“The food industry is at the heart of many societal challenges, from health and nutrition to employment and the environment. As Nestlé we are ready to play our part and be a force for good that will make the transition towards sustainable food production and consumption a reality. We will strongly support the European Union’s ambition to become the 1\textsuperscript{st} climate neutral continent in the world!”

Marco Settembri
Executive Vice President Nestlé S.A.
Head of Zone EMENA
(Europe, Middle East and North Africa)
Our system of responsible sourcing helps us achieve transparency and traceability in our complex supply chains, while ensuring that our business sits on sustainable and ethical foundations.

100 factories in Europe connect us to thousands of farmers and communities

- 72% of our 14 key raw materials are traceable and 63% are responsibly sourced. These include:
  - 94% of Nespresso coffee sourced through our AAA Sustainability Program
  - 198,155 tonnes of cocoa purchased through Nestlé Cocoa Plan
  - 54% palm oil traceable to plantation
  - 64% responsibly sourced
  - In 2019, 77% of our purchases of palm oil, pulp and paper, soya, meat and sugar is verified as deforestation-free
**Delivering healthier food in a sustainable way**

1. **Offering tastier and healthier food choices**
   - Accelerating our reformulation commitments and product innovation

   **OUR PROGRESS TO DATE:**
   - Healthier products launched in 2018: more plant-based, organic and fortified options
     - 750
   - Sugars reduction achieved since 2017 against 5% commitment by 2020
     - 1.1%
   - Salt reduction achieved since 2017 against 10% commitment by 2020
     - 6%
   - Widening our natural, organic and plant-based product offerings

2. **Inspiring parents and kids to lead healthier lives**
   - Rolling out Nutri-Score in Continental Europe
   - Nutriplato programme launched in Spain and Italy with proven positive impact on children’s eating habits
   - School and community programs ran through multi-stakeholder partnerships

3. **Reducing the environmental impact of our factories**
   - 78 “zero-waste” factories (out of 100)

   ![Graph showing environmental impact reduction](image)
   - Fresh Water Use: -52% (OVERACHIEVED)
   - Greenhouse Gas Emissions: -41% (OVERACHIEVED)
   - Waste for Disposal: -93% (ON TRACK)
   - 2018 vs 2010
   - 2020 target (with 2010 baseline)
Business Ambition for 1.5 °C: Our road to net zero emissions

In line with the Paris Agreement, we are accelerating action to achieve zero net green house gas emissions by 2050. Some of our key climate actions include:

1. Shaping a waste-free future
   - 90% of our PET bottles & caps in Europe are collected by 2025
   - Introducing reusable packaging and new delivery systems (e.g. Loop, bulk dispensers)
   - Supporting Extended Producer Responsibility and Deposit Return Schemes across Europe to increase recycling rates

2. Pioneering alternative materials
   - 100% of our packaging is recyclable or reusable by 2025
   - Investing more than €1.4 billion in food-grade recycled content to achieve one third reduction of virgin plastics by 2025.
   - Exploring new paper-based, compostable and biodegradable materials

3. Driving new behaviour
   - Eliminating not easy-to-recycle single-use plastic items in all 4,200 Nestlé facilities worldwide
   - Raising consumer and employee awareness on plastic waste issues

Rethinking our packaging beyond 100% recyclability

TRANSFORMING OUR PRODUCTS AND PACKAGING

SUPPLY CHAIN ACTION INCL. FORESTS, SOILS & LIVESTOCK

CLIMATE-NEUTRAL OPERATIONS
Developing the next generation of leaders

We are determined to help young people develop their skills to smoothen their transition to the job market.

In 2013, we launched the Nestlé needs YOUth initiative, which we expanded to encompass our entire value chain.

WE FOCUS OUR WORK ON 3 KEY AREAS:

1. EMPLOYABILITY
   - 20,000+ apprentices/trainees hired since 2014
   - 4,000+ readiness-for-work activities organized

2. AGRIPRENEURSHIP

3. ENTREPRENEURSHIP

In 2014, we established the “Alliance for YOUth”, a business-driven initiative to promote youth employment in Europe. Over the past 5 years, the Alliance has:

• gathered 300+ like-minded business partners
• set up 1100+ apprenticeship schemes in 20+ European countries
• offered 360,000+ jobs and training opportunities to young people

All members of the “Alliance for YOUth” are signatories to the European Alliance for Apprenticeships

Partnership with Junior Achievement Europe
Local collaboration to promote entrepreneurship in 10+ countries in Europe
Supporting 500 secondary school students in obtaining the Entrepreneurial Skills Pass® international qualification

ErasmusPro “Apprentices in Motion” project with Solvay and ENGIE
Exploring long-term apprenticeship mobility between companies, providing young people on-the-job experiences in different businesses