

## Reusing our HOD Bottles

Nestlé Waters is the largest returnable beverage container business in the U.S. While most of our PET and HDPE bottles are sold through retail stores, the majority of our three- and five-gallon HOD bottles are distributed to and then collected from homes and offices. This gives us the opportunity to ensure the bottles are both reused and recycled. Each bottle is cleaned and refilled approximately 35 times before being turned over to a recycling company, allowing the plastics to be given a new life in products, such as synthetic lumber, lawn furniture, playgrounds and outdoor sheds. In 2006, we recycled approximately 900,000 HOD bottles, keeping 794 tons of plastic out of landfills.

## Recycling Efforts in Canada

In comparison with the U.S., Canada has a highly effective recycling system that reaches more than 90% of its citizens. To increase recycling rates, Nestlé Waters and other companies in the beverage industry provided financial support to RecycQuebec, a provincial recycling board, to place recycling bins throughout Quebec City in 2006 and 2007. Through this program, recycling rates increased from zero to 85% in participating areas. Seeing the potential, the government expanded the program throughout Quebec. Recycling sponsorship also takes place in Ontario, where the beverage industry funds 50% of the provincial curbside recycling program. In addition, starting in June 2008, we are putting messages on our Eco-Shape® bottles and signage above the cooler doors where our products are sold to encourage more recycling. We will also be placing recycling messages on cooler doors in the fall of 2008.