



Nestlé. Jó étellel teljes az élet

Nestlé in Hungary Sustainability and Creating Shared Value summary 2020



We unlock the power of food to enhance quality of life for everyone, today and for generations to come

Welcome

Dear Reader,



We will remember 2020 as a major milestone of the century – a year that changed our lives irrevocably. The coronavirus pandemic rewrote all aspect of our days, including work, free time, shopping habits and social relations. We did not only have to face a health emergency last year, but a global economic downturn unparalleled since World War II. Unforeseen challenges, however, did not deter us from continue with our commitments for enhancing quality of life and contributing to a healthier future, and that is why I am prouder than ever to present our results in this year's Creating Shared Value Summary.

Food industry is a strategic sector, particularly at the time of a crisis, because the food supply to people and communities must be maintained. Nestlé, as the largest food company in the world, and Nestlé Hungária Kft. have a vital role in society for supplying essential products not only to Hungarian families and communities, but the whole of Europe and other countries that were hit harder by the pandemic. For this reason, our first action at the onset of the pandemic was to ensure the health and financial safety of our employees and maintain our supply chain and uninterrupted operation of our factories. We extended our commitment to our broader communities, delivering substantial donations to healthcare institutions, people in need and animal shelters. I am proud that all of our factories continued production amidst the epidemic, moreover we launched the largest food industry investment in Bük, Hungary in 2020. We did not forget our sustainability commitments, either, and accelerated our efforts in the combat against climate change.

We could not have achieved the results, ambitions and plans presented in this publication without a cross-sector stakeholder cooperation.

2020 proved that with joint effort we can face the most unexpected challenges. Now, I invite you to celebrate our recent victories, reminisce about old Nestlé products and factory photos together, and read the recollections made for this occasion, because Nestlé Hungária Kft. celebrates its 30th anniversary in 2021.

Thank you for your trust and cooperation on behalf of all our employees, I hope you will enjoy our summary report.

Péter Noszek

Managing director
Nestlé Hungária Kft.



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Nestlé in Hungary

Although the story of Nestlé Hungária began thirty years ago, signature Nestlé products and brands have become part of Hungarian households much earlier. Our grandparents and great-grandparents could buy Nestlé's infant formulas and MAGGI® products at the end of the 19th century.

1871

The first Nestlé infant formula agent begins to work in Pest



1912

MAGGI® brand
is registered
in Hungary



1950

First BALATON
bar produced
in Diósgyőr



1980

First NESQUIK® imports from Brazil arrive in Hungary

1991

Nestlé Hungária Kft. established
involving the acquisition of
Szerencsi Édesipari Vállalat,
the Szerencs and Diósgyőr factory,
and head office in Szerencs and
a Budapest branch office



1895

The first MAGGI® advertisements appear in Hungarian papers



1927

The first BOCI brand chocolate is produced in the Szerencs Chocolate Factory established in 1923.



1974

Contract packaging
of MAGGI® products
in the Debreceni
Konzervgyár begins





















1989

The production of red Nestlé milk chocolate bars begins in Diósqyör



30 years of Nestlé Hungary

The Hungarian subsidiary of the Swiss food group is the largest Swiss investor, employer and food company in Hungary. We have 2400 employees in the head office and in the three factories around Hungary.

<div><div>1991</div><div>Nestlé Hungária Kft. established</div></div> <div></div>	<div><div>1996</div><div>Start of Cereal Partners</div></div> <div></div>	<div><div>2003</div><div>Launch of NUTRIKID® education programme reaching nearly 500.000 children since then</div></div> <div></div>	<div><div>2009</div><div>NESCAFÉ® Dolce Gusto® is available in the Hungarian market</div></div> <div></div>	<div><div>2012</div><div>NESPRESSO® used capsule recycling programme is launched</div></div> <div></div>	<div><div>2015</div><div>Nestlé for Healthier Kids programme begins</div></div> <div></div>	<div><div>2017</div><div>HUF 20bn PURINA® factory expansion project in Bük</div></div> <div></div>	<div><div>2019</div><div>The first NESQUIK® All Natural cocoa powder in recyclable packaging is dispatched from Szerencs factory</div></div> <div></div>	<div><div>2020</div><div>Another HUF 50 million factory expansion project in the Bük PURINA® factory</div></div> <div></div>
<div><div>1997</div><div>Nestlé Professional created</div></div> <div></div>	<div><div>1998</div><div>Acquisition of the Darling pet food factory in Bük</div></div> <div></div>	<div><div>1992</div><div>NESQUIK cocoa production in Szerencs begins, supplying all neighbouring countries ever since</div></div> <div></div>	<div><div>2006</div><div>The brand NESPRESSO® is introduced and the first NESPRESSO® boutique opens</div></div> <div></div>	<div><div>2006</div><div>Nestlé introduces the Creating Shared Value approach expressing that the actions taken for shareholders in its business operations must also create value for the communities where the company is present</div></div> <div></div>	<div><div>2015</div><div>Inception of the GYERE® programme in Szerencs</div></div> <div></div>	<div><div>2017</div><div>Szerencs factory receives UTZ certification</div></div> <div></div>	<div><div>2018</div><div>Nestlé transfers the Szerencs chocolate trademark to Szerencsi Bonbon Kft.</div></div> <div></div>	<div><div>2019</div><div>Introduction of STARBUCKS AT HOME®</div></div> <div></div>



