



Good food, Good life

# Media backgrounder: Agriculture

Addressing greenhouse gas emissions from farming, including dairy and livestock.

Globally, agriculture is responsible for around a quarter of global Greenhouse Gas Emissions (GHGs). As the world's largest food and beverage company, around 60% of our own emissions come from agriculture or linked activities like land use. A large part of our roadmap focuses on transforming the current way we source and grow ingredients.

Nestlé works with 500,000 farmers directly and another 4.5 million farmers indirectly via supplier relationships around the world. We will help them address their emissions through pilot projects and innovations that, based on results, will be scaled up around the world.

## 1) Switching to regenerative agriculture

Regenerative agriculture refers to a range of techniques that help keep carbon and water in the ground. It does this through safeguarding soil health and providing natural habitats for flora and fauna. There is no one-size-fits-all approach and the term encompasses a wide range of farming and grazing practices. The main interventions consist of 'no-till' agriculture which avoids exposing the soil to the atmosphere and subsequent degradation. It also covers improving other measures like integrating the management of crops with livestock and reducing the overall use of pesticides and other chemicals on-farm. Regenerative agriculture can help boost farmer incomes through higher yields and more resilience to a changing climate. Shade trees, cover crops.

Nestlé has helped support regenerative agricultural practices in many countries to date and we now seek to scale this approach up to reduce our emissions. Examples include:

- Our petcare division supporting the [Nature Conservancy's reThink Soil initiative](#) in the US to help show how good soil health practices boost farmer income and help safeguard biodiversity.
- In Europe, we are piloting and investigating landscape regenerative agriculture programs such as our [Living Soils project in France](#) - engaging our suppliers and other stakeholders.
- Our breakfast cereals business in France has been scaling up its 'Preference' program with wheat farmer cooperatives, implementing step-by-step agro ecological practices.
- As part of our vegetables program, we are working with farmers through our suppliers across Italy, France, Spain and Germany on projects related to soils and biodiversity. This includes the planting of cover crops between seasons, the

incorporation of supplementary organic matter into fields, the planting of hedgerows and changes to the type of fertilizer being used.

- In Malaysia, we [are partnering with one of our suppliers](#) to restore migration pathways for animals by planting native trees along the Kinabatangan River.
- And in India, we're helping improve how spices are grown in partnership with a supplier and local and international NGOs, including rolling out no-till agriculture and reducing the use of fertilizers.
- In Spain our Miajadas tomato factory was the first Nestlé food factory in Europe to receive AWS certification on water stewardship earlier this year. Success relies on a multi-year collaboration with different stakeholders in the area, especially the tomato farmers and our main supplier, together with the support of the Global Nature Foundation as an environmental partner. Together, we reduced pesticide and fertilizer use on tomato fields by 10% and water consumption by 9%, with accumulated savings of more than 1,000,000 m<sup>3</sup> of water since the beginning of the initiative. In addition to this, productivity per hectare increased by 8%.

We anticipate significantly ramping up our collaboration with other companies, NGOs and the public sector as we tackle the challenges of safeguarding nature and the climate through successful pilots and landscape scale changes.

## **2) Addressing the climate impacts associated with dairy**

Some of the most exciting agricultural innovations are in dairy and livestock farming, making them a vital part of the overall solution to achieve net zero agriculture. Dairy will remain a significant part of our portfolio and we will strive to reduce emissions progressively as per our objectives in other agricultural systems. Nestlé is investing in projects to address the main sources of emissions – including feed, herd management, enteric fermentation and manure and soil management. Our aim is to help evolve practices towards more regenerative methods. Nestlé is actively involved in several cutting-edge programs around the world, including:

- **Developing Nestlé's first net zero dairy farm in South Africa**

Nestlé is developing its first net zero dairy farm in South Africa in Skimmelkranset. Investments in manure processing, water conservation and, most importantly, soil conservation aim to increase the soil carbon level from 1.5% to 1.6 or 1.7%. Just this small improvement would offset emissions from the farm and keep more moisture in the ground.

- [Supporting net zero dairy in the US](#)

In October 2020, Nestlé announced its support for the 'Net Zero Initiative', a new dairy industry-wide effort that will help U.S. dairy farms of all sizes and geographies implement new technologies and adopt economically viable practices. The initiative is a critical component of U.S. dairy's environmental stewardship goals endorsed by dairy industry leaders and farmers, to achieve carbon neutrality, optimized water usage and improved water quality by 2050.

- [Climate friendly milk in Switzerland](#)

Cows that live longer produce milk for a longer time, resulting in around 5% fewer GHG emissions per kilo of milk. With further management techniques, this figure can fall by as much as 10 to 20% - a significant contribution reaching net zero emissions. With the climate-friendly milk pilot project in Switzerland, Nestlé, together with 46 farms and aaremilch AG, is committed continues to invest in sustainable Swiss dairy farming. The project is financed by Nestlé Switzerland and the Federal Office for Agriculture in a public-private partnership.

- [R&D Accelerator Switzerland](#)

Nestlé launched a new R&D Accelerator this year to drive innovation and speed-to-market of sustainable dairy products, as well as plant-based dairy alternatives. Located at Nestlé's R&D center in Konolfingen, Switzerland, the Accelerator provides a world-class platform for start-ups, students and scientists to leverage Nestlé's unique dairy and plant protein expertise to bring products from idea to market launch quickly.