material substitution, will have a minimal effect if the company continues to perpetuate its current throwaway business model and produce more units of single-use plastic. Recycling is not even achievable for many plastics, it depends on municipal availability and will not alleviate plastics pollution in the places most saturated with plastic. Given the company's progressive statements and publicly stated intentions, Nestlé has a real opportunity to lead the industry on addressing the plastic and throwaway culture crises by being the first to set overarching unit reduction targets and pioneering truly innovative delivery systems with its retail and other partners.

To be a leader in reducing its use of single-use plastic, Nestlé must do several things:

- **Increase transparency** - publicly and annually disclose comprehensive information about its packaging footprint and the materials it uses (particularly plastics, pulp and other bio based material substitutes), including the number of units produced each year
- **Commit to reduction** - set annual targets for continually reducing its single-use plastic footprint towards a complete phase out.
 - Begin reduction efforts by eliminating the most problematic and unnecessary single-use plastic by the end of 2019.
- **Invest in reuse and new delivery systems by the end of 2019**
 - invest in alternative delivery systems based on reuse and refill, work with a major international retailer to pilot a plastic-free retail environment and adequately promote new single-use plastic-free systems.
- **Avoid false solutions** - achieving 'peak single-use plastic' and year on year reductions is done through alternative delivery models, and not moving to alternative single-use materials. Raw material substitution risks shifting the impacts from one area to another, for example from pollution in the oceans to unsustainable use of forests and agricultural lands. [For detail see Greenpeace Position on Single-use Plastic Products and potential bio-based material substitutes ([link](#)).]





Nestlé

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Greenpeace is an independent global campaigning organisation that acts to change attitudes and behaviour, to protect and conserve the environment and to promote peace.

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