



Good food, Good life

## Press Release

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### **Focusing on regenerative agriculture and moving to renewable electricity, Nestlé redoubles efforts to combat climate change**

As a signatory of the UN 'Business Ambition for 1.5°C' pledge, Nestlé is one of the first companies to share its detailed, [time-bound plan](#) and to do so ahead of schedule. The company is taking measures to halve its emissions by 2030 and achieve net zero by 2050 – even as the company grows.

Actions focus on supporting farmers and suppliers to advance regenerative agriculture, planting hundreds of millions of trees within the next 10 years and completing the company's transition to 100 percent renewable electricity by 2025. Additionally, Nestlé is continuously increasing the number of 'carbon neutral' brands.

Nestlé Chairman Paul Bulcke said, "The Board recognizes the strategic importance of taking decisive measures to address climate change. It supports accelerating and scaling up our work to ensure the long-term success of the company and to contribute to a sustainable future for generations to come."

This roadmap is the result of a complete review of Nestlé's businesses and operations to understand the depth of the challenge and determine the actions needed to address it. The company emitted 92 million tonnes of greenhouse gas emissions in 2018, which will serve as the baseline for measuring progress.

"Tackling climate change can't wait and neither can we. It is imperative to the long-term success of our business," said Mark Schneider, Nestlé CEO. "We have a unique opportunity to address climate change, as we operate in nearly every country in the world and have the size, scale and reach to make a difference. We will work together with farmers, industry partners, governments, non-governmental organizations and our consumers to reduce our environmental footprint."

Nestlé's work to get to net zero spans three main areas:

- The company is already working with over 500 000 farmers and 150 000 suppliers to support them in implementing **regenerative agriculture** practices. Such practices improve soil health and maintain and restore diverse ecosystems. In return, Nestlé is offering to reward farmers by purchasing their goods at a premium, buying bigger quantities and co-investing in necessary capital expenditures. Nestlé expects to source over 14 million tons of its

ingredients through regenerative agriculture by 2030, boosting demand for such goods.

Nestlé is also scaling up its reforestation program to plant 20 million trees every year for the next 10 years in the areas where it sources ingredients. More trees mean more shade for crops, more carbon removed from the atmosphere, higher yields and improved biodiversity and soil health. The company's primary supply chains of key commodities, like palm oil and soy, will be deforestation-free by 2022. Through efforts like these, Nestlé is building longer term partnerships and providing farming communities with greater certainty and higher incomes.

- In its **operations**, Nestlé expects to complete the transition of its 800 sites in the 187 countries where it operates to 100% renewable electricity within the next five years. The company is switching its global fleet of vehicles to lower emission options and will reduce and offset business travel by 2022. It is also implementing water protection and regeneration measures and tackling food waste in its operations.
- Within its **product portfolio**, Nestlé is continuously expanding its offering of plant-based food and beverages and is reformulating products to make them more environmentally friendly. It is increasing the number of 'carbon neutral' brands it offers to give consumers the opportunity to contribute to the fight against climate change. *Garden Gourmet* plant-based food as well as *Garden of Life* supplements will achieve carbon neutrality by 2022; *Sweet Earth* plant-based food, among other brands, will do the same by 2025. These come on top of *Nespresso*, *S.Pellegrino*, *Perrier* and *Acqua Panna*'s commitment to carbon neutrality by 2022, with the rest of the Nestlé Waters category achieving the same by 2025.

Magdi Batato, Executive Vice President and Head of Operations, said, "With nearly two-thirds of our emissions coming from agriculture, it is clear that regenerative agriculture and reforestation are the focal points of our path to net zero. These efforts will reduce emissions and improve biodiversity at scale. We will also continue to eliminate emissions from our operations and make improvements in our product portfolio. We have our work cut out for us and we are committed to delivering."

The company expects to invest a total of CHF 3.2 billion over the next five years to accelerate our work, including CHF 1.2 billion to spark regenerative agriculture across the company's supply chain. These investments will be financed primarily through operational and structural efficiencies to keep this initiative earnings neutral.

Nestlé has had its emissions reduction targets approved by the [Science Based Targets initiative \(SBTi\)](#), as consistent with levels required to meet the goals of the Paris Agreement. SBTi is a collaboration of non-profit organizations that is considered the international gold standard on assessing net zero commitments. Nestlé will provide annual updates to provide transparency on its progress.

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