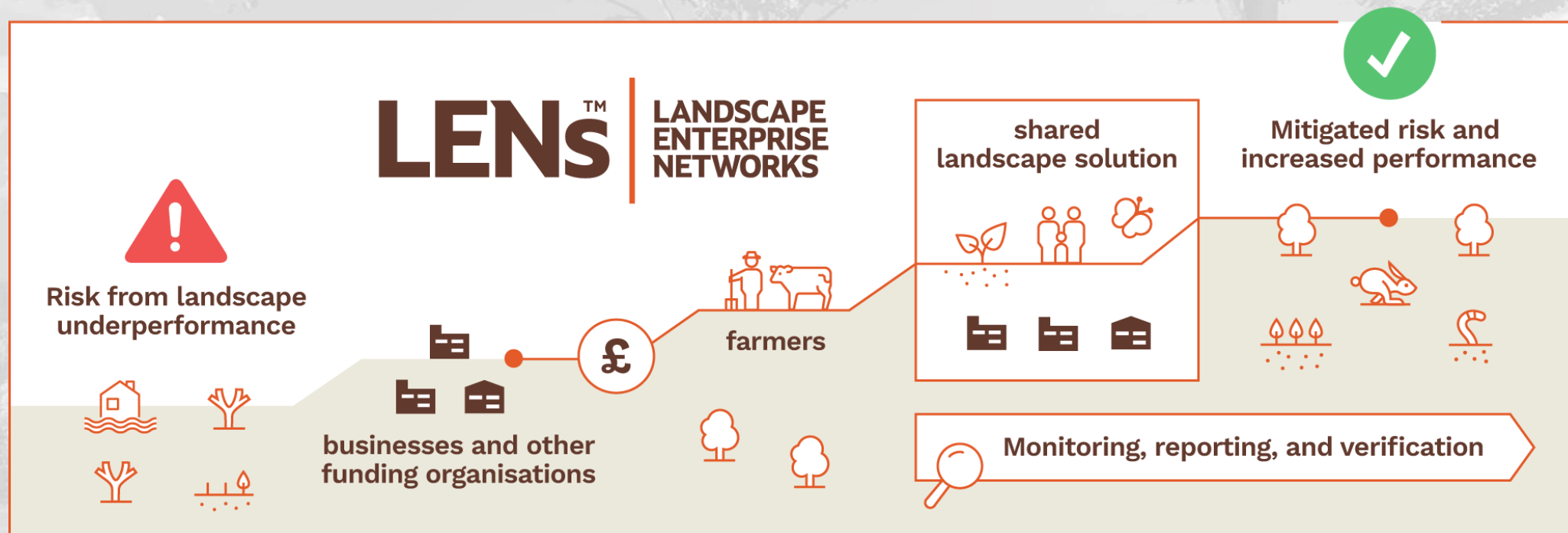


# Building a thriving rural sector LENS



LENs is a way for you to join forces with other organisations...



...to make sure soils, farms, and landscapes deliver what you need on into the future

# Business Challenges

## ➤ Resilient supply of key raw materials

- Drought
- Input costs
- Soil health
- Trade disruption
- Regulation
- Farm business viability

## ➤ Climate and Biodiversity Accountability

- TCFD
- TNFD
- Net zero
- Nature positive...

## ➤ Complexity

- Outcomes interact
- Land choices rarely driven by single factor / crop

## ➤ Scale and Pace

- Farm system transformation, across supply-shed
- We have ~5x harvests? (1x crop rotation)

## ...our response

- Resilient supply of key raw materials
- Climate and Biodiversity Accountability
- Complexity
- Scale and Pace



### 1. Outcome-driven

- Solutions packages designed around outcomes
- Ability to capitalise on evolving MRV

### 2. Multi-functional

- Makes business case that stacks up (and lasts)
- Enables x-business and x-sector cost-sharing

### 3. Collaborative

- Buyer-consortia on demand side
- Farmer-groups on supply side (efficiency & innovation)

### 4. Place-based

- Intelligence, networks, and opportunity-spotting
- Local responsiveness, accountability & legitimacy

### 5. Business-like

- Prices are negotiated (not theoretical)
- Transactions based on value creation, and profit

# LENS builds partnerships and matches supply to demand

## DEMAND FROM BUSINESS CUSTOMERS



1. Understand business needs from the landscape's natural assets
2. Convene businesses where their differing needs create common requirements from the landscape
3. Draw up a technical specification of services, based on what the demand group will fund together

## SUPPLY OF SERVICES FROM FARMERS



4. Engage a service provider (operating on behalf of farmers) to design a budget and plan that will meet the needs of those businesses

'Supply aggregators' help landowners to work together as a group to create a joined-up proposition.

