



NESPRESSO THE POSITIVE CUP 2023 - BASIS OF REPORTING

PILLAR	KPI TITLE	BASIS OF REPORTING	DATA SOURCE
1. DECARBONIZE THE VALUE CHAIN	Trees planted for carbon removals within AAA landscapes (in ,000)	The number of trees planted by Nespresso and Pur Projet in AAA Program landscapes in 2023.	Independent verification and reporting by an external partner, Pur Projet.
	Total energy consumption in our three production centers (gigajoules per tonne of product)	Total energy consumed by Nespresso's three production centres in 2023 measured in gigajoules per tonne of product.	Extract from internal system tracking energy use supported by samples of energy bills from utility provider.
	% of renewable electricity procured for our three production centres	The percentage of electricity procured by Nespresso's production centres that is from renewable sources.	Certification of 100% renewable electricity procurement provided by an independent third party.
	% of renewable energy consumed across production centre operations	The percentage of total energy consumed by Nespresso's production centres that is renewable energy.	Extract from internal system tracking energy use supported by samples of energy bills from utility provider.
	Total on-site water withdrawal (m3 per tonne of product)	The amount of water withdrawn at Nespresso's production centres measured in m3 per tonne of product produced.	Extract from internal system tracking water use supported by samples of bills from utility provider.
2. REGENERATE LANDSCAPES	% green coffee sourced through the AAA program	Proportion of total green coffee sourced by Nespresso from farms under the AAA Program. It excludes Limited Editions and CP (coffee practices) coffee qualities.	Extracts from Nespresso internal procurement systems.
	Number of trees planted by Nespresso and its partners in AAA Program landscapes (in ,000)	The number of trees planted by Nespresso and their partners in AAA Program landscapes in 2023.	Two sources of reporting: for trees planted for carbon removals, these are independently verified by an external partner, Pur Projet. This is the case for over 99% of trees. For trees planted for regenerative agriculture purposes, these are reported by regional managers supported by information from local partners and consortiums.
	Area managed under the AAA Program (in ,000 hectares)	The total area in hectares that is managed under the Nespresso AAA Sustainable Quality™ Program.	Extracts from Nespresso internal databases (FARMS & Koltiva in parallel in 2023, as migration in progress).



3. EMPOWER COMMUNITIES	Number of countries with the AAA Program	Total number of countries where the Nespresso AAA Sustainable Quality™ Program is implemented.	Extracts from Nespresso internal databases (FARMS & Koltiva in parallel in 2023, as migration in progress).
	Number of farmers enrolled in the AAA Program	The total number of farmers that participate in the Nespresso AAA Sustainable Quality™ Program.	Farmers in the AAA Program are all recorded and identifiable within the Nespresso AAA coffee sourcing systems. Extracts from Nespresso internal databases (FARMS & Koltiva in parallel in 2023, as migration in progress). The static data (farms, people, clusters, ...) is managed by the Country/ Cluster manager or the Data admin. The daily data (Assessments, Visits, ...) is collected by field staff.
	Number of farmers with access to financial resilience programmes (retirement savings plan, crop insurance, VSLA)	Total number of farmers enrolled in our retirement plans or crop insurance or VSLA programmes.	Progress reports from external program partners.
	<ul style="list-style-type: none"> Number of farmers with access to retirement savings plan 	Total number of farmers enrolled in our retirement savings plans program.	
	<ul style="list-style-type: none"> Number of farmers with access to crop insurance 	Total number of farmers enrolled in our crop insurance program.	
	<ul style="list-style-type: none"> Number of farmers with access to VSLA 	Total number of farmers enrolled in our VSLA program.	
	Number of AAA Program field staff	Total number of field staff employed by Nespresso as part of the AAA Program. Field staff includes all staff working directly on the AAA Program, including agronomists, field technicians, project and support staff.	Report from regional managers and local partners.
% of AAA Program field staff positions held by women	Proportion of women holding field staff positions on the AAA Program. Field staff includes all staff working directly on the AAA Program, including agronomists, field technicians, project and support staff.	Report from regional managers and local partners.	



