

Nestlé No Deforestation Commitment

Status March 1st 2019

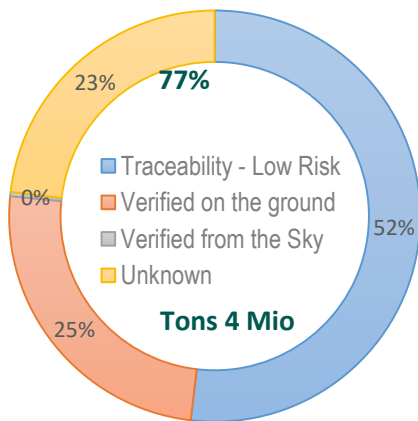


Background: In 2010, we made a [commitment on no-deforestation](#), which states that our products will not be associated with deforestation by 2020.

Definition: Zero net deforestation (e.g. protection of High Carbon Stocks, High Conservation Values, Peatlands, regardless of legal licenses to cut).

Scope: Palm, Pulp and Paper, Soya, Meat and Sugar
These commodities account for 4 Mio Tons sourced annually by Nestlé.

Nestlé Global No Deforestation Status: 77%



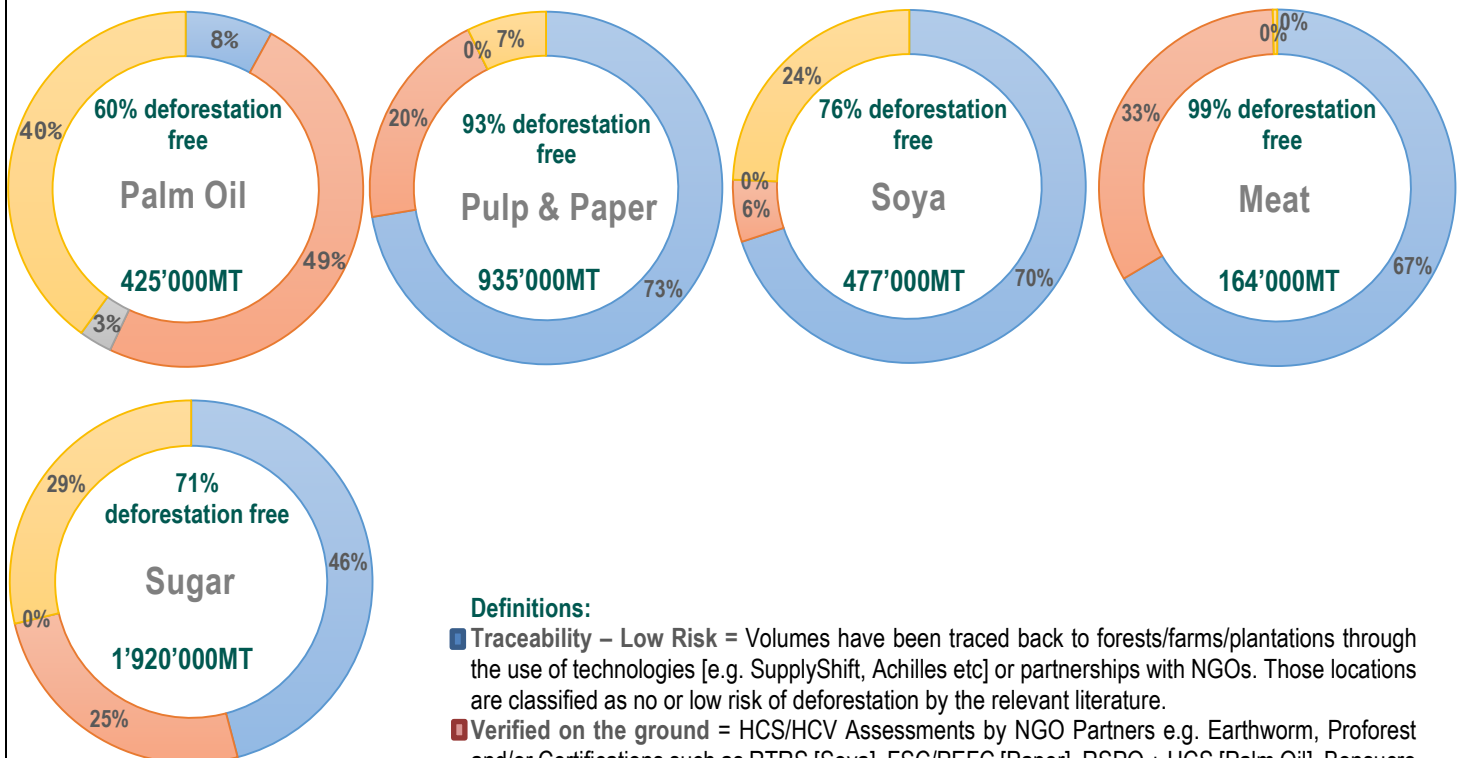
Executive Summary

- As of March 2019, 77% of our purchases of key agricultural commodities linked to deforestation (palm oil, pulp and paper, soya, meat and sugar) was verified as deforestation-free, versus 63% in 2018.
- We continue to work on identifying and addressing any risk in the remaining of our supply chains to reach our 2020 commitment.
- Acceleration mainly due to:
 - Improved Traceability back to low / no risk locations
 - Launch of Satellites Monitoring [covering 15% total volume] sharpening the ground verification – not yet serving as sole verification

Partners



Breakdown per commodity



Definitions:

- Traceability – Low Risk** = Volumes have been traced back to forests/farms/plantations through the use of technologies [e.g. SupplyShift, Achilles etc] or partnerships with NGOs. Those locations are classified as no or low risk of deforestation by the relevant literature.
- Verified on the ground** = HCS/HCV Assessments by NGO Partners e.g. Earthworm, 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 and/or NASA Landsat Public Monitoring [Brazil – meat]
- Unknown** = Currently being traced but not yet Deforestation Free or Not Traced / Unknown.