

ACTING ON CLIMATE CHANGE

## Minimizing our impact

Doing our bit to address the global climate change challenge

We are accelerating our climate change efforts by announcing that we will achieve zero net emissions by 2050. By doing so, Nestlé is embracing the most ambitious aim of the Paris Agreement to limit the global temperature rise to 1.5°C above pre-industrial levels.



With this announcement, we are building on a decade of work to reduce greenhouse gas (GHG) emissions, aligned over the last four years with science-based targets to keep the temperature increase below 2°C.



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## Nestlé accelerates action to tackle climate change

"Climate change is one of the **biggest threats** we face as a society. It is also one of the greatest risks to the future of our business"

"We are running out of time to avoid the worst effects of global warming. That is why we are setting **a bolder ambition to reach a net-zero future.**"

Our journey to net zero has already started. Now, we are accelerating our efforts."



Mark Schneider, Nestlé CEO.



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### For individuals & families

- Food system
- Farmer Family Nutrition  
*(coming soon)*

### For our communities

- WASH
- Youth
- Child&Forced labour *(coming soon)*
- Living income
- Women Empowerment in supply chains

### For the planet

- Plastic stewardship
- Water stewardship
- Food loss and waste
- War on waste
- Climate change  
-commitments & progress  
-RE 100
- Deforestation  
-commitments & progress
- Factory performance
- Product Sustainability



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# our commitments to acting on climate change



## How we are striving for zero

Our 2030 ambition is to strive for zero environmental impact in our operations



## Tackling plastic waste

There is an urgent need to minimize the impact of packaging on the environment; our aim is to make 100% of our packaging recyclable or reusable by 2025



## Caring for Water global initiative

We are dedicated to protecting water sources



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# Climate change leadership

Our commitment

Provide climate change leadership



## Why it matters

Climate change is already having a global impact. Food and agriculture is one of the sectors that will be most impacted by climate change, and it is imperative that we act to limit greenhouse gas (GHG) emissions and build resilient farming systems so we can continue to provide food for the world. This is, however, a systemic issue, and collaboration between businesses, consumers and governments is needed to safeguard the climate and environment for future generations.



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# What we are doing

In 2019, we accelerated our commitment to zero net GHG emissions by 2050, aligning with more ambitious climate goals. We also expanded our renewable energy use and identified ways to reduce emissions in our facilities. Read more about it in our [2019 progress report](#).

## By 2020

As a member of RE100, aim to procure 100% of our electricity from renewable sources with the shortest practical timescale



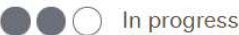
## By 2020

Reduce GHG emissions per tonne of product by 10% in the 100 major warehouses we use versus 2014



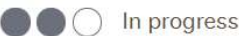
## By 2020

Reduce GHG emissions (Scope 1 and 2) per tonne of product in every product category to achieve an overall reduction of 35% in our manufacturing operations versus 2010



## By 2020

Expand the use of natural refrigerants, which do not harm the ozone layer and have a negligible impact on climate change, in our industrial refrigeration systems



## By 2020

Reduce GHG emissions per tonne of product by 10% in our distribution operations versus 2014