	% green coffee certified by the Rainforest Alliance or Fairtrade International or Fair Trade USA and/or organic	Proportion of green coffee sourced by Nespresso that is certified by one of the external certification bodies: Rainforest Alliance, Fairtrade International, Fair Trade USA and/ or organic certification. It excludes Limited Editions and CP (coffee practices) coffee qualities.	The coffee is certified by independent certification bodies and the overall % of purchases is calculated using Nespresso procurement system data. Calculation : sum of certified volume divided by total volume.
	<ul style="list-style-type: none"> • % of green coffee volume certified Rainforest Alliance 	<i>Proportion of the volume of green coffee sourced by Nespresso from farms that meet the standards set for Rainforest Alliance certification. It excludes Limited Editions and CP (coffee practices) coffee qualities.</i>	<i>Certification is provided by independent certification bodies.</i>
	<ul style="list-style-type: none"> • % of green coffee certified Fairtrade International or Fair Trade USA 	<i>Proportion of green coffee sourced by Nespresso from farms that are certified by Fairtrade International or Fair Trade USA. It excludes Limited Editions coffee qualities and includes CP (coffee practices) coffee qualities.</i>	<i>The coffee is certified by independent certification bodies and the overall % of purchases is calculated using Nespresso procurement system data.</i>
	<ul style="list-style-type: none"> • % Green Coffee Organic Certified 	<i>Proportion of the volume of green coffee sourced by Nespresso from farms that meet the standards set for organic certification.</i>	<i>The overall % of purchases is calculated using Nespresso procurement system data. Calculation : sum of certified volume divided by total volume</i>
4. ADVANCE CIRCULARITY	Number of countries with capsule recycling systems	Number of countries that are Nespresso markets that have a dedicated system for recycling coffee capsules	Based on recycling reporting from markets for 2023 and supplemented by Nespresso analysis.
	Estimated capsule collection capacity (%)	The percentage of capsules that have been bought by consumers in an area where they can be conveniently collected.	Based on recycling reporting from markets for 2023 and supplemented by Nespresso analysis.
	Estimated global recycling rate (%)	The capsules that have been recycled in dedicated and collective recycling systems as a percentage of the total number of capsules that have been imported into Nespresso markets globally.	Market level reports supplemented by Nespresso analysis and survey data.



	Used capsule valorisation rate (%)	The percentage of used capsules that are either recycled or incinerated for heat recovery	Nespresso analysis of capsule recycling rates and incineration for heat recovery rates across markets.
	Number of countries selling Nespresso Home Compostable capsules	Number of countries that are Nespresso markets that have launched the new Nespresso Home Compostable capsules.	TUV Certificate
	% of machine models using recycled plastics	Number of B2C machine models that use recycled plastics out of total B2C machines models.	List of B2C machine models indicating recycled plastic content
	Total weight of waste generated in manufacturing (metric tonnes)	The total amount of waste generated by Nespresso's production centres measured in metric tonnes.	Extract from internal system tracking waste volumes.
	Breakdown: Hazardous waste in manufacturing (weight of waste generated in metric tonnes)	The total amount of waste generated by Nespresso's production centres that can be classified as hazardous, measured in metric tonnes.	Extract from internal system tracking waste volumes.
	Breakdown: Non-hazardous waste in manufacturing (weight of waste generated in metric tonnes)	The total amount of waste generated by Nespresso's production centres that can be classified as non-hazardous, measured in metric tonnes.	Extract from internal system tracking waste volumes.
5. INSPIRE COLLECTIVE ACTION	Investment in The Positive Cup (in ,000 CHF)	Total amount invested by Nespresso in 2023 in The Positive Cup related activities including across AAA Program and farmer premiums, climate actions, recycling, stakeholder engagement.	Extract from Nespresso financial reporting systems.
	<ul style="list-style-type: none"> Investment in climate actions (in ,000 CHF) 	Total amount invested by Nespresso in climate related projects in 2023. These include projects such as agroforestry and intelligent water management.	Extract from Nespresso financial reporting systems.
	<ul style="list-style-type: none"> Investment in coffee operations: technical assistance and AAA premiums (in ,000 CHF) 	Total amount invested by Nespresso in 2023 in premiums to farmers, training and technical assistance, and other field programmes.	Extract from Nespresso financial reporting systems.



	<ul style="list-style-type: none"> Investment in engagement and governance (in ,000 CHF) 	<p>Total amount invested by Nespresso in 2023 in initiatives such as stakeholder engagement, sustainability communities (champions, NSAB), monitoring and evaluation.</p>	<p>Extract from Nespresso financial reporting systems.</p>
	<ul style="list-style-type: none"> Investment in collection capacity and recycling systems (in ,000 CHF) 	<p>Total amount invested by Nespresso in 2023 in expanding collection capacity in markets, supporting public collection systems, and investments in recycling technology.</p>	<p>Extract from Nespresso financial reporting systems.</p>
	<p>Members of the Nespresso Sustainability Advisory Boards (NSAB)</p>	<p>Number of Nespresso senior leaders, external experts and thought leaders in sustainability – NGOs, academics, international organisations and our brand ambassador, George Clooney, that are members of the Nespresso Sustainability Advisory Board (NSAB). NSAB is an external governance body offering advice on our sustainability strategy.</p>	<p>List of NSAB members.</p>
	<p>Number of sustainability champions</p>	<p>Number of employees from markets and HQ whose role is related to Sustainability initiatives and projects across the company.</p>	<p>Nespresso Sustainability Community distribution lists.</p>