5. Broker an agreement between demand and supply

Link to co-funded MRV



## LENs benefits: clear, concrete and *shared*

### COMPANIES



Fast scale up



Funding efficiencies



Risk management



Stakeholder interests and relationships



Product and brand differentiation

### FARMERS



Additional income streams



Customer engagement



Resilient farming



Reduced exposure to volatile input costs



Farmer to farmer knowledge and experience sharing

### REGION



Environmental resilience to climate change



Protects rural economy



Boosts rural sector & vulnerable communities



Responsive to regional conditions and interests

# NESTLÉ'S NET ZERO ROADMAP

## Our path to regeneration for future generations

Solving the problem means identifying the problem. We found Nestlé emitted 92 million tonnes of greenhouse gas emissions in 2018\*. Now we know the extent, we know the road ahead.

\*Total GHG emissions were 113 million tonnes (CO<sub>2</sub> equivalent) in 2018, 92 of which are in scope of our UN 1.5°C pledge.

Companies and their emissions grow over time. That's why we're promising to be net zero based on our 2018 baseline, no matter how much our company grows.

— Path to zero emissions by 2050  
- - Business as usual

Emissions by operation  
(million tonnes of CO<sub>2</sub>e, 2018)

65.6	Sourcing our ingredients
7.0	Manufacturing our products
11.0	Packaging our products
7.5	Managing logistics
0.8	Travel and employee commuting

## Moving faster

We're excited to hit the soil running. We're accelerating our work in manufacturing, packaging and carbon-neutral brands. We're also investing CHF 1.2 billion to help spark regenerative agriculture across our supply chain, as part of a total investment of CHF 3.2 billion by 2025.

### Our milestones

- 100% deforestation free for primary supply chains\*\* by 2022
- Switch our global car fleet to lower emission options by 2022
- 100% certified sustainable palm oil by 2023
- 100% renewable electricity in all our sites by 2025
- 100% of our packaging recyclable or reusable by 2025
- 100% certified sustainable cocoa and coffee by 2025
- Source 20% of key ingredients through regenerative agricultural methods by 2025
- Cut virgin plastic in our packaging by a third by 2025
- Plant 20 million trees a year
- Nestlé Waters becomes carbon neutral by 2025

## Scaling up

Further down the greener path, we will invest in new technologies and fundamental changes to our products and businesses around the globe.

- Use more renewable thermal energy in our manufacturing
- Source 50% of key ingredients through regenerative agricultural methods by 2030
- Plant 200 million trees by 2030

## Delivering our promise

Advanced agricultural techniques will deliver a regenerative food system at scale, supported by zero emission logistics and company operations. We will balance any remaining emissions through high-quality natural climate solutions that benefit people and the planet.

By 2050, we will reach

net zero

By 2025, we will reduce our emissions by 20%

By 2030, we will reduce our emissions by 50%

\*\*Scope: Direct supplies of palm oil, pulp and paper, soya, meat and sugar.

2018 2021 2025 2030 2050

# OUR TOTAL EMISSIONS BY SCOPE

Emissions from our direct operations, known as Scope 1 and Scope 2, accounted for just 5% of our GHG emissions. The vast majority of our GHG emissions (95%) come from activities in our supply chain. As a result, that is where we focus most of our efforts.