### GHG emissions reduction, % variation since 2010 in tonnes of product in our manufacturing operations



#### Main contributors:

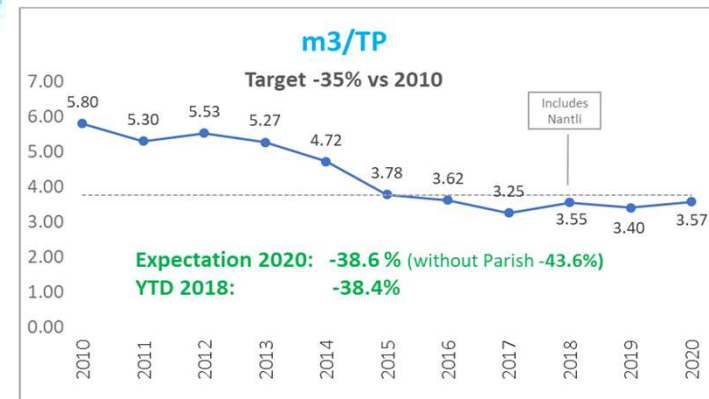
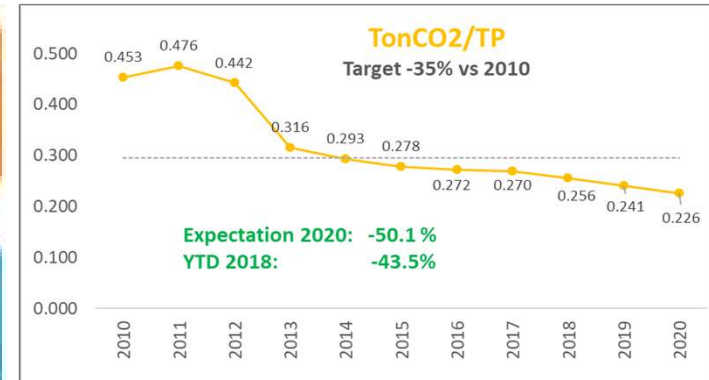
- ✓ Renewable electric power
- ✓ Solar panels
- ✓ High efficiency motors
- ✓ Economizers
- ✓ Steam replacement by hot water
- ✓ Increased condensate rate
- ✓ Biomass as fuel



#### Main Benefits YTD 2019:

- |                  |               |    |                      |
|------------------|---------------|----|----------------------|
| ✓ ENERGY:        | -525,980 GJ   |    | 86,000 Oil barrels   |
| ✓ WATER:         | -1,667,743 m3 | or | 607 Olympic S- Pools |
| ✓ EMISSIONS CO2: | - 148,876 Ton |    | 47,000 Cars          |

### Nestle Mexico Environmental KPIs 2020 vs. 2010





Our vision is that none of our packaging, including plastics, ends up in landfill or as litter, including in oceans, lakes or rivers. Our vision is not just some lofty ideal - we are working hard to deliver on it and help to achieve a waste-free future.

**100%**

recyclable or reusable packaging by 2025

**1/3**

reduction in use of virgin plastics by 2025

**87%**

of our packaging is already recyclable or reusable (2019)



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To address the issue of plastic pollution, we're taking tangible steps in:



OUR ACTIONS

### 1. Pioneering alternative materials


We are evaluating and developing various sustainable packaging materials and collaborating with industrial partners to develop new packaging materials and solutions.



OUR ACTIONS

### 2. Shaping a waste-free future

Over and above delivering on our 2025 commitment, we have a longer-term ambition to stop plastic leakage into the environment across our global operations.



OUR ACTIONS

### 3. Driving new behavior

Addressing the plastic waste challenge requires behavior change from all of us. We are committed to leading lasting and impactful change. We know there is no better place to start than from within our own company.




Reimagining, rethinking and recycling our packaging

Reducing plastic pollution requires a multi-pronged strategy



Beyond single-use plastics

Working toward a waste-free future



Upcycling with Nespresso

An afterlife for coffee capsules



Reusable packaging solutions

One of the many ways we're tackling plastic waste



The quest for better packaging

Rethinking the future of plastics



Circular economy

The race to beat plastic pollution



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# Plastic Commitment

Strategy



# Overview

Packaging material used in  
2019:

