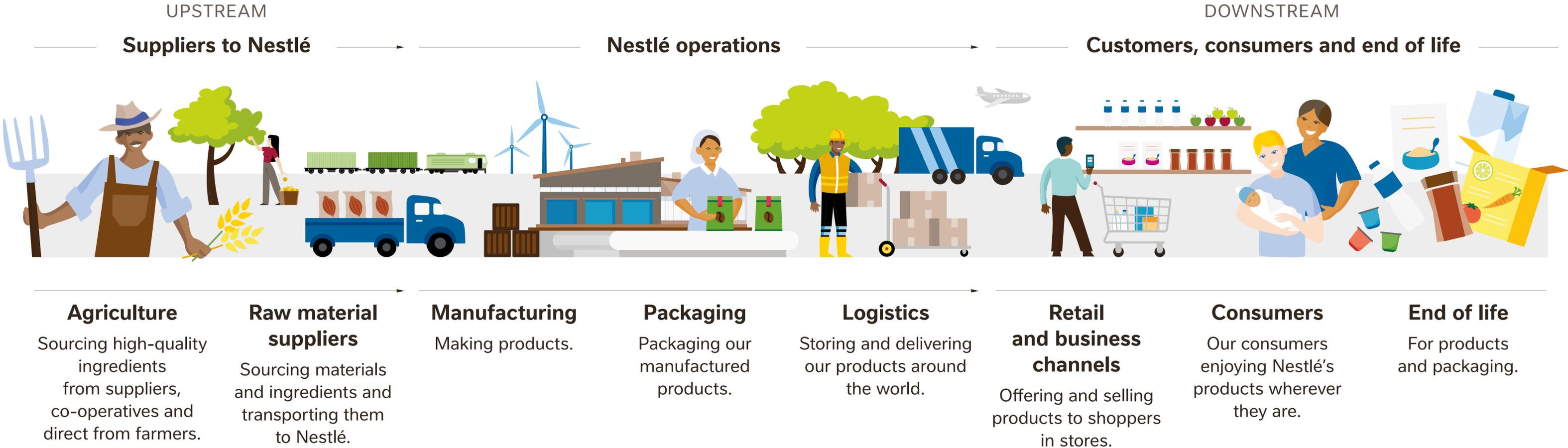


# MEASURING OUR CARBON FOOTPRINT

We take a whole life cycle approach to determining the carbon footprint of our products. It is a process that involves working with many others, such as

farmers, logistics providers and consumers. To achieve net zero GHG emissions by 2050, we need to act throughout our value chain.

## Product emissions from farm to fork



# OUR TOTAL EMISSIONS BY SCOPE

Emissions from our direct operations, known as Scope 1 and Scope 2, accounted for just 5% of our GHG emissions. The vast majority of our GHG emissions (95%) come from activities in our supply chain. As a result, that is where we focus most of our efforts.

