/Logo: Nestlé/ Good food, Good life

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### Down to net zero:

# Nestlé is switching its production sites in Russia to renewable electricity, moves to sustainable packaging and

intensifies work with farmers on soil regeneration projects.

**09 February 2021.** – Climate change poses a huge risk to the future of food. At the same time food production and consumption are a major source of greenhouse gas (GHG) emissions. Nestlé will therefore halve its GHG emissions by 2030 to reach <u>net zero by 2050</u>. Net zero means that the company will drastically reduce its GHG emissions from farm to fork. Nestle will remove its remaining emission from the atmosphere with projects storing carbon in soils and trees. Nestlé's work to get to net zero spans in three main areas: implementing regenerative agriculture practices, moving to renewable electricity in its operations and working on product portfolio.

### Rethink how we manufacture and transport.

By 2025, Nestle commits to have all 800 global Nestle sites using 100% renewable electricity. In Russia Nestlé plans to transfer all its factories and its owned distribution centers to electricity from renewable sources in 2021. The company also works out on "green energy" plans for third party distribution centers. Nestlé Purina PetCare factory in Vorsino, Kaluga Region became the first Nestle's production site in Russia to transfer to "green energy" sources in 2020, having reduced the level of CO2 emissions by 20.5 thousand tons per year. Nestlé Russia also achieved zero waste to landfill at 6 production sites, reducing the level of landfill waste by 99,5% compared to baseline of 2010.

In logistics, the company uses alternative modes of transportation and is working with transport companies to increase their fleet of lower emission vehicles. Nestlé Russia is increasing the share of more environmentally friendly rail and sea transport, thus, in 2020, the share of railway traffic reached 20%. Nestlé optimizes the loading of vehicles in order to reduce the number of travels. Our future plans include the use of more environmentally friendly vehicles, with engines compliant with Euro-5 and Euro-6 standards, as well as with hybrid engines. On top of that, in 2020 Nestle Russia re-used 1,8 million wooden pallets in its operations thus saving up to 53 thousand trees.

#### Martial Rolland, Market Head Nestle Russia and Eurasia commented:

"In 2020 alone we reduced greenhouse gas emissions at our factories by 13% across Russia and Eurasia region. We are accelerating our efforts in tackling climate change by switching our factories to renewable electricity, driving packaging innovations, and developing regenerative agriculture practices. We are engaging our partners on this journey".

Move to regenerative agriculture. More than 2/3 of Nestlé's emissions come from the production of agricultural ingredients it uses. The company sources those from 500 thousand farms it works with directly and another 4.5 million farms it engages though suppliers all over the world. To tackle agricultural emissions, Nestlé will transform with its suppliers the way food is produced. Intensive farming practices will be transformed into regenerative agriculture, for the benefit of nature and to boost farmer incomes. Within the next 5 years, globally, the company will source 20% of its key ingredients from regenerative agriculture – and 50% by 2030.

In Samara region, Nestlé is running a pilot project to test new varieties of oats obtained from farmers and to develop efficient, soil-saving technologies for growing crops. The project is run in partnership with the Samara Agrarian University and the grain supplier, which provides raw material to Nestle's factory in Vologda. The experience of the 2020 season has shown a significant increase in grain yields. Educational workshops for farmers are also held during the project.

Nestlé also **encourages consumers to choose more sustainable products**. Our flagship brands will become carbon neutral in the near future. Thus, for many years Nespresso offers its consumers to return coffee capsules for recycling, that encourages recycling production process. In 2020 the volume of recycled capsules in Russia amounted to 165 tons. The last year Nespresso presented the first coffee capsule made using 80% recycled aluminum, and a new coffee machine – Vertuo Next, made from 54% recycled plastic. Globally Nespresso is committed to become carbon neutral by 2022.

## Using packaging in a more circular way

Today 87% of all Nestle's packaging in Russia is ready to recycle, the company is introducing packaging innovations across the number of categories.

- In 2020 *Purina* brand introduced a first of its kind, recyclable, heat-resistant polypropylene flexible packaging for wet food in Europe. Felix pouches for this pilot project are produced in Russia, at the Nestlé Purina PetCare factory in Kaluga region. In addition, the pouches box is made from 80% recycled cardboard and is fully recyclable.
- In confectionery, the packaging of *Komilfo* and *Rodnye Prostory* sweets was resized helped to reduce the volumes of packaging by 15 and 18% respectively. The trays of the Komilfo sweets became recyclable, along with the cardboard box.
- Bystroff instant porridges is now produced in ready to recycle packaging.
- The Nesquik All Natural product line (cocoa powder, ready to drink milk and cocoa cocktail and
  instant porridge) contains natural ingredients and has improved packaging. The straw of readyto-drink product is made of carton, the packaging of cocoa powder and instant porridge are now
  ready to recycle.