

Nestlé to invest up to CHF 2B for innovative packaging

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Nestlé has announced that it will invest up to CHF 2 billion to lead the shift from virgin plastics to food-grade recycled plastics and to accelerate the development of innovative sustainable packaging solutions.

Building on its 2018 commitment to make 100% of its packaging recyclable or reusable by 2025, Nestlé will reduce its use of virgin plastics by one third in the same period whilst working with others to advance the circular economy and endeavor to clean up plastic waste from oceans, lakes and rivers.

Food quality and safety are paramount, and packaging plays a major role in assuring this. Most plastics are difficult to recycle for food packaging, leading to a limited supply of food-grade recycled plastics. To create a market, Nestlé is therefore committed to sourcing up to 2 million metric tons of food-grade recycled plastics and allocating more than CHF 1.5 billion to pay a premium for these materials between now and 2025. Nestlé will seek operational efficiencies to keep this initiative earnings neutral.

Packaging innovation, including new materials, refill systems and recycling solutions, is another key challenge on the path towards a waste-free future. In addition to its significant inhouse research through the Nestlé Institute of Packaging Sciences, the company will launch a CHF 250 million sustainable packaging venture fund to invest in start-up companies that focus on these areas.

These two initiatives come in addition to Nestlé's major ongoing efforts in research, sourcing and manufacturing to make its packaging recyclable or reusable and contribute to its goal to achieve zero net greenhouse gas emissions by 2050. As part of the company's packaging commitment and to increase transparency, Nestlé will continue to outline further initiatives and provide regular progress updates.