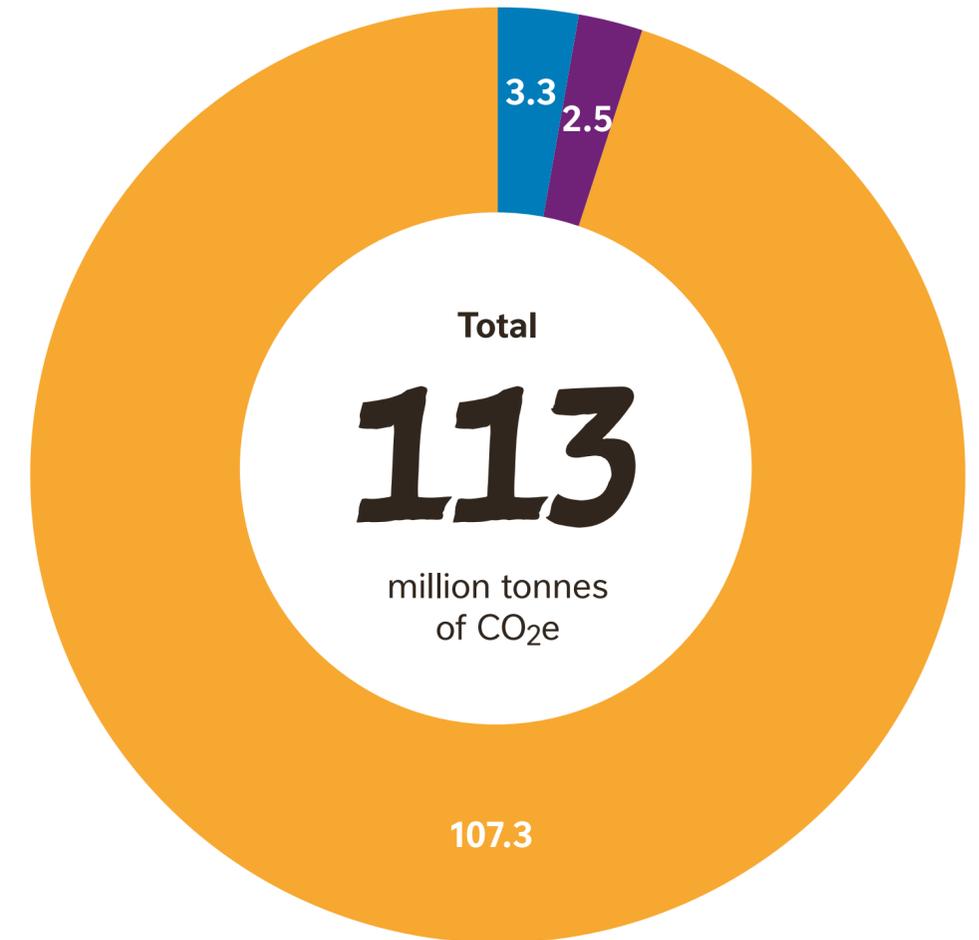


## Nestlé's total GHG emissions by Scope

million tonnes of CO<sub>2</sub>e, in 2018

Scope	Value	Percentage
Scope 1		
<b>Emitted directly</b>	<b>3.3</b>	<b>3.0%</b>
from sources we own or control such as on-site combustion (coal, natural gas, fuel for company's vehicle fleet).		
Scope 2		
<b>Emitted indirectly</b>	<b>2.5</b>	<b>2.2%</b>
from the generation of purchased energy like electricity and heating/cooling network.		
Scope 3		
<b>All other indirect emissions</b>	<b>107.3</b>	<b>94.8%</b>
in our value chain, both upstream and downstream, such as sourcing and use of sold products.		

Figures have been rounded.



# EMISSIONS COVERED BY OUR PLEDGE

Progress toward net zero will be measured against our 2018 GHG emissions. We calculated this baseline and defined our footprint in partnership with South Pole, an external consultant.

In setting our targets, we have followed the Science Based Targets initiative's (SBTi) criteria. They provide a clearly defined pathway for coupling future-proof growth with reductions in GHG emissions. As our Scope 3 emissions make up 95% of our footprint, we are addressing more than 80% of these. The SBTi approved our targets in November 2020.