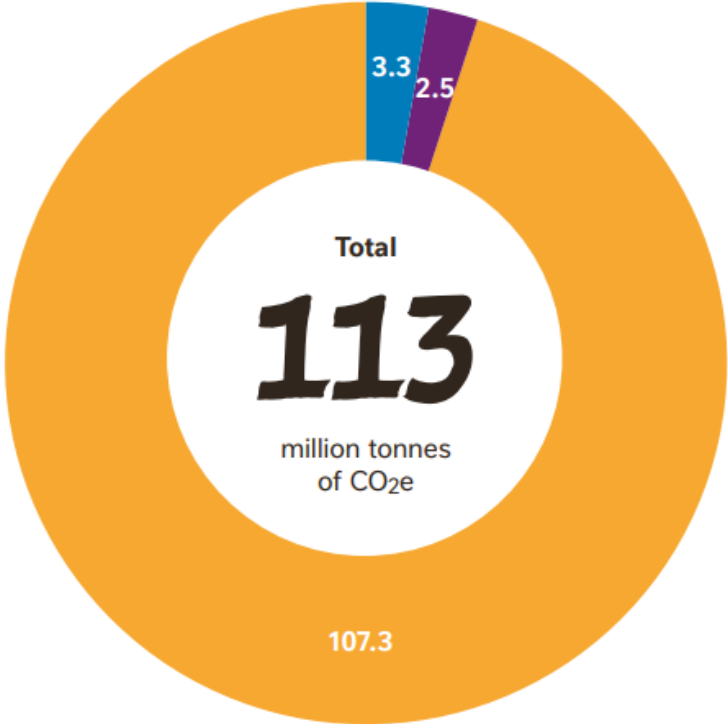


## Nestlé’s total GHG emissions by Scope

million tonnes of CO<sub>2</sub>e, in 2018

Scope 1		
Emitted directly	3.3	3.0%
from sources we own or control such as on-site combustion (coal, natural gas, fuel for company’s vehicle fleet).		
Scope 2		
Emitted indirectly	2.5	2.2%
from the generation of purchased energy like electricity and heating/cooling network.		
Scope 3		
All other indirect emissions	107.3	94.8%
in our value chain, both upstream and downstream, such as sourcing and use of sold products.		

Figures have been rounded.





1. Understand Business risks and needs

**PURINA**

**cpw**  
Cereal Partners Worldwide  
Nestle and General Mills

**Cargill**

**anglianwater**

**AffinityWater**

**Northamptonshire  
County Council**

**BritishSugar**

**3keel**

Demand  
Aggregation

2. Convene businesses around their  
common interests in the landscape

3. Build a technical understanding of  
businesses' common requirements  
from the landscape

6. Measure,  
report, verify

£

Marketplace

5. Cut a deal

Supply  
Aggregation

4. Engage service provider(s) (operating on behalf of  
farmers) to design and cost interventions / service  
offerings that meets the needs of businesses

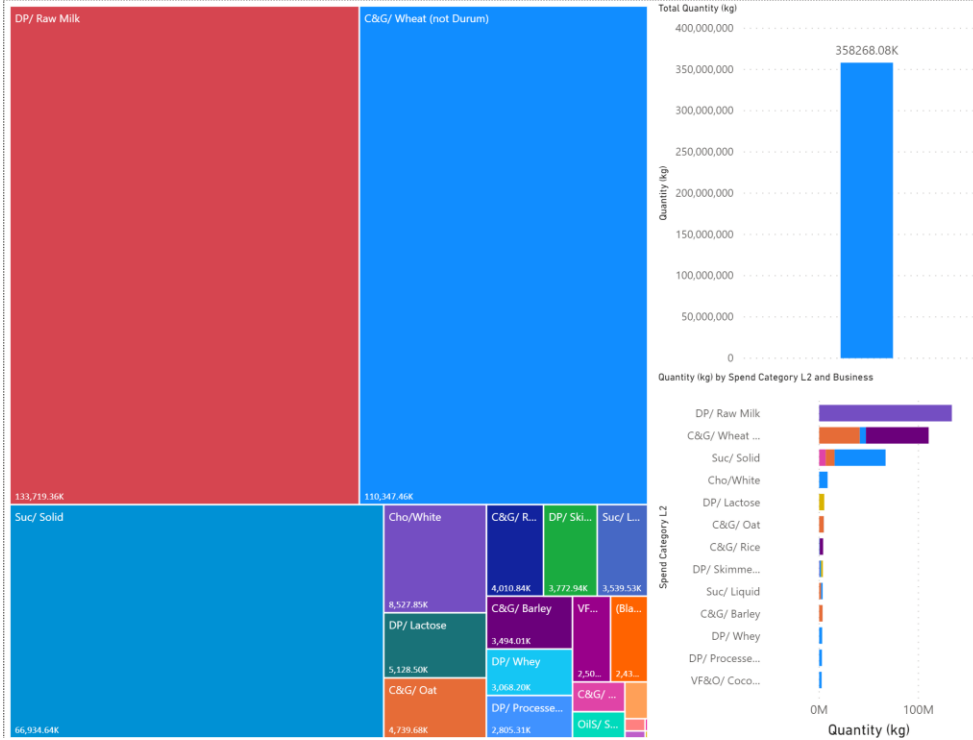
### Key Points:

