

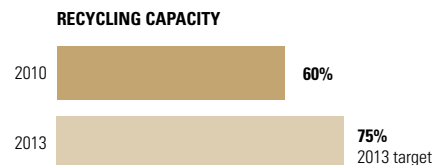


**2013 COMMITMENT**

- **Nespresso will put collection systems in place to increase our capacity to recycle used capsules to 75%.**

**2010 UPDATE**

- **By the end of 2010, the global collection capacity in place to collect used Nespresso capsules reached above 60%, with about 6,100 dedicated collection points around the world.**



**PROGRAM PROGRESS**

- At the end of 2010, 15 countries – from Australia to Austria and from the UK to the US – had systems in place to collect used capsules.
- In 2010, Sweden accepted the collection of used Nespresso capsules as part of its national used packaging recovery system (REPA).
- Nespresso is taking leadership responsibility by putting in place customised solutions that make it easier for its Club Members to return their used capsules. Nespresso has installed collection points in Nespresso boutiques, located collection points within the community and worked with courier companies to enable doorstep collection in select countries.
- In France, Nespresso was the creator and a founding member of Club du Recyclage des Emballages Légers en Aluminium et Acier (or CELAA – Club for Aluminium and Steel Light Packaging) in 2009. Its mission is simple: improve the collection and valorisation of small packaging materials made of aluminium by optimising selective sorting. Specifically, CELAA intends to work with stakeholders to ensure the recycling of light aluminium and steel waste packaging, as part of the national packaging recovery system, thus harmonising waste sorting for consumers.

**WHAT WE LEARNED**

- Today, we consider aluminium the best material for protecting our highest quality coffee.
- Aluminium has the advantage of being infinitely recyclable. An estimated one-third of world aluminium demand is met by recycled sources and 75% of the aluminium ever produced is still in circulation<sup>1</sup>.
- Recycling aluminium saves approximately 95% of the energy required for primary aluminium production and produces only 5% of the CO<sub>2</sub> emissions compared with primary production<sup>2</sup>.
- To increase Club Member participation in recycling, we have to make it as easy as possible for our Club Members and consumers to return used capsules for recycling.
- For our consumers, the easiest way to recycle used capsules is to throw the used capsules into national or supranational packaging recovery schemes. That's why we are working with our partners to put forward the case that used capsules should be categorised as packaging (and not a product). That would allow them to be collected in national or supranational packaging recycling schemes.
- The complexities of the recycling process and logistics of capsule recovery around the world, coupled with varying levels of public engagement and legislation, make a standardized approach to collecting used capsules difficult.
- According to a life cycle assessment (LCA) conducted by Quantis, a leading global LCA consultancy, recycling used Nespresso capsules reduces the carbon footprint required to make a cup of Nespresso coffee. In fact, according to the LCA, a Nespresso capsule sent to recycling has a significantly lower environmental impact than the alternatives studied.

<sup>1</sup> European Aluminium Association

<sup>2</sup> "Global Aluminium Recycling: A Cornerstone of Sustainable Development", International Aluminium Institute, 2006

**KEY METRICS**

**MARKETS**

- Australia
- Austria
- Belgium
- Brazil
- Canada
- France
- Germany
- Luxembourg
- The Netherlands
- Portugal
- Spain
- Sweden
- Switzerland
- UK
- USA

**USED CAPSULE COLLECTION SYSTEMS IN PLACE**

Collection points in *Nespresso* boutiques since 2010

*Nespresso* collection system since 2009. Now around 600 collection points, located in *Nespresso* boutiques, at retail partners and within the community.

Collection in *Nespresso* boutiques. Doorstep collection and Club Members can take their used capsules to 550 Kiala points.

Collection points in *Nespresso* boutiques.

Collection points in *Nespresso* boutiques.

*Nespresso* collection system since 2008. Now around 2,500 collection points in boutiques in the community and at Mondial Relay points. Doorstep collection in Toulon and Marseille with delivery service *Nespresso* "Your Time" and in Paris with courier. Pilot with regional packaging recovery systems in three departments (06, 83 and 46).

National used packaging recovery system - Green Dot Duales System, since 1993.

Collection in *Nespresso* boutique. Doorstep collection and our Club Members can take their used capsules to 50 Kiala points.

Doorstep collection and collection points in *Nespresso* boutiques. Collection at Kiala points to be rolled out in 2011.

More then 230 collection points in *Nespresso* boutiques and retail partners.

More then 220 collection points in *Nespresso* boutiques and retail partners. Also Puntos Verdes in Barcelona, consisting of 100 collection points at fixed points across the city and on mobile trucks.

National used packaging recovery system - Green Dot (REPA), since 2010.

*Nespresso* collection system since 1991. Over 2,400 collection points in *Nespresso* boutiques, retail partners, offices and in the community.

Collection in *Nespresso* boutiques and doorstep collection in London, Bristol and Bath, to be rolled out throughout the UK in 2011.

Collection points in *Nespresso* boutiques and doorstep collection in NYC.

**NEXT CHALLENGES**

- Meeting our commitment means increasing the number of collection points for used capsules located in close proximity to our Club Members, so that we can offer the capacity to collect up to 75% of all capsules sold worldwide.
- The percentage of capsules recycled depends on the participation of our Club Members. That is why *Nespresso* will continue to actively engage with and encourage our Club Members to bring back their used capsules for recycling afterwards.
- One area of improvement for *Nespresso* is the recycling of capsules used by our business customers. These capsules are different in shape and composition (including the amount of aluminium used) to the capsules used by Club Members. We are currently exploring solutions to recover the aluminium from these capsules and we will report on our progress later in 2011.

**WHAT ECOLABORATION™ PARTNERS SAY:**

*"The leadership of Nespresso has been instrumental in bringing various stakeholders together in France under the CELAA banner and in driving the implementation of the unique aluminium recovery technology that we have installed in Pizzorno packaging sorting centre. This solution is proving to be a valuable tool to increase the recycling rate of small aluminium materials."*

David Valour,  
Pizzorno packaging sorting centre in France