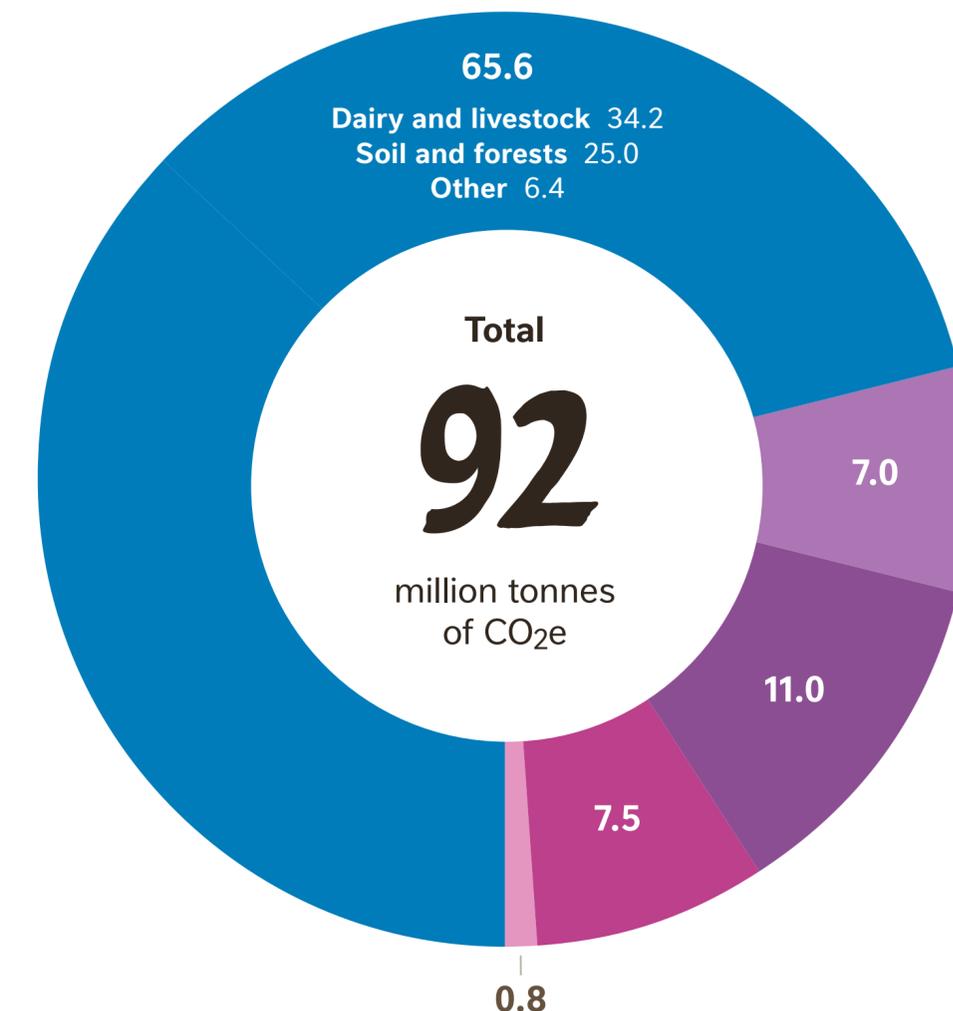
This data is our starting point. As we enhance our ability to identify and measure emissions, and better use the data that has been disclosed by our suppliers and others, our monitoring will improve. We intend to also share our science-based methodology for calculating GHG emissions to help push new frontiers in climate data transparency for the food and beverage industry.

## Nestlé's in-scope GHG emissions by operation (92 out of 113)

million tonnes of CO<sub>2</sub>e, in 2018

Scope 3	 <b>Sourcing our ingredients</b>	<b>65.6</b>	<b>71.4%</b>
Scope 1, 2 & 3	 <b>Manufacturing our products</b>	<b>7.0</b>	<b>7.7%</b>
Scope 3	 <b>Packaging our products</b>	<b>11.0</b>	<b>11.9%</b>
Scope 3	 <b>Managing logistics</b>	<b>7.5</b>	<b>8.2%</b>
Scope 3	 <b>Travel and employee commuting</b>	<b>0.8</b>	<b>0.8%</b>

Figures have been rounded.



### What's not included

As a company at the start of its net zero journey, following SBTi guidelines for now we have excluded the following emissions from our net zero pledge:

Scope 3  
**Consumer use of sold products**  
12.7 million tonnes of CO<sub>2</sub>e

Scope 3  
**Purchased services, leased assets, capital goods, investments**  
8.6 million tonnes of CO<sub>2</sub>e