Raw materials sourced from Hungarian farmers

Pál Bodorics

Repcevölgye Kft.

I have been working for the Bük PURINA® factory for over 15 years, supplying primarily cereals, wheat, corn and dried carrots, and exporting barley to PURINA® factories in Italy and France as Nestlé's global supplier. We deliver about 5-6,000 tonnes of raw materials to the Hungarian factory annually. We are located only 7 kilometres from the Bük factory, so come rain or snow, we keep on trucking.



Szerencs trademark transfer

István Takács

Szerencsi Bonbon Kft.

I had already worked in the Szerencs factory when Nestlé purchased Szerencsi Édesipari Vállalat. We produced chocolate, dragées and handmade delicacies at that time. Chocolate production was transferred to another Nestlé facility around 2008, and we have made cocoa and coffee products here since then. I continued here as director until 1994, then I established my own company, Szerencsi Bonbon Kft. that has produced handmade sweets. Locals always thought very well of Nestlé, because it was said to be a caring employer, but its reputation grew the most when it waived the use of the Szerencsi trademark on chocolate, ensuring the town to remain a chocolate power in the region.



Supporting youth

Fehér Orsolya

Hungarian University of Agriculture and Life Sciences (former Szent István University)

Nestlé does not only support our practice oriented training efforts, but provides internship programmes and traineeship places. The Nestlé course overarching the autumn and spring semesters and giving students insights into almost all areas of enterprise management is the key driver of our partnership. Over a hundred students attended the course in recent years discovering the importance of learning from professionals with in-depth knowledge and experience in their field.



Capsule recycling

Zoltán Ondi

P. M. R. Kft.

We began experimenting with NESPRESSO® in 2015 to find faster and more efficient ways for recycling used aluminium capsules. The result was a new developed processing line that still keeps recycling the exponentially growing quantities. In 2021, we began recycling plastic NESCAFÉ® Dolce Gusto® capsules. This development of such partnerships always fill me with a sense of success when the common goal can become a personal cause to strive for, no matter what background we come from. I am driven both as an environmental engineer and a father to see our planet a place to life. This needs many companies with an approach like Nestlé.

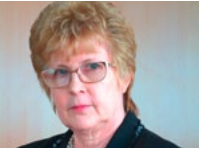


Responsible communication

Fazekas Ildikó

TÉT Platform Association, Önszabályozó Reklám testület

Nestlé has always been committed to the future. The company is a founding active member of TÉT Platform that promotes balanced lifestyle, a spiritual driver of the professional community, always actively involved in brainstorming, joint efforts and research support. A food industry player committed to reformulation and salt content reduction, pursuing responsible communication and complies with EU commitments as binding. Nestlé's Food4Talk conference is a major professional event held annually in Budapest with expert speakers from the Swiss head office. I think it is a key message of Nestlé that although the Hungarian market is among the "smallest children", it is nevertheless a valuable member of the family.



Social responsibility

Kubányi Jolán

Hungarian Dietetic Association (MDOSZ), honorary president

Nestlé permanently translates its determined commitment to society into its daily operations. We started working on the preparation of the NUTRIKID® programme together about 20 years ago reviewing the training materials and organising courses for teachers. Our relation has evolved during the years, also forged by the Hungarian management, as their support enabled us to implement our GYERE® Children's Health programme in Szerencs and Diósgyőr. Nestlé has played a major part in our ambition to reduce childhood obesity and overweight.

Creating value during the coronavirus pandemic

As one of the largest food producers in Hungary, it is the duty of Nestlé Hungária to ensure the continuous supply of food and pet food products to its consumers in all situations. We took all action to ensure the health and financial safety of our employees during the coronavirus crisis. We also feel socially responsible for mitigating the negative impacts of the pandemic, so we delivered donations to people in need and healthcare professionals.

Nestlé employee donations to the Hungarian Red Cross

Besides product donations, we also provided financial assistance to our strategic partner, the Hungarian Red Cross. Our employees were welcome to offer any part of their salary to social organisations, which we doubled.

