



Nestlé Waters North America In Sacramento *Answers To Frequently Asked Questions*

Q: What is the size and scope of your plant in Sacramento?

A: Located in existing leased space in the Florin-Fruitridge Industrial Park in South Sacramento, this 214,000 square-foot plant will house two production lines to produce our Nestlé Pure Life[®] brand Purified Water and Arrowhead[®] brand Mountain Spring Water to serve customers primarily in the Central Valley and Northern California. We estimate that we will purchase approximately 150 acre-feet of water for this plant in the coming year, approximately 30 million gallons of which will come from the City of Sacramento at the same rate other light industrial businesses pay. We plan to purchase the remainder from nearby private springs where we have had long-standing relationships with the spring owners that go back at least a decade. Initially we will invest approximately \$14 million into this project and directly employ approximately 40 people.

Q: How many jobs will your Sacramento plant create?

A: The equipment installation and building retrofit phase will directly employ approximately 16 people. In addition, many contractors and tradesmen will be hired to complete the construction and installation. Once the plant is fully operational, we anticipate employing approximately 40 people.

These jobs will pay competitive wages and offer a generous array of benefits, including medical, dental and vision insurance, life insurance, 401(k) and profit sharing.

We have begun our formal hiring process for positions in our new plant. For more information about careers with Nestlé Waters in Sacramento visit our web site at sacramento.nestlewatersca.com.

In addition, we are working with local contractors to retrofit our leased building to accommodate our operations and once the plant is operational, will be hiring local businesses to support our operations.

Q: Does the company plan to build a new space to house this new plant? Where will your plant be located?

A: No new building is being constructed for this plant. We are leasing existing industrial space in the Florin-Fruitridge Industrial Park in South Sacramento and retrofitting the inside of the space. That retrofitting translates into a \$14 million direct investment in the Sacramento community.

Q: How much water does Nestlé Waters plan to buy from the City of Sacramento and at what price?

A: In the coming year we plan to purchase approximately 30 million gallons of water annually from the City of Sacramento. Nestlé Waters will be a customer of the City of Sacramento just like any other business such as a restaurant, car wash or other manufacturer and we will pay the same rate for water as other light industrial customers of the City.

Q: Is it true that Nestlé Waters will be among the top 10 users of water in the City of Sacramento?

A: No, this is not true. The 10th largest water user in 2008 used more than twice the amount of water we plan to purchase from the City next year.

Q: Will Nestlé Waters have any rights to the City of Sacramento's water?

A: No, we are not acquiring any rights to the City of Sacramento's water. Rather, we will be a customer of the City of Sacramento just like any other light industrial business in the City.

Q: Will the company be subject to any drought restrictions imposed on customers of the City?

A: Yes, we will be subject to all restrictions, drought or otherwise, imposed on light industrial customers by the City of Sacramento.

Q: What nearby springs will Nestlé Waters be using to supply the plant with water for Arrowhead[®] brand Mountain Spring Water?

The Arrowhead[®] brand Mountain Spring water that will be bottled at our Sacramento plant will come from a number of different spring sources. Initially, we anticipate using Lukens Spring, Placer County, CA; Sopiago Spring, El Dorado County, CA; Sugar Pine Spring, Tuolumne County, CA and/or; Arcadia Spring, Napa County, CA. We have had long-standing relationships with each of these private spring owners that goes back at least a decade. Water from these springs has been bottled previously at other plants including our Livermore and Calistoga operations.

All of our spring sources are listed on our bottle labels. Once we are operating in Sacramento, any water produced in this plant will bear a label indicating the

particular spring sources of the water. In addition, water quality and other information about our springs can be found on our national web site at <http://www.nestle-watersna.com>.

Q: How many trucks will be used daily to transport finished product and to transport water from your springs to your plant?

A: The plant will typically require an average of 50 trucks per day to transport finished bottled water to our customers. During our busiest operational season, that number could increase to as many as 100 trucks each day to transport our finished product.

The plant will typically require an average of 15 trucks a day to transport spring water to the plant. During our busiest operational season we anticipate this average will increase to approximately 20 to 25 trucks each day to transport our spring water to the plant.

Q: Is this plant required to go through the California Environmental Quality Act process (CEQA)?

A: This plant is in full compliance with CEQA. Review under CEQA is not required for our Sacramento facility because its operations will be consistent with the uses permitted within the current industrial zoning classification and do not require any discretionary permit approvals that would otherwise trigger CEQA review. The existing building will be remodeled to accommodate our bottling operations and all necessary building and construction permits will be obtained. We are complying fully with the permitting requirements of the appropriate city, state, and federal governmental authorities.

Q: What does Nestlé Waters do to increase recycling rates and reduce use of plastic?

Q: All of the bottles produced at our Sacramento plant will be 100 percent recyclable, and we encourage our customers to recycle every time they enjoy a bottle of water. In addition, Nestlé Waters North America leads the industry in reducing the amount of plastic used in beverage bottles through the development of our Eco-Shape[®] bottles which use 1/3 less plastic than typical beverage bottles. In addition, our new Re-Source[®] bottles have one of the highest recycled contents on the market, and we are working in collaboration with Whole Foods Market, Inc. and Waste Management, Inc. to promote recycling nationwide. For every container recycled as part of our program at Whole Foods, we donate 5 cents to Keep America Beautiful, a nonprofit known for its anti-litter campaigns. Proceeds will help support local recycling programs across the country. We also support local recycling programs across the country and look forward to partnering with the Sacramento community to increase recycling rates.

Q: What has Nestlé Waters done to reduce its carbon footprint?

A: We have a proven track record as a leader in reducing our environmental footprint through responsible production, packaging, manufacturing, transport and water sourcing. Over the last five years we have reduced our carbon emissions by more than 30 percent for every liter of water we produce. These reductions have come in many forms, for example in California in this year alone our trucking fleet has eliminated 996,710 pounds of carbon emissions due to initiatives implemented to increase miles per gallon. This is the equivalent of removing 81 cars from the road per year.

The decision to open a plant in Sacramento was also motivated by our desire to bring our production closer to our customers and reduce truck trips from other factories further away. This makes good business sense and it also reduces the number of miles our products must be transported to market.

Q: How did Nestlé Waters make the Sacramento community aware of its plans to open a plant in the community?

A: Upon securing a lease for existing industrial space in Sacramento, we issued a press release to local media to inform the public of our plans to open a plant in the area. This announcement was covered by the *Sacramento Bee*, *Sacramento Business Journal*, *Sacramento News & Review*, and by several local television stations. Concurrently with that announcement, we launched the web site, sacramento.nestlewatersca.com, to inform the public about our project.

Q: How can I find out more about your project if my questions were not answered here?

A: We are committed to providing the public with information regarding our facilities and operations. Our web site, sacramento.nestlewatersca.com, serves as a portal where any resident of the community can visit to learn more about our company, our operations, and job opportunities. In addition, this site features an “Ask Us” section where members of the community can submit questions to the company. We commit to responding to all questions promptly. If you have a question about our project that is not answered here, please let us know and someone will get back to you with an answer.

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