



Nestlé Good food, Good life



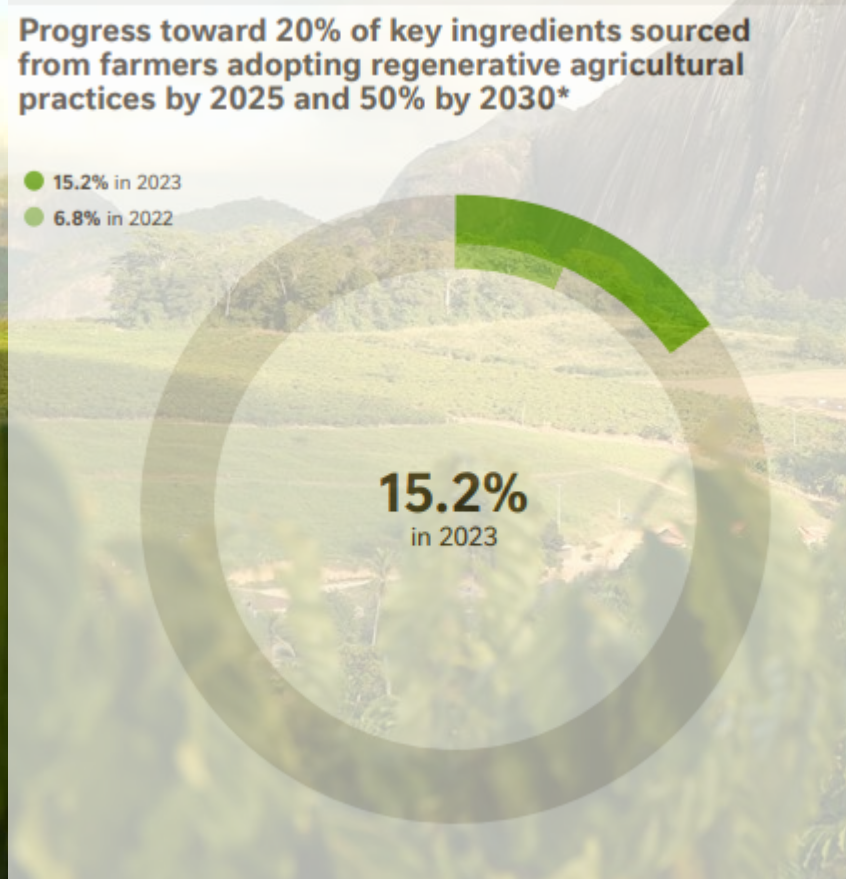
REGENERATIVE AGRICULTURE COMMITMENT AT NESTLÉ

*Challenges in sourcing and
providing sustainable produce to
meet consumer demands*

Pascal Chapot
Head of Sustainable Agriculture Development

NESTLÉ PROGRESS IN IMPLEMENTING REGENERATIVE AGRICULTURE AT SCALE

2024 status (based on 2023 data)



CHF 1.2 billion
committed investment by 2025 to spark regenerative agriculture across our supply chain

Nestlé Agriculture Framework
and tools published in 2022 outlining our vision and methodology

Category initiatives
to scale up regenerative agriculture in dairy, cereals, coffee and cocoa supply chains

* Details available in Nestlé CSV & Sustainability report



NESTLÉ AGRICULTURE FRAMEWORK

A holistic model to advance the regeneration of our food system

Diverse cropping systems & livestock integration*



Collective & landscape actions



Soil health



Biodiversity



Water security & quality

Nestlé model:

- *relying on agroecological principles*
- *locally relevant*
- *putting the farmer at the center in a just transition approach*
- *guiding principles and practices leading to positive environmental outcomes*

* Whenever possible and relevant

REGENERATIVE AGRICULTURE'S PRIORITIES AND MAIN ACTIONS



DRIVE SOIL CONSERVATION

Keep permanent & diversified soil cover, with minimum soil disturbance.
Develop intercropping



USE ORGANIC FERTILIZERS

Replace synthetic by organic fertilizers



DEVELOP NATURAL HABITATS

Increase natural habitats within the farmland and at landscape level, develop agroforestry



USE LESS CHEMICALS

Continuously reduce the use of synthetic herbicides & pesticides



PROTECT WATERSHEDS

Ensure regeneration of the water cycle in water stressed areas



INTEGRATE LIVESTOCKS

Optimize pasture management & maximise the value of manure; circular flow of energy & nutrients from barn to soil

WHILE MAINTAINING OR INCREASING YIELDS AND FARMERS INCOME

Collaboration with external partners: TNC, Wageningen, CIAT, Earthworm ...