1. Bottom up approach puts farmers in control – builds trust
2. **Stacking** outcomes provides cost efficiencies
3. **Separate payment for goods and services** – allows for non-agricultural investment to take place

# Regenerative Agriculture: Priority Ingredients by VOLUME (UK Sourced)

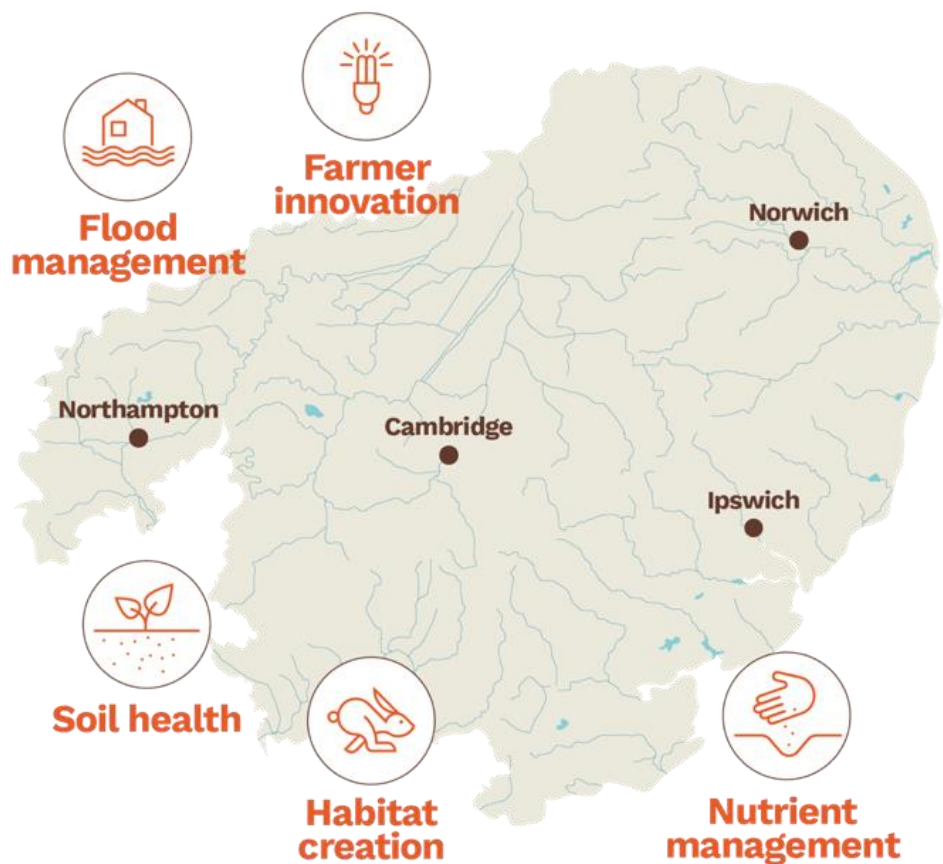
- Target: 20% of KEY ingredients by volume sourced from regen ag by 2025; 50% by 2030
- 3 commodities = c.87% of local ‘key ingredient’ volume
- All >90% locally sourced; well defined sourcing regions

Commodity	Category	% of key ing total	% locally sourced (2021)	Driver
Locally sourced key ingredients		100%		
Fresh Milk	Bev/Confec.	37%	100%	Regenerative Milk Plan
C&G	TOTAL	31%	95%	LENs / Wheat Plan upscaling in 2023
	- CPUK	11%	100%	
	- Confectionery	2%	75%	
	- Petcare	18%	90%	
Sugar	TOTAL	19%	90%	Engagement through LENs EoE. Nestrade financial support available 2023-26.
	- Beverage	2%	90%	
	- Confectionery	14%	90%	
	- CUK	3%	90%	
	- CUK	3%	90%	





# Example: East of England case study



## 2021 Results:

- £980,000 funding
- 4,335 hectares impacted
- 3 funding parties
- 32 farms

## 2022 Results:

- £2.2 million GBP planned funding
- >10K hectares impacted
- 6 funding parties
- 64 farms