Salary supplement and extraordinary benefits to production staff and sales representatives

Nestlé Hungária introduced exceptional wage benefits in the extraordinary situation caused by the coronavirus epidemic: on top of the 10% wage supplement on average for employees in production and the supply chain for three months, all employees were granted wage guarantee, moratorium on company loans as well as additional wage supplement for the time of sick-pay and sick-leave from April.



CHF 10 million and 12 tonnes of chocolate. Assistance in fighting the coronavirus both in Hungary and internationally

Our parent company donated CHF 10 million to the International Red Cross and its national associations to help fight the coronavirus around the world. Nestlé Hungary deployed almost HUF 100 million worth of donations granted to families facing difficulties, and donated various products, including 12 tonnes of Easter chocolate to the Hungarian Food Bank.



Special donation to Hungarian animal shelters

Nestlé PURINA® continued to produce and distribute pet food during the pandemic to ensure business continuity and uninterrupted supply to pets during the crisis. We donated over 75 tonnes of pet food in 2020 and offered over 400,000 portions to Hungarian animal shelters in the emergency, delivered with the help of the Hungarian Animal Protection and Environmentalist Association. This commitment was in the framework of the international PURINA® drive of over 2 million meals distributed in support of animal shelters in 15 countries around Europe.

Supporting hospital professionals

Hospital staff were under particularly great pressure during the COVID emergency. Nestlé distributed HUF 12 million worth of NESPRESSO® and NESCAFÉ® Dolce Gusto® coffee machines and capsules, sweets and cereal bars, instant noodle meals, instant coffee and cocoa in 10 hospitals around the country to help healthcare professionals working in the frontline maintain their energy levels.



Assistance to the staff of Staff of Szent László Hospital

Nestlé Hungária sent two vans of products to the staff of Szent László Hospital, including coffee, coffee machines, chocolate and other delicacies.



Highlights of a successful epidemic strategy

We appropriated HUF 420 million for the direct financial support of our employees, and another HUF 100 million for health and safety measures. Commuting employees received targeted support, and a free meal a day was served in the factories. We served our people a total of 87,000 portions in the three factories and distributed HUF 20 million worth food packages among all our employees. Our highly successful and efficient epidemic strategy in 2020 earned the ‘HR communication response to the epidemic’ special award of HRKOMM Award.

Balanced nutrition and product innovation

Today's food industry trends are driven by health awareness and sustainability. More people turn to special, meat-, lactose- or gluten-free diets, or forsaking fast-digesting carbohydrates.

Modern consumers do not only look for natural ingredients for their meals that are affordable and fit into a balanced nutrition, but they are searching for solutions with as little environmental impacts as possible. Our innovative solutions seek to apply these preferences in the development process of new products as well as the reformulation of existing brands. We work to offer tasty and nutritious choices to families and individuals in line with changing consumer preferences and the latest nutritional requirements.

In the forefront of food market trends

We constantly expand our offer of plant-based food and beverages. Our recipes are made with a view to grant great taste and be aligned with the principles of a well-balanced diet.



Garden Gourmet®

Five products in Nestlé's plant-based Garden Gourmet® line is now available in Hungary, currently in the out-of-home segment. Delicious, deep-frozen meat alternatives with a genuine meaty experience in terms of taste and texture contribute to quality daily protein intake quantity and offer a variety of sustainable and balanced main meals for vegans, vegetarians, and flexitarians.



Plant-based beverages

Consumers following a vegan and lactose-free diet may now embrace two perfect NESCAFÉ® alternatives: NESCAFÉ® Gold almond and Coconut Latte. NESQUIK® Chocolate Oatmilk, the non-dairy alternative of NESQUIK® chocolate milk is made from natural ingredients and sustainably sourced cocoa, and is an excellent source of plant protein.



Risotto and casotto: the new members of the MAGGI family

In response to consumer trends, Nestlé developed the MAGGI® Casotto and Risotto family packed with nutritious barley, millet or rice and a pouch of fragrant sauce base to suit a well-balanced diet.

These tasty dishes offer a fast and easy solution for everybody who is keen on diverse and balanced nutrition.

Improved cereal portfolio

In 2020 we introduced the new Nestlé FITNESS® bar containing 30% less sugar than other cereal bars in the market. FITNESS® granolas – a harmonic combination of mueslis and crunchy cereals – also underwent a transformation.

CHEERIOS® Oat now has higher oat content for balanced breakfasts.



Nestlé for Healthier Kids

As a leading food company, we pursue to educate parents and children and give them guidance on making healthier choices to prepare when they cook together. Nutrition education is critical to support children in developing healthy eating habits. This is the reason why we launched our Nestlé for Healthier Kids programme.

