

Nestlé's Packaging Sustainability Strategy

Group Public Affairs
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Good food, Good life

Nestlé's Vision & Commitments for Packaging



VISION

None of our packaging ends up in landfills or as litter



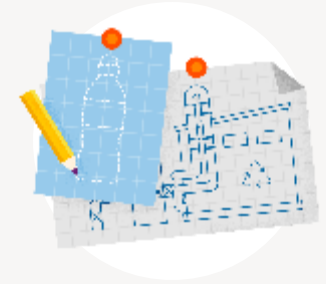
REDUCE

our use of virgin plastics by a third



INTEGRATE

recycled content into our plastic packaging materials



DESIGN

our plastic packaging for recycling systems, while working toward 100% recyclable or reusable packaging



ENGAGE

in the development of collection, sorting & recycling systems wherever we operate

Our need: Fit-for-purpose food-grade packaging

Delivering safe and nutritious food



SAFETY & QUALITY



PRE-PORTION



AVOID FOOD WASTE



INFORMATION

Adapting to product and geography



PRODUCT SENSITIVITY



CLIMATE

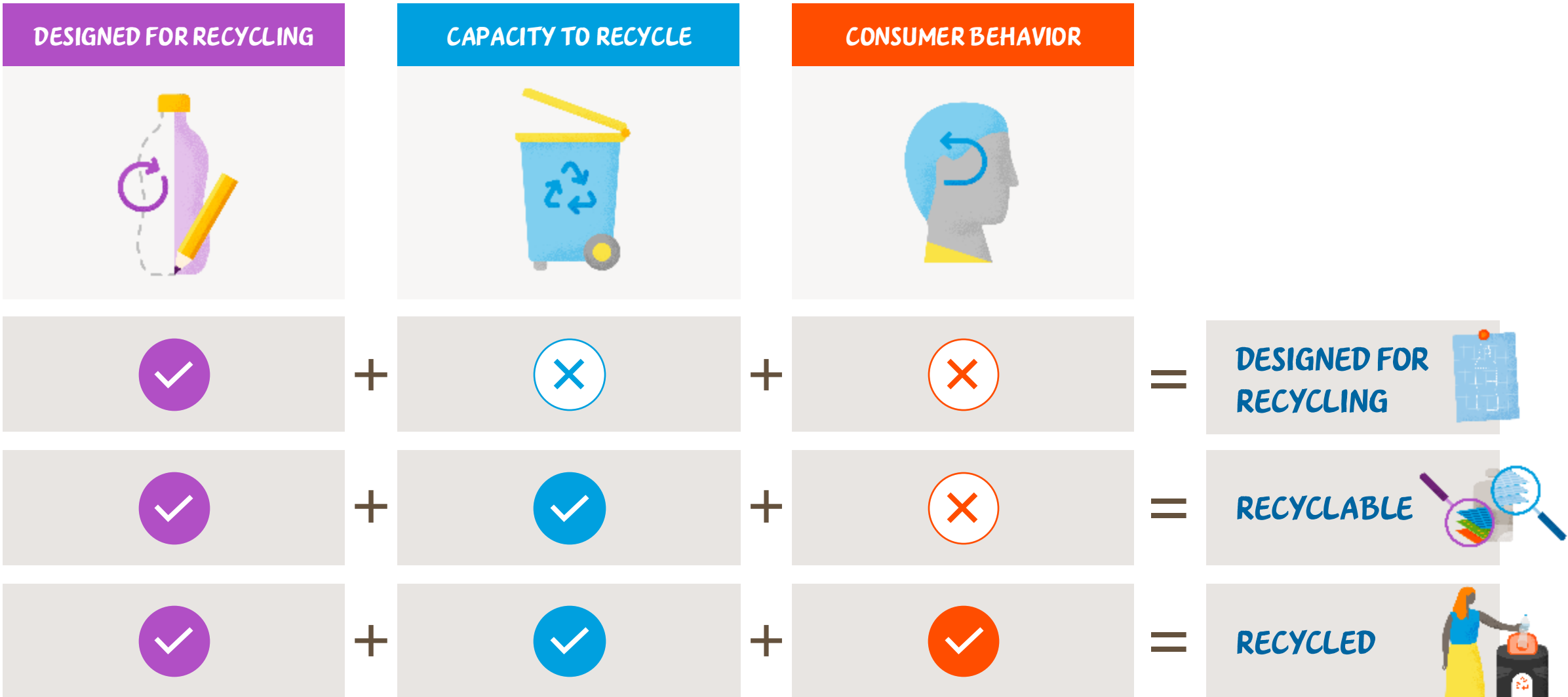


ROUTE-TO-MARKET



LEGISLATION

The Challenge: Designed for recycling vs. recyclable vs. recycled



Materials: Food grade vs. non-food grade plastic

Food-grade



- **Industries:** Food / Cosmetics / Toys
- **Characteristics:** Virgin or virgin-like, higher inertness, higher shelf-life requirements, higher food processing conditions (temperatures, pressure)
- **Global market:** ~20%*

