

LEADER PROFILE

MARK SCHNEIDER

In an excerpt from Jon Miller and Lucy Parker's book *The Activist Leader*, the **CEO of NESTLÉ** explains why leading the transition to regenerative agriculture this decade is key to reaching net zero, and the long-term resilience of his company.



mark schmeider

[The climate and nature crises are making it harder to feed a growing planet.](#)

At the same time, unsustainable food systems are worsening the problem, creating a vicious cycle. It's clear we must move to a better way of nourishing our growing planet, equitably, affordably and sustainably. • That puts the food and agricultural industry on the front line, with a unique and out-sized role to play. The good news is that companies like Nestlé, one of the world's largest food businesses, with a value chain that spans 187 countries and encompasses 500,000 farmers, are stepping up to the challenge. They see a huge opportunity to accelerate the shift to regenerative farming in this decade. • This means working with farmers to help them protect and restore our nature and climate as well as growing food. This transition in the way we produce food will be just as significant as the energy transition for reaching net zero, while also delivering mutually reinforcing positive impacts for nature and people. • Nestlé is planning to source half of its key ingredients from farms where agricultural practices enrich the soil, replenish natural water cycles and soak up carbon by 2030. With a focus on regeneration throughout its entire supply chain, the company will also support local communities to preserve forests and restore ecosystems.

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Meanwhile, as a leading consumer-facing business, Nestlé aims to drive up demand for sustainable, nutritious diets—so it is reformulating products and rapidly expanding the portfolio of plant-based choices. Working with farmers to rethink every dimension of their ingredients, including dairy, Nestlé intends to grow more, better food to provide healthier diets for a growing population while accelerating the transition to become net zero and nature positive.

The company believes that the resilience and success of their business depends on this transition. And to achieve his goals, Mark Schneider, Nestlé’s CEO, is clear that he needs to make farmers’ needs and aspirations a top priority. What follows is an extract from *The Activist Leader*, in which Schneider shared with authors Lucy Parker and Jon Miller his perspective on why he has set his company on a path to net zero, with regenerative agriculture at the center of his roadmap.

MARK SCHNEIDER, CEO OF NESTLÉ, DOESN’T IMMEDIATELY strike you as an activist. He has the perfect pedigree to run the giant Swiss-based multinational, the largest food company in the world: born in Germany, MBA at Harvard Business School, a PhD from the University of St. Gallen, multilingual, and with impressive CFO credentials. We were keen to speak to Schneider because Nestlé has a track record of taking on issues like human rights, water use and deforestation. So, we asked him: when it comes to issues like this, are you an activist? He told us:

‘Activist; yes. A zealot; no. It’s important to make it an active part of your agenda, but you need to know where to draw the line. We’re not a charity. We’re not an NGO. This is not philanthropy. If you’re leading an organisation that has a vast footprint, you can be a part of either blocking or moving trends in your industry—and with that comes a responsibility to society.’

The key point for him is how you decide to leverage the scale of the business to drive change: ‘We aren’t a corner shop; we’re a multinational company, publicly quoted and a big part of society. Such status doesn’t suit a narrow type of leader,’ explains Schneider. That sensibility is built into the qualities he looks for in the individuals in his leadership team:

‘If you choose to be an executive at a company our size, one of the criteria we insist on is the ability to helicopter up and down: someone who can give you context but is also very willing to drill down into the details with you. If you’re just sky-high at the 10,000-foot level, you don’t get traction on the details. But if you’re not able to rise above and see how that all links to the wider ecosystem around you in the world, then you’re also not in the right place as a leader of this organisation.’

Nestlé works across a wide range of societal issues, but they’ve made climate change and regeneration a key priority. For Schneider and his entire executive team, that’s where the scale of the company and the scale of the issue intersect:

‘You have to pick your battles; you have to pick your priorities. There are lots of other things you could do, of course. But you can’t lead the charge on all of them, at the end of the day, you’re unlikely to get the traction you need.’

‘Climate change to me is the biggest and most defining issue of our time. It’s getting awfully warm on this planet. If we don’t address that, many of our lesser problems may not actually count that much. That’s where I, personally, and my colleagues are on this: we all feel that given the impact of agriculture and food on the climate, we have to make a contribution. Our industry stands for a quarter of all emissions—and we are the largest food company—so this is our calling.’

That for him is the big picture—the helicopter view—of the climate challenge. Drilling down into the detail, he took himself out into the fields to meet the farmers. What he saw gave him conviction that this is doable. ‘Not much happens fast in agriculture,’ he laughed, ‘but when you compare these fields side by side, one traditionally farmed, the other with regenerative methods, after a few years, you already see a difference.’ However, the revelation for him was what making this transition asks of the farmers themselves:

‘On a personal note, the part that really blew me away was that the farmers I met all had a similar story to tell. It took three or four years of increased investment and reduced yield before finally these new methods got traction; they had almost had to give up. So, there’s a valley of tears.’

It was a big insight for Schneider: these were farmers in Switzerland, one of the richest countries in the world; if they were experiencing such challenges, how much tougher it must be for farmers in many other places. And yet Nestlé’s ambitions on climate depend on farmers adopting these new techniques:

‘What became clear to me is: we as the buyer from these farmers, we have to actively help them because, otherwise, these people will not be able to make this transition. They’re the most exposed in this supply chain. It’s not enough for us just to insist that this has to be done. We have to help them with technical assistance, the premiums that we pay and sometimes financial assistance, to make it through that valley of tears.’

At their AGM in 2021, Schneider announced a €3.6 billion investment over five years to tackle climate change and regenerative farming.

‘Nestlé is really showing us a glimpse of how future business is going to be approached,’ commented a GlobalData analyst: ‘Other companies should take note.’ The message coming from Schneider is if you’re serious that you want this to happen, you need to get serious about what it takes to deliver on it. ♦