

Sharon Batley
Global Brand Lead – Paediatric Supplements, NAN Sustainability & Plant based
Nestle NAN
Nutrition SBU, Nestle R&D Konolfingen, 3510 Konolfingen, Switzerland

18/12/2023

Dear Sharon Batley

Re: Carbon Trust Assurance Limited - your successful verification

I am delighted to confirm that Nestle NAN has successfully achieved compliance of their organic baby/infant powdered formula product carbon footprints against the contracted standards.

I have great pleasure in enclosing your verification letter, Certificate of achievement and Label certificate. We would like to encourage you to display this certificate in your stores to help promote your achievement. Key information about your assessment, including details of the boundary, footprint reduction, and verification dates, can be found in the verification letter. Please keep in mind that the verification period starts immediately from the day your letter is issued and will remain valid for 24 months, subject to the terms and conditions of our contract.



You and your marketing and communications colleagues (where possible) should also have already received an email with suggestions of how your organisation could use a Carbon Label to promote Nestle NAN achievement to customers, staff, and other stakeholders. If you haven't received this or have any queries, please contact your client manager, Tiphaine Aries, by email at Tiphaine.Aries@carbontrust.com and she will endeavour to help you.

Thank you again for all your efforts in tackling climate change and congratulations to everyone at Nestle NAN on achieving this verification; if you need any further assistance, please don't hesitate to contact Tiphaine Aries.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'M Hockaday'.

Martin Hockaday,
Head of Assurance



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255 Blackfriars Road
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Product Carbon Footprint and Reduction Verification Letter

CERT-13595

Dear Sharon Batley,

Carbon Trust Assurance Limited (**'The Company'**) verifies that:

Nestle NAN (**'You'**) has submitted for verification purposes and achieved a reduction in the calculated 14 Listed Carbon Footprints of the following 14 Listed Stock Keeping Units (SKUs) and 3 Listed Products sold Cradle-to-Grave (Business-to-Consumer) and marketed in the Listed Geographical Areas, in accordance with:

- Greenhouse Gas Protocol – Product Life Cycle Accounting and Reporting Standard (2011)
- ISO 14067:2018 - Greenhouse gases – Carbon footprint of products – Requirements and guidelines for quantification and communication
- Product Carbon Footprints: Requirements for Assurance v3.0

Listed Products, SKUs and Carbon Footprints

Cradle-to-Grave Carbon Footprint Verification Results

The Company verifies the product carbon footprint results set out in the table below. This is the first time that these Product Carbon Footprint Results have been verified by the Company.

Product	Stock Keeping Unit	Geographic Area	Net kgCO ₂ e not rounded	kgCO ₂ per feeding unit not rounded	kgCO ₂ per feeding unit rounded
Baby formula – stage 1	BEBA Bio 1 CHNWGB173 6x800g	Switzerland	5,757.48	0.36	0.35
Baby formula – stage 2	BEBA Bio 2 CHLEGB058 6x800g	Switzerland	5,248.64	0.32	0.3
Baby formula – stage 1	BEBA PRE Bio CHNWGB173C 6x800g	Austria	3,690.91	0.47	0.5
Baby formula – stage 2	BEBA Bio 2 CHLEGB058 6x800g	Austria	1,313.84	0.44	0.5
Baby formula – stage 3	BEBA Bio 12+ CHJNGB085 6x800g	Switzerland	6,895.64	0.31	0.3
Baby formula – stage 1	GUIGOZ 1 LR OFP CHNWGB173 6x800g N1	France	5,9889.11	0.43	0.5
Baby formula – stage 2	GUIGOZ 2 LR OFP CHLEGB058 6x800g N1	France	6,4928.37	0.39	0.4
Baby formula – stage 3	GUIGOZ 3 LR OFP CHJNGB085 6x800g N1	France	155,128.92	0.38	0.4
Baby formula – stage 1	NAN ORGANIC 1 LR CHNWGB173 12x400g	Greece	2,103.92	0.56	0.6
Baby formula – stage 2	NAN ORGANIC 2 LR CHLEGB058 12x400g	Greece	3,933.28	0.52	0.5