More frequent family lunches during lockdown

A representative survey made in spring in the scope of the *Nestlé for Healthier Kids* programme to learn about the change of eating habits during the pandemic. One third of respondents had lunch with their families during lockdown, and lunch became the main meal of the day. We found that there was more time for eating together in this period, and in 5 households out of 10 children also helped to prepare the meals in the kitchen. We were particularly pleased with the results, because children who partake in cooking eat more vegetables and fruit, are more open to developing healthy eating habits, have a more balanced diet, and get to know the ingredients and dishes during joint cooking activities. Three fun challenges were announced in social media requesting parents to send in their photos of the meals they made together with their children.



A new survey on the nutrition of 4-10 year old children

We made a representative survey in 2015 to find out about the eating habits and nutritional status of children between 4 and 10. We repeated this unique initiative in 2020, again in partnership with the Hungarian Dietetic Association (MDOSZ) to get an insight into previous years' trend developments.

The project aimed to survey the anthropometric data, diet and physical activities. The result of the survey can serve as a basis for educational and healthcare institutions to identify efficient health development, education and practical activities as well as for the food industry to define fresh product development directions. The research had an important subsection targeting parents with a questionnaire survey to get insights into their eating habits. The research results help us tailor our portfolio better to consumers' needs and preferences and explore the relevant information that need to be focused on in our children education programmes.

Besides MDOSZ, last year we also teamed up with InsightLab and Nutricomp for the research. Our findings will be presented to our stakeholders in May 2021.



Smart Snack for healthier nutrition

In our latest education campaign we use smart cards to teach children about balanced nutrition and healthy lifestyle. The after school programme was launched in 2020 as a pilot, but we would like to extend the initiative and reach more schoolchildren with our messages in the coming years.

GYERE® Children's Health programme in Diósgyőr ended

GYERE, our joint three year programme with the Hungarian Dietetic Association in Diósgyőr ended last year. MDOSZ professionals reached 3.000 children in kindergartens and schools educating them on balanced nutrition and healthy lifestyle.

The kids in the programme gained useful knowledge and learned many things they can use later on in their daily lives to lead a healthy life.



Spar Marathon sponsorship - Nestlé Family Run

Nestlé had sponsored Spar Marathon in Budapest and organised Nestlé Family Run for many years, and also maintained this tradition in 2020. The 500 metres event is a great opportunity for engaging children in a healthy activity that may develop an enduring passion for sports. Our exhibitor tent invited visitors to sample some products, challenge their luck at the wheel of fortune and take home their pictures certifying their achievement at the community run event.

A selective waste collection education game "Where to dispose?" was introduced for the first time, and our nutritionists discussed balanced nutrition with the visitors.

Nestlé Needs YOUTh

The COVID-19 pandemic had a huge impact on society, especially young people. Recent statistics show that unemployment is on the rise again, affecting over 3 million young people throughout Europe. We must support career starters more than ever and prevent a lockdown generation whose members start with a disadvantage in the labour market.



Alliance for Youth Employment supporting youth with 300,000 new opportunities until 2025

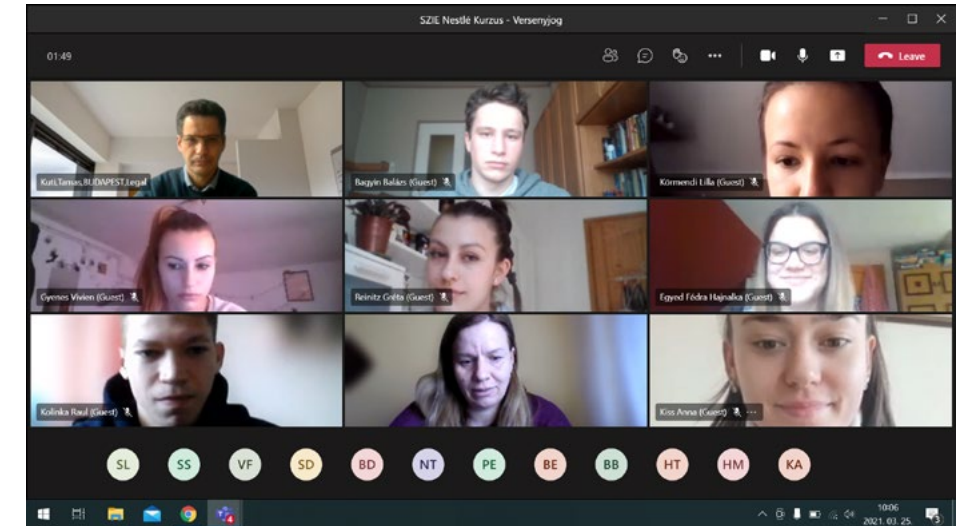
Nestlé announced to create 300,000 new job opportunities for youth in the EMENA region (Europe, the Middle East and North Africa) until 2025 as part of its Alliance for YOUTh initiative. We continue our youth support efforts together with 300 partners despite the pandemic, and offer traineeship, internship and first job opportunities for career starters.

