

# Hanzade Yaz - General Manager Turkey, Nestlé Health Science

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Tags: [Turkey](#), [Nestlé](#), [Manufacturing](#), [Nutrition](#), [Strategy](#)

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*Although best known for its food and beverage operations, Nestlé also has a Health Science business that generates approximately USD 3 billion annually for the Swiss conglomerate. Hanzade Yaz, General Manager of Nestlé Health Science Turkey, discusses the affiliate's leading position in medical nutrition, portfolio expansion following recent global acquisitions - including the first and only FDA and EMA-approved treatment for peanut allergy - and their upcoming manufacturing site which will be the first for enteral nutrition in Turkey. In addition, Hanzade explains what Nestlé's "Creating Shared Value" approach means in Turkey and emphasizes their sustainability goals.*

**Hanzade, you have an extensive career in the pharmaceutical industry, including 14 years with Nestlé Health Science. Could you begin by talking us through your career trajectory up to this point?**

I studied chemical engineering at Boğaziçi University and began my career in pharmaceuticals as a sales representative while continuing an MBA degree at Yeditepe University. I spent ten years working in pharmaceuticals, mainly in sales and marketing, specializing in oncology.

My last role before joining Nestlé was with Janssen, where I started their oncology and haematology business in Turkey. Once at Nestlé, I was tasked with the integration of Novartis' medical nutrition portfolio, leading a team that has blossomed from twenty-seven staff to around 200 today,

generating above TL 500 million annually in sales.

**Nestlé is best known for its food and beverage products, but the company does have a big presence in medical nutrition and has also invested in consumer care products in recent years. Can you explain what Nestlé Health Science is about?**

Nestlé unlocks the power of food to enhance the quality of life for everyone, today and for generations to come. Nestlé Health Science's mission is to empower healthier lives through nutrition, which we are doing through science-based nutritional solutions. Nestlé itself is a company that has a strong background in the sector because its roots lie in science; Henri Nestlé was a man of science who saved the life of his neighbour's child by developing an infant formula.

Our products are powered by substantial R&D investment as evidenced by the Nestlé Research Center, one of the most prestigious centres in the world, where 5,000 scientists work every day.

Most of Nestlé Health Science's (NHSc) medical nutrition portfolio is reimbursed, especially in Turkey where 100 percent of it is reimbursed and prescribed by physicians. Our main objective is to treat malnutrition, a very specific condition that develops together with serious illnesses that range from cancer to COVID-19. If malnutrition is not adequately treated, it can have an impact on the failure of treatments. For example, in Europe, one in four cancer patients develops malnutrition and if it ties into cachexia in the middle of treatment, chemotherapies cannot be continued. Therefore, early diagnosis of malnutrition in parallel to the main treatment is key.

Our enteral nutrition products are used for this purpose, but we also have products to treat specific conditions such as Crohn's disease and swallowing difficulties.

Medical nutrition is one leg of our portfolio but, after the investments in recent years, Nestlé Health Science has grown strongly in consumer care creating a portfolio that includes vitamins, minerals, supplements and other products for preventive purposes, digestive problems and weight management and for people who want to enhance or maintain their already good health.

The third leg, which is quite new, is pharmaceuticals. In 2020, Nestlé established its pharma division, which is related to nutrition for food-mediated illnesses, with the acquisition of Aimmune Therapeutics, a biopharmaceutical company developing and commercializing treatments for potentially life-threatening food allergies and other diseases, including gastrointestinal conditions. As part of the deal, we received Palforzia, the first and only FDA and European Commission-approved treatment for peanut allergy. We have also Zenpep for a pancreatic enzyme deficiency.

**Does Nestlé Health Science have all the three businesses you just described, enteral nutrition, consumer care and pharmaceuticals, present in Turkey?**

In Turkey, we became one of the major companies in the medical nutrition area after the acquisition of the Novartis portfolio in 2007. While we do not have the pharmaceutical division in the country yet, we did introduce our consumer care business three years ago.