3 pillars for a just transition



REGENERATIVE AGRICULTURE IN PRACTICE: WHAT DOES IT LOOK LIKE?



Cover crops



Agroforestry



Peer to peer training



Biodiverse pastures



Biodigester



Planting hedgerows

AGROFORESTRY AND REGENERATIVE AGRICULTURE

To improve farmers' livelihoods and advance on our net zero pathway



TRAINING FARMERS AND THE YOUNGER GENERATION

Achievements in Honduras

OBJECTIVES



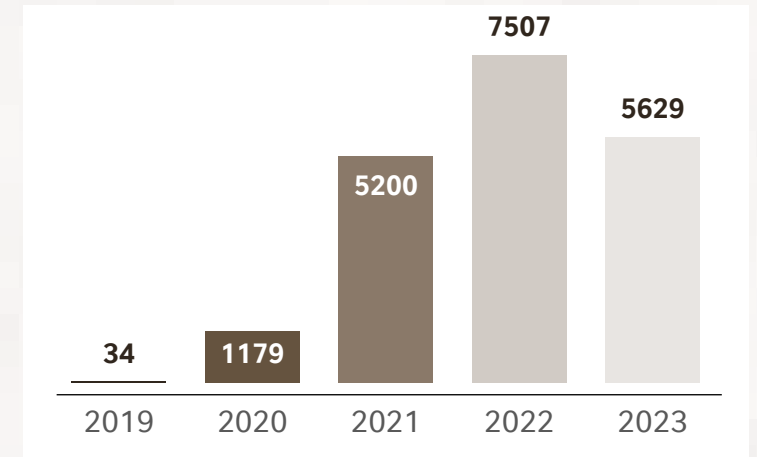
- Train participants to produce higher quality coffee.
- Promote agri-preneurship among participants
- Spread and promote Regenerative Agriculture Practices

HOW



- Mobile schools to reach remote areas
- Online core module: 5 topics (44 Hours)
- Specialized Topics (5-7Hours)