Alliance for YOUTh equips the young generation who will shape the future society with appropriate digital and green skills. The programme initiated by Nestlé in 2014 joins the companies that committed to assisting youth in entering the labour market. Globally we provided over 450,000 jobs and training opportunities since the programme was launched.



A week with the managers of Nestlé

We started a unique manager shadowing programme in partnership with the Faculty of Food Science of Szent István University, open for the students of Tibor Deák College. The success of the project drove us to give students the opportunity again in 2020 to get to know Nestlé as employer better and enable them to gain real experience in the operation and management of a major company.



Continuing partnership of Nestlé and the Hungarian University of Agriculture and Life Sciences (former Szent István University)

The partnership between Nestlé Hungary and Szent István University began in 2016 and continued in 2020 by the renewal of the strategic partnership agreement. Almost 90 students attended the joint course of Nestlé and the university in the first three years. The expansion of the programme included the engagement of students for project assignments and acted as internship partners. Due to the pandemic, last year we switched to virtual training and online lecture to ensure continuity.



Nestlé is among the TOP 15 most attractive employers

We are proud that Nestlé Hungária Kft. is on the list of most attractive employers for youth in 2020 according to the survey conducted by zyntern.com.

PURINA® in society

Pet owners know exactly that all dogs and cats – just like us, humans – have their distinct personality, will and needs.

As responsible owners it is our duty to understand their fundamental needs as well as their desire to socialize. Nestlé PURINA® pet food recipes are not only tasty, but serve the health and well-being of animals.



Packaging development: 100% recyclable or reusable packaging by 2025

We are proud that the cartons for our FÉLIX® cardboard multipack pet food packaging has 80% recycled fibre content in line with Nestlé’s commitment.

A pet may prove to be the best psychologist during lockdown

Having a pet around helped a lot in coming through better the cabin fever caused by the lockdown. In a representative survey initiated by Nestlé PURINA®, we asked Hungarian pet owners about how they experienced the restrictions and how they took care of their pets in this extraordinary situation. Pet owners had more time to spend with their pets during their weeks of confinement, and many sought emotional support with their dogs or cats. Respondents indicated as the greatest advantage of home office the freedom to set their daily schedules themselves (73%) and have more time for their four-legged friends, which makes it easier to look after them (43%). The third most popular answer was that pets helped them relax and their presence had a good effect on their mood and well-being. Pets also require special care in this exceptional situation caused by the coronavirus epidemic. This was the key message of our campaign on responsible pet ownership.



Dog friendly accommodation and restaurants in Bük

The ambition of PURINA® is to make the lives of pets and their loving owners more meaningful. Pet friendly enterprises that allow pets to be with their owners during work or on holiday are key factors in this. It is important for us to support the increase of pet friendly hospitality providers. Bük, where our PURINA® pet food factory is located has become a priority tourist destination in recent years with many visitors bringing their pets along. This has brought a rapid increase in the demand for pet friendly services, so we teamed up with the town municipality and launched the Dog Friendly Hotels and Restaurants in Bük initiative. Although the coronavirus pandemic thwarted the completion of the project, we are bent on continuing our initiative as soon as reasonably possible.

Our plants, suppliers and local communities

The success of Nestlé Hungary is also driven by the excellent performance of our factories as the majority of our revenues come from exports. We deliver Nestlé products from Hungary to over 40 countries all around world with 90% of our products are made exclusively for export.

Szerencs

The story of Nestlé Hungary began with the acquisition of the Szerencs factory 30 years ago. By now, the facility has become Nestlé’s Central European regional coffee and cocoa production and packaging hub, also producing NESQUIK® Optistart and NESQUIK® All Natural. We also developed NESCAFÉ® 3in1 for the European market in Szerencs in 2002. In addition to the quality assurance laboratory of the factory, the Nestlé’s Central and Eastern European sensory laboratory is also located in the facility.



The Szerencs factory in numbers

~38 000 tons	of product output per year
30	countries supplied with products from Szerencs
~450	employees
84%	of our products are exported
15	trucks of products are dispatched from the factory daily

Bük

The Bük PURINA® factory has grown into the Central Eastern European hub of Nestlé’s pet food production in the past 20 years dispatching over 70 trucks of pet food every day to 50 countries around the world.



