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What Is Water Worth? Nestlé Walks a Fine Line

Nearly everyone else in the office went home hours ago, and the only thing that could be heard echoing quietly in the hall outside the main conference room was the hypnotic tap-tap-tap of a pen against a freshly polished oak table. Paul Bulcke, CEO of Nestlé S.A., slowly stood up and walked over to the fully stocked refrigerator in the corner and took out a chilled bottle of Perrier, his favorite Nestlé Waters brand. As he gazed out the window at the twilight sky of Vevey, Switzerland, he reflected on his earlier discussion with his executive team.

The year was 2014, and for the eighth time a 2005 video interview with his predecessor, Nestlé Chairman Peter Brabeck-Letmathe, had surfaced on the Internet, igniting a firestorm. In the interview, which was part of the documentary *We Feed the World*, Brabeck-Letmathe was quoted as saying:

The one opinion, which I think is extreme, is represented by the NGOs, who bang on about declaring water a public right. That means as a human being you should have a right to water. That's an extreme solution.¹

Despite Nestlé's success in getting the United Nations to downgrade access to drinking water from a "right" to a "need" at the 2000 World Water Forum in the Netherlands,² in July 2010 the UN General Assembly passed Resolution 64/292, recognizing the human right to water and sanitation.³ With this stage set, the pushback against Brabeck-Letmathe's comment was more powerful than ever. The quote was circulated by news organizations around the world and trended on Twitter.⁴ With the company's water consumption under the magnifying glass, Bulcke knew that he needed to act.

The Nestlé annual shareholder meeting was tomorrow and Bulcke wanted to put this mess behind the company once and for all. Looking at the conference room refrigerator, glowing under a bright fluorescent Nestlé logo, he knew that whichever strategy he recommended tomorrow, there was a lot at stake for the company, its shareholders, its customers, for the hundreds of millions of people around the world without reliable access to clean drinking water, and for the ecosystems that provided freshwater for Nestlé's operations.

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