ACHIEVEMENTS



 52% Women  48% Men

54% are younger than 28

IMPLEMENTING INCENTIVES TO SUPPORT FARMERS IN TRANSITIONING

COCOA – THE INCOME ACCELERATOR PROGRAM



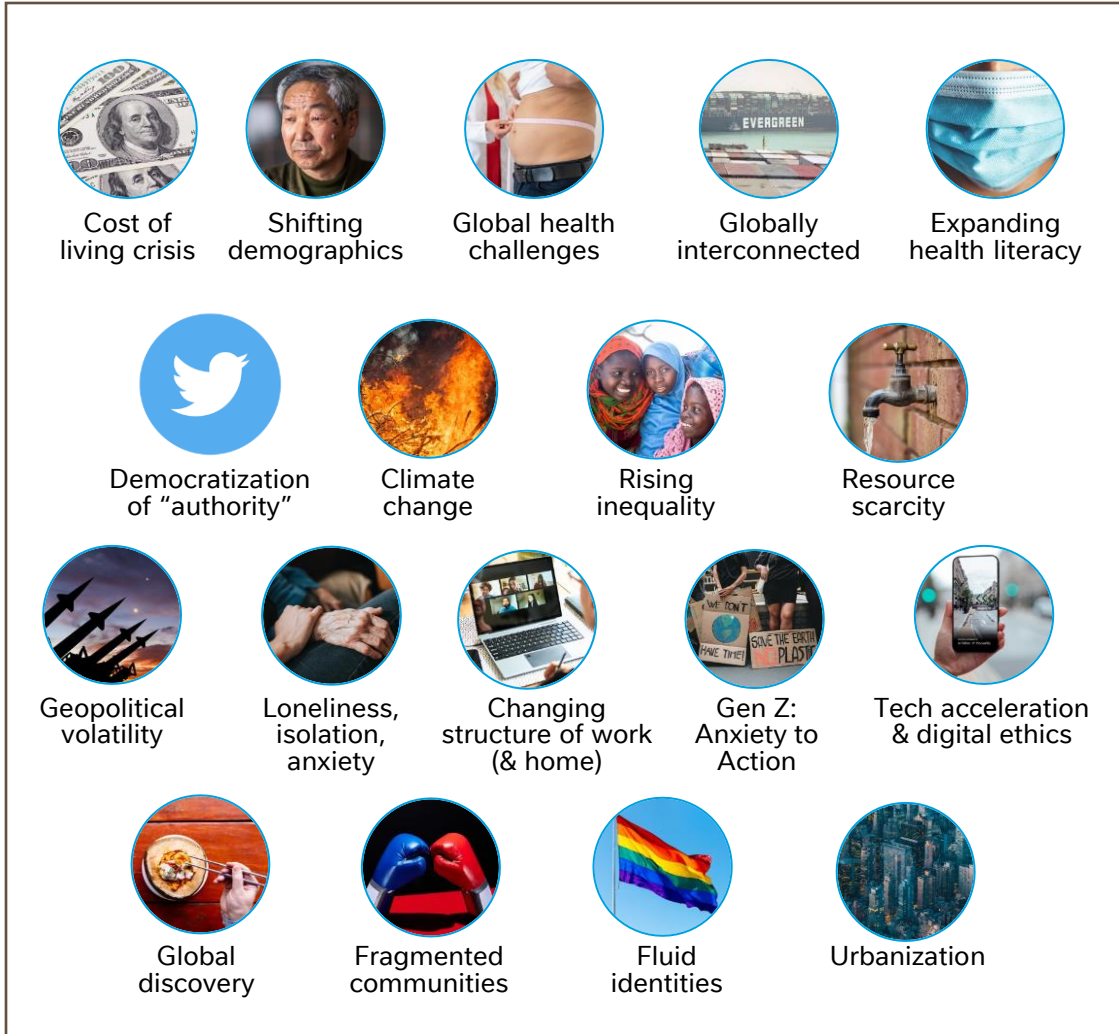
- Launched in 2022
- Ghana and Cote d'Ivoire
- Model: conditional cash payments to cocoa farmers

DAIRY – NATURE POR NINHO



- Launched in 2021
- Brazil
- Model: 3 levels of premium associated to successful implementation of regenerative agriculture practices

MACRO FORCES ARE SHAPING CONSUMER ASPIRATIONS TO EAT WELL AND LIVE SUSTAINABLY



66% I want to buy sustainable products & brands will have to make sure I can still **afford** to do that

Globally, 93% aspire to achieve a balanced diet



49% I've stopped buying certain products because of their impact on the environment



