

Nestlé® discloses plans to support the transition to a regenerative food system

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Nestlé is laying out its plans to support and accelerate the transition to a regenerative food system – one that aims to protect and restore the environment, improve the livelihoods of farmers and enhance the well-being of farming communities. Nestlé will work with its food system partners, including the company's network of more than 500,000 farmers and 150,000 suppliers, to advance regenerative farming practices at the heart of the food system. As part of this journey, the company will also initiate new programs to help address the social and economic challenges of the transition.



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The announcement is being made in the lead up to the UN Food Systems Summit in New York, as part of Nestlé's contribution to help achieve the Sustainable Development Goals (SDGs) by 2030. It also follows the recent report from the United Nations' Intergovernmental Panel on Climate Change that shows the climate crisis is intensifying.

"We know that regenerative agriculture plays a critical role in improving soil health, restoring water cycles and increasing biodiversity for the long term," said Paul Bulcke, Chairman of Nestlé. "These outcomes form the foundation of sustainable food production and, crucially, also contribute to achieving our ambitious climate targets

"With our long-standing partnerships with farming communities globally, we want to increase our support for farming practices that are good for the environment and good for people," said Mark Schneider, Nestlé CEO. "In the spirit of enabling a just transition it is vital that we support farmers around the world that take on the risks and costs associated with the move towards regenerative agriculture."

Nestlé is investing CHF 1.2 billion over the next five years to spark regenerative agriculture across the company's supply chain, using three primary levers to help farmers adopt regenerative practices:

- **Apply state-of-the-art science and technology, provide technical assistance:** Leveraging its vast network of R&D experts and agronomists, Nestlé is, for example, developing higher-yielding coffee and cocoa varieties with lower environmental impact and assessing novel solutions to reduce emissions in the dairy supply chain. Nestlé will also offer agricultural training and help farmers exchange information and best practices that can be adapted locally.
- **Offer investment support:** The transition to regenerative agriculture comes with initial risks and new costs. Nestlé will support farmers by co-investing with them, facilitating lending or helping them obtain loans for specific equipment. The company will also work with partners to fund pilot projects to test and learn how best to advance regenerative agriculture.
- **Pay premiums for regenerative agriculture goods:** Nestlé will offer premiums for many raw materials produced using regenerative agriculture practices and buy bigger quantities. This means rewarding farmers not only for the quantity and quality of ingredients, but also for the benefits they provide to the environment through soil protection, water management and carbon sequestration.