

WHAT IS IT?

As part of our Net Zero Roadmap and our Forest Positive Strategy, we have committed to planting and growing 200 million trees by 2030 in our sourcing landscapes, including on farms and in supply sheds where we source our ingredients from. The Nestlé Global Reforestation Program (GRP) will help us implement our commitment at scale, contributing to the reforestation and restoration of natural ecosystems in our supply chain and sourcing landscapes. Thriving natural ecosystems are key for resilient supply chains and local communities.

WHY IS IT IMPORTANT FOR CLIMATE?

Reforestation and restoration of degraded natural landscapes are Natural Climate Solutions (NCS) that help remove and store carbon in the long-term. We cannot reach the 1.5°C target set by the International Panel on

Climate Change (IPCC), and adopted in the COP21 Paris agreement, unless companies with a land-use footprint invest in conservation and restoration urgently and at scale. As part of our Net Zero Roadmap, our GRP forecasts to deliver 2.0 million tCO2e removals by the year 2030.

This will contribute to our target of having our GHG emissions by 2030.

WHAT ARE THE BENEFITS OF NCS?

Reforestation and natural landscape restoration are critical if we are to reverse biodiversity loss and avoid the worst impacts of climate change. Forests and natural ecosystems provide habitat for many species, store water, absorb carbon dioxide, and contribute directly to the livelihoods of people and local indigenous communities. It is important to invest at the landscape level to ensure that we can deliver these environmental and socio-economic co-benefits.

WHERE DOES NESTLÉ IMPLEMENT OUR GRP?

The GRP projects we invest in are on land areas connected to where our key ingredients are produced – our supply chain and sourcing landscapes. The program prioritizes countries and regions where there is a high potential and need for restoration. We do this by working closely with our expert partner organizations, and we invest in these locations for the long-term.

HOW WILL NESTLÉ MEASURE PROGRESS?

Transparency is important to us. We will track both the number of trees and corresponding tons of carbon dioxide sequestered for all projects within the GRP. Beyond those, we also aim to develop and monitor other non-Carbon benefits generated from our projects. We follow robust monitoring and accounting methodologies to assess the impact, appropriateness, effectiveness and efficiency of reforestation and natural landscape restoration initiatives.

HOW ARE PROJECTS DEVELOPED?

To ensure that trees are planted and grown in the right place, at the right time and in the right way, we follow a full project cycle (see below), which includes country and project level assessments, stakeholder

engagement and long-term monitoring of the impacts.

In order to help drive the transformation of the land use sector, we invest directly in our sourcing farms, supply sheds and Sourcing landscapes.

A robust carbon monitoring & accounting framework is embedded in all projects to ensure that we can claim real, permanent, and additional carbon removals connected to our supply chain as part of our approved near-term science- based net zero target.

We are also <u>piloting the use of very high-resolution images</u> from satellite monitoring to help ensure that the trees we have planted in sourcing regions continue to thrive over the long term.

Further explore Nestle's Supply Chain (Scope 3) and Sourcing Landscape Removals Framework.

FOREST POSITIVE STRATEGY EXTERNAL ADVISORY COUNCIL

Nestlé has set up an External Advisory Council (EAC) of independent experts in diverse fields, which plays a strategic advisory role to help guide Nestlé's Forest Positive Strategy, including the execution of the GRP. Nestlé publishes a status update of the EAC recommendations and the subsequent taken actions by Nestlé, in an annual report.