KEY RELEVANT CONSUMER TRENDS



Emotional Wellbeing



Food as First Medicine



Traditional Nutrition, Health & Wellness



Good for Me & the Planet

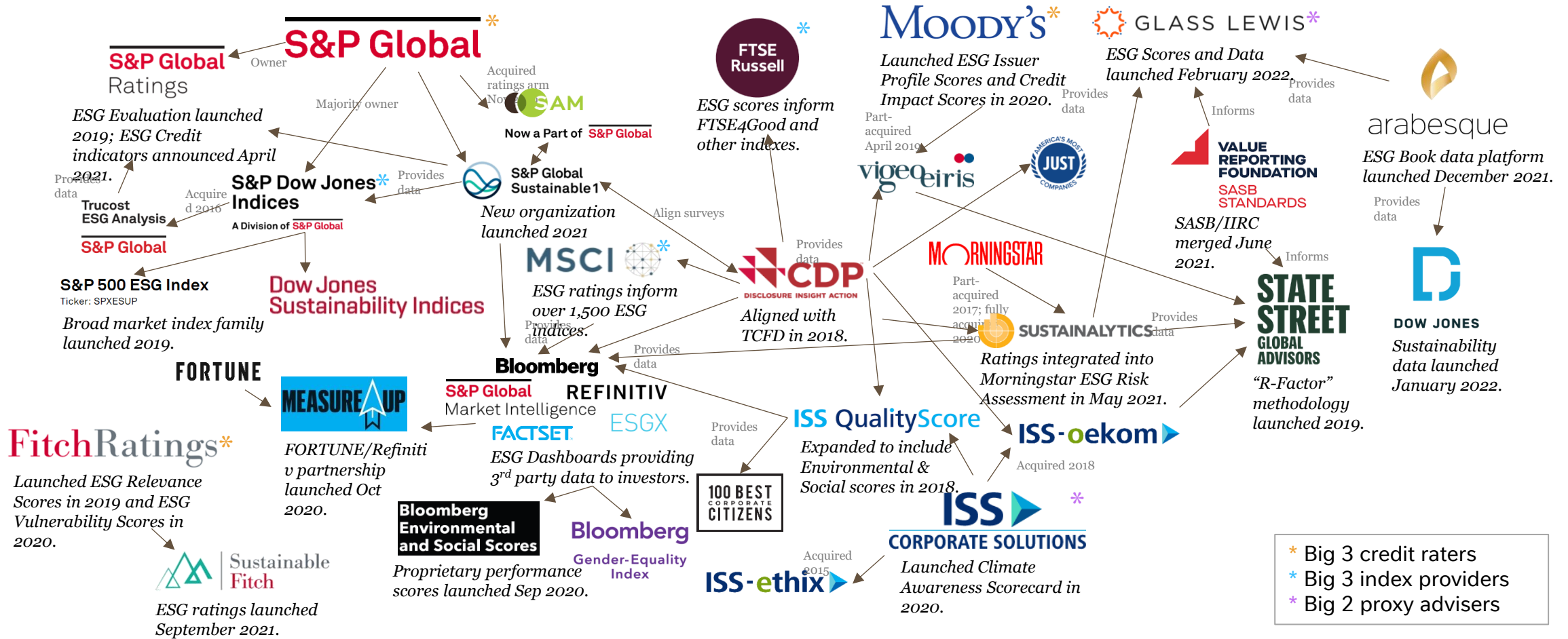


Ethical consumption



Building resilient systems

INCREASING EXPECTATIONS FROM ALL STAKEHOLDERS (INVESTORS, REGULATORS, RATERS ...)

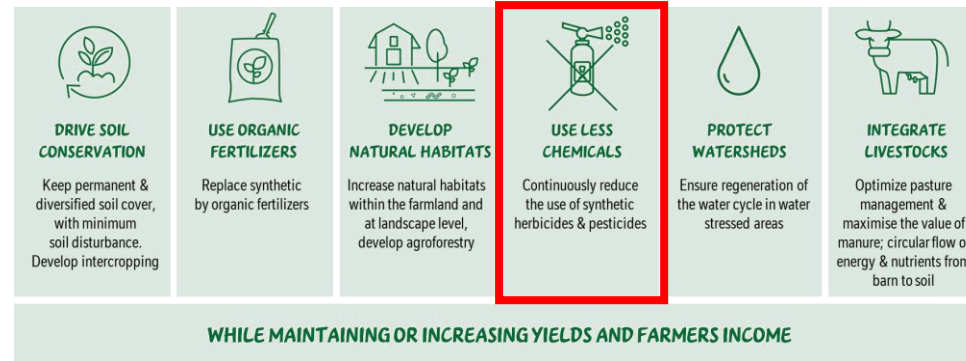


THE IDEAL AGRICULTURAL RAW MATERIAL

- *Traceable up to farm level*
- *100 % safe food*
- *Positive to the environment & society*
- *Differentiated*
- *Consumers know where the raw material comes from, and how it has been produced*
- *Free of any contaminant - No harmful chemicals have been used to produce them*
- *Raw material contributes to the restoration of degraded environment and improves farmers' income*
- *Raw material enables a consumer claim, bringing brand competitive advantage*

OUR FRAMEWORK TO MINIMIZE THE RISK OF SYNTHETIC PESTICIDES ON NATURE

as part of our journey to help restore ecosystems ... there is no magic



We have clustered compounds based on international classifications and prioritize actions



Adoption of innovative alternatives

Remove – Reduce – Replace - Restore

ALTERNATIVE SOLUTIONS TO SYNTHETIC PESTICIDES

**WE ARE BRAND &
TECHNOLOGY
AGNOSTIC**

*but the following
attributes are a must ...*

- *Ensure Food safety and legal compliance*
- *Contribute to the restoration of natural ecosystems*
- *Maintain or improve yields and farmers' income*
- *Operationally scalable*
- *With proven and scientifically demonstrated impact, in local conditions*



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Thanks for
your
attention