The Bük factory in numbers

50%	of the raw materials are arriving from Hungarian suppliers
85%	of our products are exported
Over HUF 400 billion	worth of pet food exported to global markets in the past 10 years
30%	capacity increase in the factory through the new investment enabling up to 5 million products per day
~50 robots	installed on the production lines, to be increased by a further 40 units through the latest investment

The largest food industry investment in Hungary began in Bük

A nearly 50 billion HUF investment project began in the Bük production facility in 2020. One of the largest food processing industry investment of modern Hungarian market economy to be carried out in the face of the pandemic crisis will also create 160 new workplaces in the region and fuel the regional performance of Hungarian national economy.



Embracing environmentally friendly technologies

All three factories have used renewable electricity, and our waste is recovered either by way of recycling or used for heat generation since 2017.

Diósgyőr

The Diósgyőr factory is Nestlé’s only facility specialised solely in the production of hollow chocolate figures, delivering Easter and Christmas products to over 20 countries. Almost 300 types of hollow chocolate figures are made in the factors – only from genuine chocolate.



A FOTÓ A JÁRVÁNYIDŐSZAK ELŐTT KÉSZÜLT.

The Diósgyőr factory in numbers

~4000 tonnes	available capacity annually
23 countries	are supplied with hollow figures
85% -át	of the total factory output are for export
HUF 2,5 billion	investment since 2011
>400	employees

Reduced plastic output

We are proud that we used 70 tonnes less plastics at our Diósgyőr site in 2020, and all the packaging used here are designed for recycling – meaning all the packaging materials are recyclable if the appropriate collection, selection and recycling infrastructure is available.



Hungarian farmers and suppliers

The excellent quality Hungarian agricultural raw materials, as well as the strictly controlled and audited processes qualify Hungarian enterprises to be part of Nestlé's European pool of suppliers as well. Developing the international relations of Hungarian suppliers is high priority as it also increases our competitiveness and efficiency.



Hungarian suppliers, Hungarian raw materials

85% of the sugar we use in our Szerencs factory are made from Hungarian sugar beet, and our Hungarian partner is also a permanent supplier of our global network. The Bük factory purchases large amounts of wheat, corn and other cereal products directly from Hungarian farmers and companies, and much frozen meat feedstock from Hungarian abattoirs.



Opening the international markets for Hungarian enterprises

The 2020 investment in Bük does not only create 160 new workplaces in the region but gives an opportunity for Hungarian agricultural entrepreneurs who comply with the strict quality assurance requirements of Nestlé and are ready to market locally grown raw materials to other Nestlé locations.

Donation, sponsorship

It is our priority mission to help organisations working to end food shortage through donations, volunteering and other collaborations.

Last year's pandemic situation strengthened our resolve to work for society. Consequently, we delivered a record value of support to our partners in 2020.



Hungarian Food Bank Association

In 2020, Nestlé Hungary donated some HUF 160 million worth products to our long standing partner, the Food Bank, receiving their acknowledgement as platinum sponsors. We organised our joint promotion with TESCO again last autumn engaging customers to support families in need, offering 1% of the price of each Nestlé product sold in TESCO stores to help cover the operating costs of the Food Bank. TESCO doubled this amount which resulted in a total of HUF 8.1 million collected for donation.

The Hungarian Food Bank used the amount to send almost 145,000 food packages donated by its partners to families in need.

Nestlé joined the World Food Day convoy

Similarly to previous years, we participated in the food convoy for World Food Day in 2020 organised by the Hungarian Food Bank Association and UN Food and Agriculture Organisation (FAO) to call attention to the fight against food waste and deprivation.

Support for children's hospital renovation

Supporting local communities, particularly in combating the pandemic is important for us. For this reason, we donated HUF 20 million to the Children's Rehabilitation Unit of the Borsod-Abaúj-Zemplén County Hospital. The funds are used to renew the wards, corridors, community rooms and sanitary facilities by this summer.



Hungarian Red Cross

We supported the work of the Hungarian Red Cross Youth again in 2020 with product donations. Nestlé contributed NESQUIK® porridge, MAGGI® instant noodles, and confectionery products to 246 young volunteers of the Balaton First Aid Service. The Hétszoda Adventure Camp - an initiative for enabling disadvantaged children enjoy a summer camp - could not be organised due to the epidemic, but children were not left without summer experiences: some educational experience boxes were delivered by the organisation with all types of goodies provided by Nestlé.

Environmental sustainability

We announced our global action plan addressing climate change with our pledge to reach net zero emissions by 2050. Our ambition is to minimise our carbon emissions across the entire value chain from raw material production to the path to consumers.