Non Food-grade



- **Industries:** Cleaning products, electronics, building sector, automotive
- **Characteristics:** Lower inertness, lower shelf-life requirements, lower food processing conditions (temperatures, pressure)
- **Global market:** ~80%

Our packaging sustainability strategy



Our packaging sustainability journey

We are accelerating our actions on plastic waste and are committed to making a difference everywhere we operate. We are making progress and there is more to come.



2019

- Inaugurated **Nestlé Institute of Packaging Sciences** – a unique centre of R&D expertise

2020

- Committed to **reduce virgin plastic use by 1/3 by 2025**
- Published **Net Zero Emissions** roadmap

2021

- **Supporting waste collection programs**, like Project STOP
- Transitioned Smarties to **paper packaging globally**
- **Phased out 4.5 billion plastic straws annually**

2022

- Conducted **20 Reuse pilots in 12 countries**
- Launched the **Fair Circularity Initiative** driving fair partnerships with wastepickers

2023

- **Supporting 215 packaging waste collection activities** driving packaging neutrality





1 REDUCE

Reducing our use of packaging material

LESS PACKAGING



REDUCING PACKAGING COMPLEXITY

- Removing unnecessary plastic lids
- Eliminating plastic accessories
- Eliminating unnecessary plastic layers and films



INCREASING USE OF RECYCLED CONTENT

- Shrink films made of recycled material
- Recycled paper for non-food contact
- Bottles made from up to 100% recycled PET





1 REDUCE

Reducing our use of packaging material

LESS PACKAGING



WATER AND COFFEE REDESIGNS

- Redesigning plastic PET Bottles to reduce weight
- Removing PVC overwraps eliminated 240 tons annually
- Coffee capsule redesign reduced 13% of plastics annually



GERBER BABY FOOD

- Removing over-cap lids from food tubs eliminated 2,300 metric tons of plastic annually
- Combining optimized design, cost-savings & virgin plastic reductions





② REUSE & REFILL

Scaling different models of packaging-free delivery systems

- Reusable containers
- Refill systems
- Single-dose dispensers
- In-store dispensers
- Bulk Home Refill Delivery



LESS PACKAGING





② REUSE & REFILL

LESS PACKAGING

Scaling different models of packaging-free delivery systems



REUSABLE PACKAGING

- Running pilots with consumers in Europe
- Testing reusable stainless-steel packaging
- Estimated 75 use cycles for each package
- Using convenient existing return locations



CARREFOUR BULK AVENUE

- Offering a choice of refillable bulk products in France
- Testing a bulk cartridge dispensing system
- Customers bring their own or packaging or use high-quality refillable packaging



3 REDESIGN

Pioneering alternative materials to facilitate recycling

Finding opportunities for paperization and the transition to mono-material polymers





3 REDESIGN

Pioneering alternative materials to facilitate recycling

BETTER PACKAGING



PACKAGING PAPERIZATION

- Replacing plastic with paper
- Creating packaging fit for local waste infrastructure
- Innovating for protection in hot and humid climates



COMPOSTABLE COFFEE CAPSULES

- Pioneering compostable paper-based capsules
- Designed for municipal composting infrastructure
- Collaborating to create new supplier partnerships, paper technologies and manufacturing processes

Voluntary Action on Packaging Design with Nestlé’s Negative List

‘THE NEGATIVE LIST’ Materials to be removed

Oxobiodegradable plastic additives
Degradation promoting additives generating microplastics

2019

PVC
Trays, sleeves, labels & films

2020

Litter-prone items
Plastic straws, cups & tamper-proof sleeves

Undetectable
Rigid plastic items not detectable by commonly used NIR sorting technology

2021

Overly complex design
Packaging that is not functionality needed

PVDC
Coating on plastics, paper & paperboard

PVC
Liners for metal twist-off closures & printing inks

2022

Polystyrene
Trays, dairy pots, ice cream lids & coffee lids

ePS
Trays, hubs, sleeves & transportation protection

Regenerated cellulose¹
Twist wraps & windows

PET-G
Labels & Sleeves

PVC
Liners for metal press-twist closures & coffee capsule sealing layer

2024

Paper/plastic
Laminated paper with paper content <50%

Dark/opaque pet bottles
Any color that is not transparent clear, transparent green, and transparent blue cannot be used

¹ For applications where recycling is foreseen as FOI
² Refer to St 80-037 for details

This timeline is indicative of our direction and priorities. These are not time-bound commitments as progress may be affected by the availability of alternative materials.