In line with the Turkish Ministry of Health's localization strategy, Nestlé Health Science has executed its own localization plan with a contract manufacturing organization (CMO) to produce enteral nutrition products domestically. I am proud to say that we were the first company to register domestic SKUs for adult medical nutrition and paediatric malnutrition with the production of our Resource 2.0 Fibre and Resource Junior Fibre respectively.

Our latest pioneering action in Turkey was a TL 250 million investment to establish our own manufacturing plant which had its groundbreaking ceremony in 2020 with the presence of the Minister of Industry and Technology. After 11 months, the factory is ready to operate and will be NHSc's, as well as Turkey's, first enteral nutrition production site.

**Could you expand on the strategic reasoning behind the investment in your new enteral nutrition manufacturing plant in Turkey?**

Nestlé has been operating globally for 155 years and for 115 years in Turkey. While the group already had four factories in the country, this will be the first one for enteral nutrition.

I would describe this new investment as a recognition of Nestle's alignment with Turkey's 11<sup>th</sup> Development Plan which seeks to make the country a global production and R&D hub.

Our intention is to leverage the production site to serve patients and healthcare professionals in the country while supporting the nation in its development objectives.

**How difficult was it to convince the global organization to make such an investment in a country where multinational healthcare companies have raised concerns about the pricing system and even the sustainability of the market?**

In our opinion, Turkey is an attractive investment destination due to its dynamic economy, young population and comprehensive national health system which covers most people living in Turkey, not to mention the strong healthcare infrastructure currently in place.

In terms of the market dynamics around pricing and reimbursement policies, our products follow the same rules as those of the pharmaceutical industry. We focus on well-founded, long-term and sustainable roadmaps. In this sense, the support of our state also has an important place in our investments. As an active stakeholder in the industry, we are proud to contribute to the industry.

**One of the biggest healthcare challenges for Turkey is the prevalence of diabetes, the highest rate amongst European countries. Is that an area where Nestlé Health Science can provide solutions?**

Yes, we do have products that can be part of the solution to the diabetes and obesity challenge. Nestlé Health Science's medical nutrition portfolio includes products for patients fighting against malnutrition, including diabetes patients. One of our products under the Resource brand will be also produced in Turkey called Resource Diabetes.

Within our consumer care portfolio, we have a similar solution that is adapted to the needs of diabetics. Finally, our Optifast brand is related to weight management supported by phase III clinical trial that shows that it can be used in obesity surgery.

**As a company, Nestlé speaks frequently about “creating shared value”. What does this mean for the organization in Turkey?**

“Creating Shared Value” (CSV) is an understanding that clearly sets out Nestlé's goals and forms the basis of all of our business strategies, as well as social responsibility projects. In all countries where we operate, we prioritize work that will enhance quality of life for individuals and families, communities and the planet.

Nestlé Health Science works towards CSV by collaborating with stakeholders to address our responsibility of fighting against malnutrition. We cooperate closely with healthcare professionals, key opinion leaders and associations. For example, we have worked with Turkish Parenteral Enteral Nutrition Society to organize workshops, provide training, and create awareness about malnutrition.

CSV also includes Nestlé's sustainability commitment and goals, of which our new factory is a good example. The new NHSc plant has already received LEED Green Building Certification and 45 percent of its energy consumption will come from renewable sources as part of our Solar Energy Project, which is scheduled to be operational in 2022. Other divisions have taken equally ambitious decisions; Nestlé's food facility in Bursa Karacabey and the water-filling facility in Kestel have received "Zero Waste" certificates.

Globally, Nestlé has committed to make 100 percent of our packaging recyclable or reusable by 2025. As NHSc Turkey, we have recently introduced the first -and currently only- paper straw products to the market in the field of enteral nutrition in Turkey. At the same time, we use Tetra Brik format in domestic enteral nutrition products.

More information on Nestlé's "Net Zero" commitments and "Generation Regeneration" journey can be found on our company website.

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