



## Nestlé No Deforestation Commitment

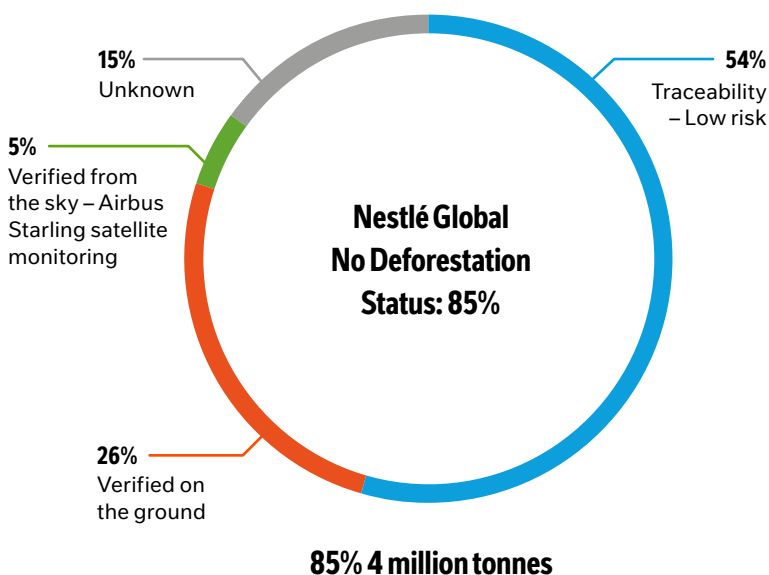
**Background:** In 2010, Nestlé committed to deforestation-free supply chains. Our Responsible Sourcing Standard is the tool that we use to operationalize our commitment.

**Definition:** Zero deforestation.

This includes:

- Not expanding or producing on:
  - Areas converted from High Carbon Stock (HCS) forests and habitat such as peatland, wetlands, savannas after 31st December 2015, as defined in the High Carbon Stock Approach Toolkit.
  - Peatlands of any depth, except where farming practices protect peat.
  - IUCN protected areas categories I-IV, UNESCO World Heritage Sites and wetlands on the Ramsar List.
- Identifying, protecting and avoiding producing on High Conservation Values (HCV) lands in and around the producer territory after 31st December 2015, as defined in the High Carbon Stock Approach Toolkit.
- Having a forest management plan in place in the case of agricultural production of pulp and paper.

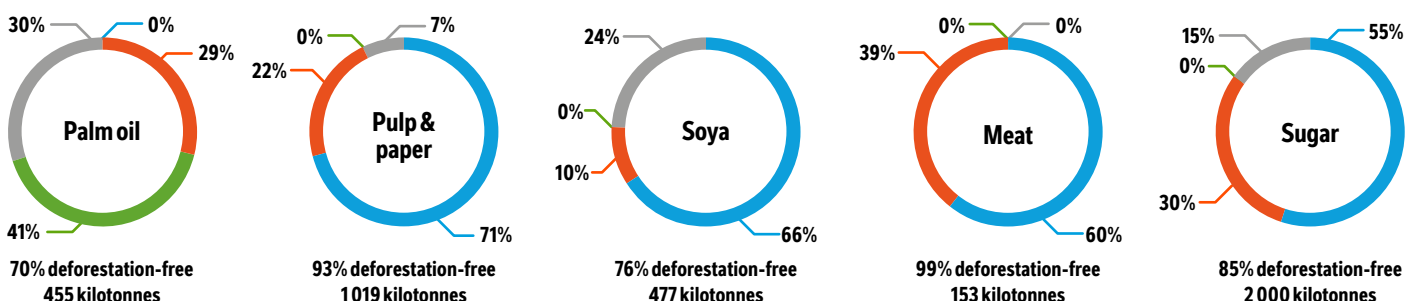
**Scope:** Palm oil, pulp & paper, soya, meat and sugar. These commodities account for 4 million tonnes sourced annually by Nestlé.



- As of March 2020, 85% of our purchases of forest-risk commodities (palm oil, pulp & paper, soya, meat and sugar) were verified as deforestation-free, versus 77% in 2019.
- Acceleration mainly due to:
  - Larger coverage and efficiency of satellite monitoring (covering 15% of total volumes).
  - Increased engagement with palm oil suppliers and on-the-ground verification based on satellite monitoring data.
  - Increased volumes of sugar traced back to origin and classified as no or low risk.
- We expect to be above 90% verified deforestation-free by the end of 2020.
- We continue to work on identifying and addressing any risk in the remaining of our supply chains and keep engaging smallholder farmers and large suppliers alike to be close to 100% deforestation-free within the next three years.

### Partners

Earthworm Foundation, Proforest, SGS, Airbus



- Traceability - No or Low risk** = Volumes have been traced back to forests/farms/plantations through the use of technologies (e.g. SupplyShift, Achilles) or partnerships with NGOs. Those locations are classified as no or low risk of deforestation by relevant literature.
- Verified on the ground** = HCS/HCV assessments by NGO partners, e.g. Earthworm Foundation, Proforest and/or certifications such as RTRS (soya), FSC/PEFC (paper), RSPO + HCS (palm oil), Bonsucro (sugar), SGS Audit (meat).
- Verified from the sky** = Airbus Starling satellites monitoring (palm oil and pulp & paper) and/or NASA Landsat Public Monitoring (Brazil - meat).
- Unknown** = Not traced or being traced but not yet deforestation-free.