**232,000 tons**

## Plastic Packaging pillars Mexico

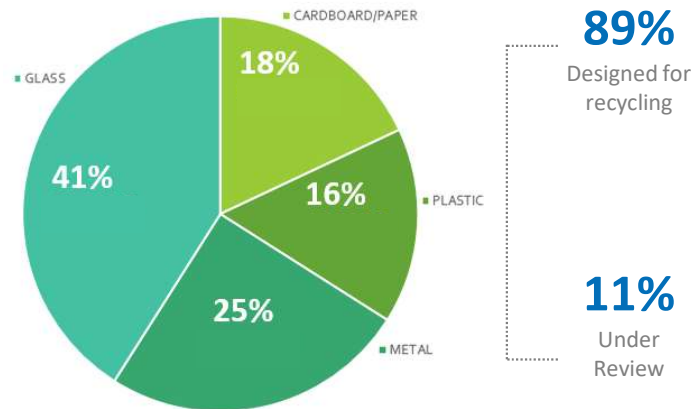


**98%**

of out total Packaging  
Material is Design for  
Recycling (D4R)

**2%**

of our total Packaging  
Material is non-recyclable

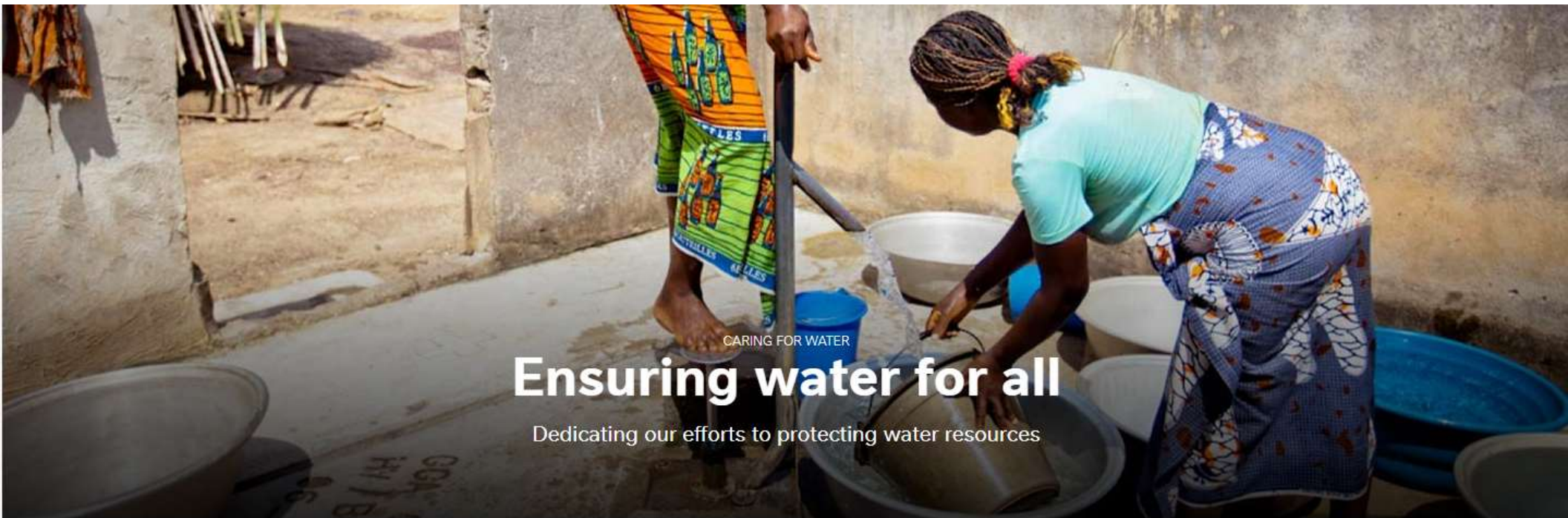


**D4R**

**82** initiatives

**48** on Trials





CARING FOR WATER

# Ensuring water for all

Dedicating our efforts to protecting water resources

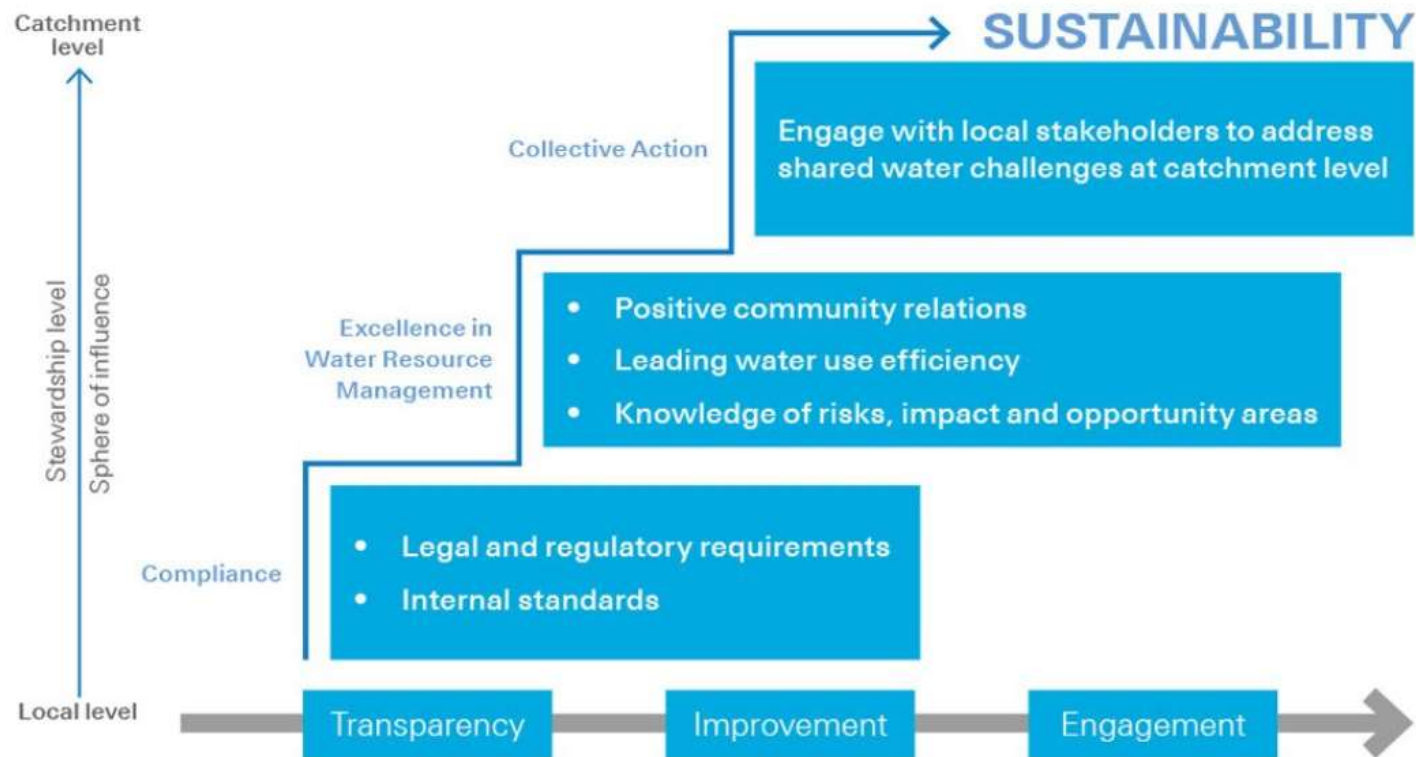
Water is the planet's most precious resource: access to clean water is a fundamental human right and water is essential for our operations and supply chain. That's why protecting and preserving the water resources we share with others is a major priority for us.



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# Water Stewardship Ladder



## Innovative technology

When it comes to saving natural resources, often innovation holds the key. That is certainly the case at Nestlé's powdered milk plant in Lagos de Moreno in Mexico.



The ground-breaking factory, which opened in 2014, extracts water from the milk it processes instead of drawing on an outside supply. By doing so it saves 1.6 million litres of water per day, about 15% of Nestlé's entire water use in Mexico. And the technology which has transformed the Mexican plant will soon save even more water elsewhere.