We promote sustainable agricultural practices to contribute to a renewable, regenerative food production and supply system, and offset our remaining GHG emissions with state-of-the-art nature oriented and climate friendly solutions.



Actions for achieving our goals



We also constantly explore options to reduce our emissions and apply energy- and resource-efficient solutions in Hungary to contribute to Nestlé’s global pledge to achieve net zero emissions.

Accelerating our efforts to transfer to sustainable packaging

The Nestlé Institute of Packaging Sciences in Switzerland, the first such undertaking of this kind, plays a key role in developing and testing new, environmentally friendly packaging materials. Promising research results from the Institute include the latest refillable or reusable packaging solutions, high-performance barrier papers, simplified, biodegradable or compostable packaging materials, and the increased use of recyclable content in Nestlé’s packaging. Thanks to the efforts of our colleagues, all packaging used in our Diósgyőr factory is now designed for recycling – meaning all the packaging materials are recyclable if the appropriate collection, selection and recycling infrastructure is available. We are proud to have used nearly 70 tonnes less plastics in our Diósgyőr factory last year.



Innovative, environmentally friendly packaging

As the world’s largest food company, we are committed to use our size, scale and power to tackle the issue of packaging waste. We pursue our vision that none of our packaging ends up in a landfill or in the environment but achieve a circular solution. Nestlé accelerates its global efforts to make 100% of its packaging recyclable or reusable and reduce the use of virgin plastics by one-third by 2025. 87% of our packaging globally is already recyclable or reusable.



Contributing to a zero waste future

Besides developing our packaging, we also aim to support the development or establishment of selective collection, selection and recycling infrastructure in the markets. Nestlé has collected used coffee capsules in NESPRESSO® Boutiques in Hungary since 2012 and introduced a scheme in 2017 where consumers can return used capsules to the courier service when their online purchases are delivered. Since 2020 consumers can also leave used aluminium capsules at post offices and PickPack Points. This way 99% of our customers have a recycling opportunity available. Currently 43% of spent Nespresso capsules are recycled in Hungary, but we are bent on increasing this rate and encourage our consumers to collect their used capsules selectively.

Environmentally friendly packaging designed for recycling only fulfil their purpose if consumers are aware of local selective waste collection regulations and the composition of packaging. We drive consumer awareness through diverse education campaigns engaging them to contribute to reducing packaging waste.



How to be an environmentally conscious consumer?

Following the success of Recycling Guide in 2019, we issued a new sustainability publication in partnership with HUMUSZ Association. The main themes of ‘How to be an environmentally conscious consumer?’ are sustainable lifestyle, the reduction of food waste and packaging waste. We are proud, that our partner, the SPAR Magyarország Kereskedelmi Kft. also joined the initiative in 2020. The publication introduces the basics of selective waste collection and share great tips on how to reduce carbon footprint, the amount of packaging and food waste generated in households. The ‘How to be an environmentally conscious consumer?’ campaign also has a digital leg: the Guide is still available for download, education videos reinforcing the message are available, and the ‘Recycling Guide’ blog features further advice to consumers on various sustainable consumption and recycling topics. A 360 degree campaign spread the campaign messages among consumers.



Sustainability Ambassadors in action

Our trained employees, the Sustainability Ambassadors delivered the new guide to elementary schools as educational materials. We also trained the food engineering students from the Tibor Deák College of Szent István University to become ambassadors in 2020. Although schools were closed due to the pandemic challenging our Ambassadors’ mission, the enthusiastic staff of the Halmi Telep Elementary School helped reach over 400 pupils during the European Week for Waste Reduction.

Awards in acknowledgement of our sustainability campaigns

We are immensely proud to have won the CSR Hungary Award with our 2019 campaign ‘Recycling Guide: Do you know where to throw it?’ last summer. This recognition signified how companies can enhance the general quality of life and well-being of people through responsible and sustainable business operations. The Recycling Guide and the associated education campaign also received an Effect 2030 Award by Effekteam Association in the Future Economy category.



We are very proud that Nestlé Hungária Kft. won the SPAR Sustainability Award at the Figyelő TOP 200 gala. Our CEO, Péter Noszek was presented the award by Gabriella Heiszler, managing director of SPAR Magyarországi Kereskedelmi Kft.



Every cup of NESPRESSO® to become carbon neutral

NESPRESSO® announced that every cup of Nespresso coffee, both for at-home and for professional customers, will be carbon neutral by 2022. This new ambition builds on more than 10 years of work during which NESPRESSO® has significantly reduced its carbon emissions and compensated the remainder through agroforestry. NESPRESSO® will achieve carbon neutrality through the following initiatives: the reduction of carbon emission; the planting of trees in and around coffee farms where NESPRESSO® sources its coffee (insetting – carbon reduction within the supply chain); and through support and investment in high quality offsetting projects.

