





## **MEDIA RELEASE**

## For Immediate Release

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## NESTLÉ BRINGS RILEAF TO THE KINABATANGAN RIVER

Nestlé (Malaysia) Berhad today officially launched the Nestlé RiLeaf project at an event in Sukau, Sabah, which was officiated by the Sabah Minister of Tourism, Culture and Environment, Yang Berhormat Datuk Masidi Manjun.

The Nestlé RiLeaf project aims to reforest riparian (meaning riverside) sites of the Kinabatangan River, and thereby create a landscape where people, nature and agriculture (oil palm) can co-exist harmoniously in their need for water.

The reforestation project targets to cover an area of 2,400 ha over a period of three years, which will result in a restored zone that will also form a natural buffer that will significantly filter two main pollutants of the river – soil sediments and chemical fertilizer run-offs – thereby giving the Kinabatangan river a chance to repair itself over the course of time.

The project will also see Nestlé involved in capacity building of the local community, to actively encourage rural development by working with and buying forest seedlings from KAPOK (Komuniti Anak Pokok Kinabatangan), a community based forest seedlings producer, which comprises of entrepreneurs from four villages. KAPOK will be producing the seedlings and managing their plantings in riverside areas on both sides of the Kinabatangan. The initial phase will see the planting of 100,000 trees within the next one year to commemorate the 100<sup>th</sup> year presence of Nestlé in Malaysia, which it will celebrate in 2012.

RiLeaf will leverage on the commercial agriculture experience and expertise of Nestlé to speed up riparian reforestation and increase the durability of indigenous forest seedlings to ensure greater survivability. The restored zone will also form a corridor for wildlife to thrive and move about in their migrations and food searches, thereby reducing human-wildlife conflict in the process.

Carried out with the full endorsement of the Sabah State Government, the Nestlé RiLeaf project will also have an active role in palm oil sustainability, reducing the environmental impact of oil palm plantings through minimisation of chemical fertilizers, as well as "back-to-basic" Good Agricultural Practices.

In addition to working with various non-government conservation and community organisations involved in the Lower Kinabatangan to transform the floodplain into a model for sustainable development, Nestlé is also engaging with agencies under the State Government including the Tourism, Culture and Environment Ministry, Sabah Wildlife Department (which manages the Kinabatangan Wildlife Sanctuary); Sabah Forestry Department and Lands & Surveys Department.

"This project reflects our global philosophy of Creating Shared Value, as in addition to saving the environment, it will stimulate the local economy by creating jobs and generating income for the local community who are directly as well as indirectly involved in the project. We are also looking at how we can engage with our palm oil stakeholders in the Nestlé supply chain here to have a meaningful and positive sharing of value for the benefit of all," said the Managing Director of Nestlé (Malaysia) Berhad, Mr. Peter Vogt.

"The Nestlé RiLeaf project is a continuation of an earlier initiative by the Sabah World Wildlife Fund, and I would like to record a special note of thanks to them as well as the UNDP Small Grants Project which made the KAPOK forest seedlings scheme a success," added Vogt.

The 560km long Kinabatangan is Malaysia's second longest river; creating an ecosystem crucial for the survival of wildlife, plants and man such as the indigenous Orang Sungai who rely on it for food, water and transportation, as well as a source of income.

As an eco-region, the Kinabatangan is one of two places on the planet that is home to 10 primate species, including the Orang Utan, Proboscis Monkey and the Bornean Gibbon together with a large variety of birds such as the Rhinoceros Hornbill as well as a refuge for large mammals including the Borneo Pygmy elephant and critically endangered Sumatran Rhinoceros.

However, the rapid change in land-use along the Kinabatangan has led to a degree of deforestation and forest degradation, which has a worrying impact on wildlife habitats; forcing some already endangered species into the remaining pockets of jungle and increased stress on the ecosystems.

Nestlé views the degradation of tropical rainforests and peatlands as a serious environmental issue facing mankind. Caring for the environment is not only an absolute necessity for Nestlé to ensure future availability of agricultural raw materials but also the very basis for future business success.

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