Voluntary Action on Packaging Design with the CGF Golden Design Rules

OBJECTIVE

A	Eliminate problematic or packaging
B	Increase recycling value for packaging types that are recycled at scale in today's recycling system
C	Increase recycling value in future recycling system(s) ¹ for packaging types not recycled at scale today
D	Improve environmental performance of B2B packaging
E	Improve consumer communications

GOLDEN DESIGN RULES

2	Eliminate problematic or unnecessary packaging
3	Eliminate excess headspace
4	Reduce plastic overwraps
1	Increase recycling value in PET
7	Increase recycling value in rigid HDPE and PP
5	Increase recycling value in PET trays
6	Increase recycling value in consumer flexible packaging
8	Reduce virgin plastic in B2B packaging
9	Use-on-pack recycling instructions

¹ For packaging formats/applications not recycled at scale today, golden design rules have been developed to increase the value of materials and reduce contamination in potential future recycling system(s). As these systems are not yet established at scale, following such golden design rules does not necessarily mean the packaging is defined as recyclable as per EMF definition or other internationally accepted definitions of recyclability.



4 RECYCLE

Supporting infrastructure shaping a waste-free future



FOOD-GRADE RECYCLED PLASTIC MARKETS

- Venture fund supporting start-ups (~CHF 250 m)
- Creating markets with CHF 1.5 bn committed for food-grade recycled plastic purchasing
- Exploring opportunities for investment in innovation



PARTNERSHIP IN INFRASTRUCTURE

- Engaging in over 215 waste collection, sorting, recycling and education projects around the world
- Capacity building training for waste workers on workplace safety, health and hygiene
- Supporting development of recycled plastics supply chain and driving local empowerment and employment





5 RETHINK BEHAVIORS

Rethinking behaviors in our operations, with partners and consumers



EMPLOYEE TRAINING ON PACKAGING SUSTAINABILITY

- Rolling out a sustainable packaging education and training program to over 290'000 employees
- Accelerating behavior change and helping the company meet its packaging objectives



DRIVING CONSUMER RECYCLING BEHAVIORS

- Products designed to engage consumers in recycling and reuse
- Collection points and mail in bags in multiple markets (Retail sites, Nespresso)

Partnerships : Advocating for a regulatory framework for circularity



- Global CEO-led platform
- Manufacturer & retailers
- Policy papers
 - EPR
 - Golden Design Rules
 - CEO Joint Statements
 - Reuse & Refill



- National Plastic Action Partnerships
- Development of standardized system mapping
- Financing & investment roadmaps



- Convening national stakeholders
- National targets
 - Move to reuse
 - Increase collection, recycling or composting



- New Plastics Economy
- 1,000 companies endorsing 2025 Global Commitment
- Legislation advocacy & industry positions on best practices

Advocacy: We support for better regulation for systems development

Extended Producer Responsibility



- Increases collection, sorting recycling rates
- Builds markets for recycled materials
- Creates level playing field
- Supports growth of new jobs in emerging recycling industries

Deposit Return Schemes



- Complements Extended Producer Responsibility
- Support growth of recycling in practice and at scale
- Keeps valuable materials in the economy

UN Treaty on Plastic Pollution



- Reduction of virgin plastic
- Safe circulation of plastic items that cannot be eliminated
- Prevention and remediation of remaining plastic leakage

Reuse & Refill



- Reduce use of virgin materials and single use packaging applications
- Expansion supports progress toward 100% packaging recyclable or reusable

Recycled Content Mandates



- Support recognition of value of packaging materials
- Drive development of mature markets for recycled materials

Nestlé Institute of Packaging Science



- **50 scientists** conducting cutting edge research for **safety and performance** of new materials
- Refillables, redesigning multi-material to mono-material, high-performance paper barriers and recycled content
- Part of a larger ecosystem of our **global R&D network**

Technology: Building a vibrant ecosystem for packaging innovation



START-UPS AND ENTREPRENEURS



MATERIAL SUPPLIERS AND CONVERTERS



UNIVERSITIES AND RESEARCH INSTITUTES



Summary

- Our packaging sustainability strategy is a way to **future-proof our business**
- No one-size-fits-all solution; a **multi-pillar approach** required to deliver our vision
- Voluntary commitments backed by **detailed plans and clear milestones** measure progress
- **Active advocacy** and collective action for responsible regulation is good for business



Thank you