NESPRESSO® accelerating recycling

In partnership with Swedish lifestyle bike brand Vélosophy, NESPRESSO® co-designed RE:CYCLE, a sleek, urban bicycle made using recycled NESPRESSO® aluminium capsules. The brand embraces the potential of aluminium in this functional and stylish product, encouraging coffee lovers to collect and recycle aluminium capsules. NESPRESSO® also partnered with Caran d’Ache to give second life to products: the third, limited edition of the iconic 849 ballpoint pen made using the aluminium from recycled capsules.



NESPRESSO® opted for aluminium as the material for its capsules, as it protects coffee perfectly from air, humidity, and light, keeping it sealed and fresh right up to the moment of brewing and tasting. Aluminium is also an ecological choice for our capsules because it is a metal that can be endlessly recycled.



A cup of coffee for the environment and society

NESPRESSO® announced the introduction of coffee capsules made 80% from recycled aluminium. These new capsules are also available in Hungary, and the company is planning to make all its in-home capsules using recycled aluminium by the end of 2021.

Sustainably sourced coffee and cocoa

Nestlé is committed to environmental protection and the protection of the future generation. It is our priority to source raw materials from responsible and sustainably operating suppliers. All the raw materials used in our regional coffee and cocoa powder production and filling factory in Szerencs in-brand with Nestlé's global commitments.

NESPRESSO® recovering declining coffee farms

NESPRESSO® began its Reviving Origins programme in 2017 aimed to revive local coffee agriculture and economies in regions affected by adversities such as conflict, economic hardship, and environmental disasters. The programme offers high standard professional support and empowers farmers to apply sustainable methods, increase their productivity and crop quality preserving the future of some of the world's rarest and most exquisite coffee varieties. It also tackles infrastructural challenges by building wet mills, helping to establish cooperatives and coffee nurseries, enabling farmers to plant these plantlets and native trees all around their farms, increasing biodiversity and reducing soil erosion. In 2020 NESPRESSO® presented three rare and special Reviving Origins coffees from Eastern Zimbabwe, Uganda and Caquetá, Columbia.



Grown responsibly

NESCAFÉ® has worked on making its processes and products more sustainable and improving its relations with coffee growers since the beginning, i.e. for over 80 years. Under Nescafé Plan the brand has helped train more than 700,000 farmers globally since 2010 in producing healthier, more resilient, and higher quality crops. We now have 300 NESCAFÉ® coffee-growing experts working with farmers offering training in business and advanced agriculture skills. Grown Respectfully, the communication presenting the brand's sustainability efforts and achievements was introduced in Hungary in 2020, and consumers can now find the messages on the packaging of NESCAFÉ® instant coffees.



NESPRESSO® AAA Sustainable Quality™ Program

NESPRESSO® launched the AAA Sustainable Quality™ programme in partnership with Rainforest Alliance, a non-profit organisation in 2003 to work closely with farmers in improving their environmental and living conditions and supporting the livelihood of farmers and their communities.

NESPRESSO® works with over 110,000 growers in 15 countries in the scope of the programme to introduce sustainability practices in and around farms and employs more than 400 agronomists to help the social and environmental protection activities of farms, and to improve coffee crop quality and yield.

Nestlé Cocoa Plan

Through the Nestlé Cocoa Plan, we work to improve the lives, solve and mitigate the key problems of farmers, their families and communities with the unhidden intention to grow the profitability and livelihood of farmers and facilitate their children's education by promoting the development of cocoa growing and ensuring fundamental human rights. Our 2025 ambition is to use cocoa from sustainable sources only in Nestlé Confectionery – this is nearly 300,000 tonnes of raw materials.



Energy efficiency projects

We accelerated our efforts to address climate change in 2020. Increasing renewable energy in our production operations is critical for achieving net zero emission. As a first step, we will use 100% renewable electricity in all our factories around the world.



All three Hungarian factories have been using 100% green electricity since 2017 eliminating our carbon footprint from electricity. We also continuously explore opportunities for using other renewable sources (e.g. geothermal energy) in the production processes.

Significant energy saving

We aim to reduce our carbon emissions during production by increasing our energy efficiency and using less non-essential energy. An energy saving project implemented in the Bük pet food factory utilises waste heat in some parts of the facility reducing both overall gas consumption and emissions. This saving corresponds to the volume 40-50 average houses use a year.

All waste is disposed properly

We ensure that no waste from our factories ends in landfills. Waste from our three factories is recycled or utilised for heat generation.