Baby formula – stage 3	NAN ORGANIC 3 LR CHJNGB085 12x400g	Greece	5,404.36	0.52	0.5
Baby formula – stage 1	NAN ORGANIC 1 LR CHNWGB173 12x380g	Saudi Arabia, United Arab Emirates, Qatar, Kuwait	18,240.00	0.57	0.6
Baby formula – stage 2	NAN ORGANIC 2 LR CHLEGB058 12x380g	Saudi Arabia, United Arab Emirates, Qatar, Kuwait	13,750.00	0.55	0.6
Baby formula – stage 3	NAN ORGANIC 3 LR CHJNGB085 12x380g	Saudi Arabia, United Arab Emirates, Qatar, Kuwait	8,640.00	0.54	0.6

Cradle-to-Grave Reduction Assessment Results

In accordance with the Product Carbon Footprints: Requirements for Assurance v3.0, Nestle NAN verified the product carbon footprint reductions set out in the table below. The reduction results have been obtained by comparing the verified unrounded footprints for year 2019 against the verified unrounded footprints for year 2022 for equivalent listed SKUs.

Product	Stock Keeping Unit	Geographic Area	Net kgCO ₂ e not rounded		Functional Unit e.g., 100g	Reduction (%)
			2019	2022		
Baby formula – stage 1	BEBA Bio 1 CHNWGB173 6x800g	Switzerland	0.46	0.36	Per feeding unit	-22%
Baby formula – stage 2	BEBA Bio 2 CHLEGB058 6x800g	Switzerland	0.45	0.32	Per feeding unit	-29%
Baby formula – stage 1	BEBA PRE Bio CHNWGB173C 6x800g	Austria	0.61	0.47	Per feeding unit	-23%

Baby formula – stage 2	BEBA Bio 2 CHLEGB058 6x800g	Austria	0.6	0.44	Per feeding unit	-27%
Baby formula – stage 3	BEBA Bio 12+ CHJNGB085 6x800g	Switzerland	0.38	0.31	Per feeding unit	-18%
Baby formula – stage 1	GUIGOZ 1 LR OFP CHNWGB173 6x800g N1	France	0.56	0.43	Per feeding unit	-23%
Baby formula – stage 2	GUIGOZ 2 LR OFP CHLEGB058 6x800g N1	France	0.55	0.39	Per feeding unit	-29%
Baby formula – stage 3	GUIGOZ 3 LR OFP CHJNGB085 6x800g N1	France	0.48	0.38	Per feeding unit	-21%
Baby formula – stage 1	NAN ORGANIC 1 LR CHNWGB173 12x400g	Greece	0.77	0.56	Per feeding unit	-27%
Baby formula – stage 2	NAN ORGANIC 2 LR CHLEGB058 12x400g	Greece	0.75	0.52	Per feeding unit	-31%
Baby formula – stage 3	NAN ORGANIC 3 LR CHJNGB085 12x400g	Greece	0.71	0.52	Per feeding unit	-27%

The 'NAN ORGANIC 1 LR CHNWGB173 12x380g', 'NAN ORGANIC 2 LR CHLEGB058 12x380g' and 'NAN ORGANIC 3 LR CHJNGB085 12x380g' SKUs represent the same products as the SKUs circulating in the Greek market which have now been launched in new markets with a smaller size of 380g. The reductions for these particular SKUs could not be quantified as these products will be launched in 2024.

Please note that any communications shall be based on the rounded Carbon Footprint Reduction results in percentage (%) terms. Further communication opportunities are outlined under the Communications section of this letter.

The rounded numbers are obtained according to the rounding rules contained in the Product Carbon Footprints: Requirements for Assurance v3.0.



The Company verifies the above Listed Carbon Footprints and Reductions based on the supply chains and data provided in the following PER:

2019 and 2022:

2022 GHG emissions of organic infant formula products Nestle NAN, BEBA and GUIGOZ

Level of Assurance

This verification was carried out to a Reasonable Level of Assurance.

Materiality

It has been verified that all material non-conformities identified during the sampling performed on the footprint models submitted have been closed. If at any time and for whatever reason You or the Company identify any further non-conformities, the terms described in the Description of Service and General Terms and Conditions will apply. It is also Your duty to promptly inform the Company in writing.

Provision for material discrepancy

The Company has performed the verification in accordance with the applicable material discrepancy threshold: where actual errors, omissions or misrepresentations affect the final footprint result by the equivalent of 1% or more individually or 5% or more in aggregate they are predetermined to be a material discrepancy and therefore a non-conformity.