## Example Practices Funded:

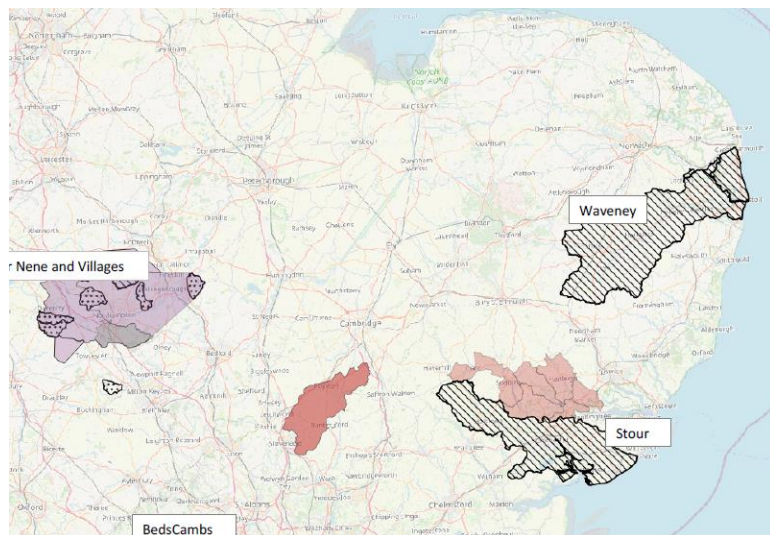
- Cover crops
- Reduced cultivations
- Crops in rotation
- Hedge planting

## Outcomes:

- Biodiversity
- Carbon reduction
- Carbon sequestration
- Water quality and availability
- Flood risk mitigation
- Soil regeneration
- Resilient supply chains

# LENs East of England continues to scale up...

2021



### 32 farms engaged

**4,300** hectares impacted

**£1.5M** worth of proposals received

### Funding Partners:



West  
Northamptonshire  
Council

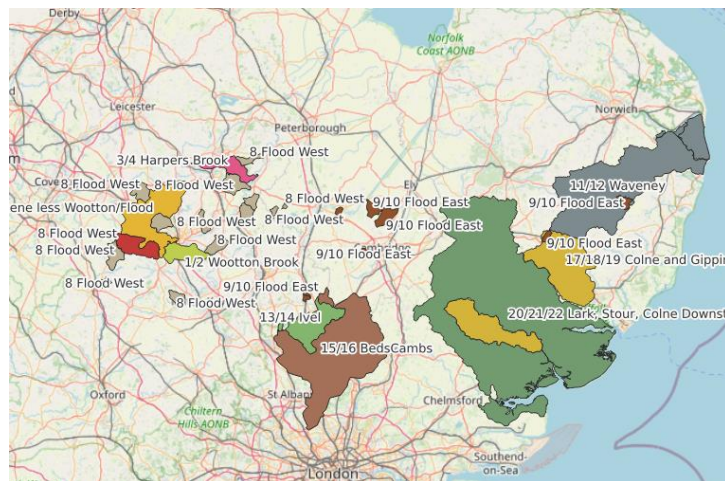


Later this year...

BritishSugar



2022

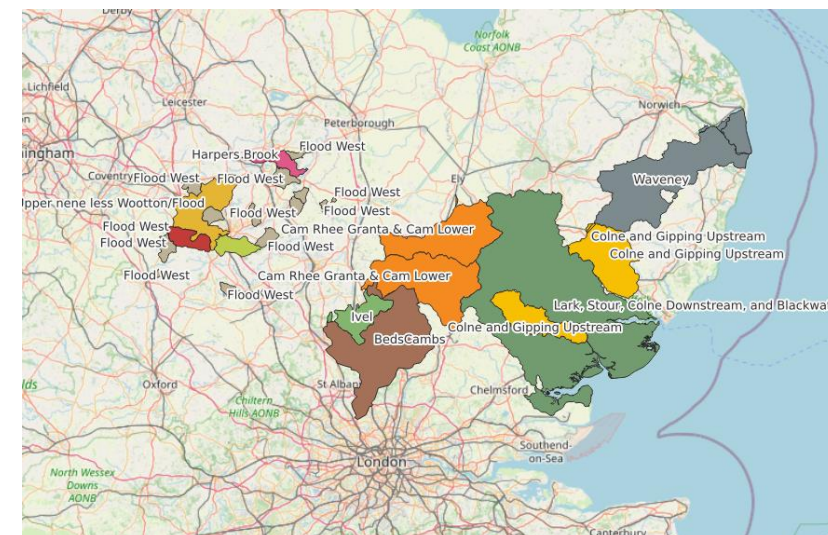


**62 farms engaged (+94%)**

10,600 hectares impacted (+140%)

£4M worth of proposals received (+160%)

2023 (planned)



>95 farms engaged (+53%)

c. **25,000** hectares proposed (+135%)

**£10M** worth of proposals received (+150%)