

Nestlé's approach to climate-consistent financial flows



- In 2020, we made a commitment to invest at least **CHF 3.2 billion by 2025** to support our net zero roadmap.
- Of this investment, **CHF 1.2 billion** was allocated to spark the adoption of regenerative agricultural practices at scale.
- These practices support both climate change **mitigation and adaptation** in our supply chain.
- It also helps farmers' **resilience** in a just transition approach.
- We also **conserve and restore forests**: 93.4% of our supply chains are deforestation-free and we aim to grow 200 million trees by 2030.

Case study: Nestlé's Income Accelerator plan in the cocoa supply chain



- **Objective:** Close the living income gap for cocoa farming families in Côte d'Ivoire and Ghana.
- **Mechanism:** Conditional cash incentives directly paid to families for :

1 Enrolling all children 6-16 in school

2 Applying agroforestry (e.g. shade tree, cover crops)

3 Diversifying incomes (e.g. intercropping)

4 Implementing good agricultural practices (e.g. pruning)

- Program deployed among 30,000 cocoa farming families in 2024.

Case study: Nescafé Plan 2030



- **Objective:** Adopt regenerative agricultural practices in coffee supply chains to help address climate change and improve farmers' livelihoods.
- Main interventions of the program:

Rejuvenating farms and deploying agroforestry

Restoring land in and around coffee farms

Paying premiums and cash incentives

Rolling out weather-related insurance schemes

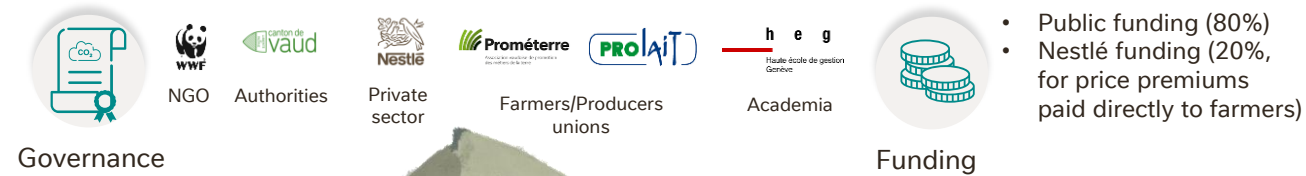
- Achievement in 2023: c.a.180,000 tons of coffee sourced from farms implementing regenerative agriculture practices (x2 by 2030).

Case study: Agroimpact ASSOCIATION

Initiate the most holistic, scalable by design & credible regenerative agriculture project in Switzerland

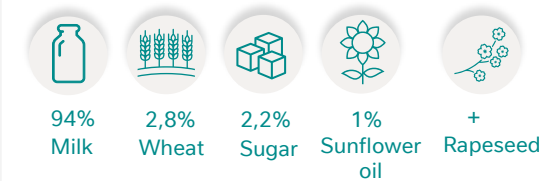
A Public – Private Partnership

Long-term & large-scale multistakeholder collaboration



to reduce GHG emissions

20 to 34% carbon footprint reduction by 2031 on 100% Swiss raw materials



Nestlé target: to source 100% of raw materials from 400 farms in the program

Takeaways



- Nestlé's investment represents a significant climate-consistent financial flow.
- These investments alone are not enough and need to be matched and amplified by others.
- We encourage the private sector to deploy similar investments in decarbonization activities.
- We encourage banks and financial institutions to find fresh ways to support farming communities.
- The right policy environment can help scale up finance flows with sustainable development objectives.