Product (SKU Group) Level Verification

In the context of this Verification Letter a SKU is a distinct good which can be purchased by a consumer or other end user and is distinguishable from another similar good.

It has been verified that the 3 SKUs listed above as being distributed to the Saudi Arabia, United Arab Emirates, Qatar, Kuwait markets could be grouped into 3 Products based on the following criteria:

- Materially similar supply chains;
- Functional equivalence; and,
- Degree of control (owned/operated) over the SKU by the footprinting organisation.

Communication of the Listed Carbon Footprint results should only be made in association with the listed SKUs.

Verification Period

This Verification is valid for a period of 24 months from 18 December 2023 (the “effective date”) until 17 December 2025 subject to the provisions in this Verification Letter.

We will be in touch with you prior to the expiry of this verification to discuss your communications and reduction plans as well as re-verification. However, if you have any questions or would like to look into re-verification or reduction assessment at any time, please feel free to get in touch with us.

Banked Emissions

In accordance with the Product Carbon Footprints: Requirements for Assurance v3.0, you may choose to bank emissions reductions for Stock Keeping Units with a Verified Carbon Footprint Reduction of 5% or more. Banked emissions shall be offset by any changes in the underlying emissions in the subsequent reporting period(s) and shall be valid until no later than 6 years after the original Verification date (18 December 2023).

If You wish to bank emissions, please note that you need to notify the Company in advance and no later than the expiry date of this Verification Letter.

Exclusions

The following exclusions have been made:

- Tertiary packaging
- Secondary and tertiary packaging from end of life calculations

Suspended Non-conformities

The following non-conformities were raised but considered suitable for action prior to the next surveillance and/or re-verification audit. In general, it is expected that Minor Non-conformities should be closed with higher priority than Observations.

Identifier	Finding	Planned action	Severity
1	For most ingredient upstream transport 50% load factor EF have been used. However, for a small number of ingredients (e.g. skimmed milk) and downstream distribution a 100% load factor has been	For the next verification, please review and use consistent EF for transport also including backhauling.	Minor non-conformity

	used not currently accounting for backhauling.		
2	Secondary packaging is not currently included at the end-of-life phase calculations.	For the next verification, please include secondary packaging in the end-of-life calculations.	Minor non-conformity
3	Biogenic emissions and removals are not currently reported separately.	Currently biogenic emissions and removals have been considered immaterial and have not been separated out in the results section of the PER. However, please note that this might change for the next verification as secondary packaging will be included and once calculated should be reported separately.	Observation

Communications

Any claims regarding the verification results or any other claims shall be made in accordance with the Product Carbon Footprints: Requirements for Assurance v3.0 and Brand Guidelines.

In accordance with the Product Carbon Footprints: Requirements for Assurance v3.0 and Brand Guidelines You are permitted to communicate the verified results and/or to claim a reduction commitment, as set out below and in any associated Annex:

- The verified numbers and products published in the Product Emission Report '2022 GHG emissions of organic infant formula products Nestle NAN, BEBA and GUIGOZ'
- The result presented in this letter shall be used for public reporting and are the sum of all emissions and removals, both biogenic and fossil. A breakdown of these emissions is presented in the Product Emissions Report.
- The Product Carbon Footprint of this product has been verified by the Carbon Trust.
- Nestle NAN has committed to reduce the carbon footprint of powder baby formula.
- In accordance with the reduction table results: "Nestle NAN has achieved a reduction of xx% (Y) for the carbon footprint of its powder baby formula (X)."

- In accordance with the Product Carbon Footprints: Requirements for Assurance v3.0, you can make claims about your continuing commitment to reduce the footprint of this product. However, these future claims should not refer to quantified emissions reductions commitments.
- Reduction claims shall not be made until emissions reduction has been achieved and verified by the Company.
- When communicating a Carbon Footprint result at the product level (i.e., group of SKUs), communications must be clear that the result is only representative of the Listed SKUs within the group.

Any claims or communication made during the Verification Period shall comply with the Product Carbon Footprints: Requirements for Assurance v3.0 and Brand Guidelines. Any communications, other than those listed above, shall be submitted to the Company for prior approval and may be documented in an Annex of this Verification Letter at the Company's discretion.

For and on behalf of
Carbon Trust Assurance Limited



Martin Hockaday,
Head of Assurance