

NESPRESSO AND BLUE MARBLE MICROINSURANCE LAUNCH PILOT WEATHER INDEX INSURANCE PROGRAM FOR SMALLHOLDER COFFEE FARMERS IN COLOMBIA

Program commences with nearly 2,000 farmers across over 5,700 hectares in Caldas, Colombia

New York, NY – OCTOBER 2, 2018 – Nespresso, the worldwide pioneer and reference in premium portioned coffee, and Blue Marble Microinsurance, a startup with the mission of providing socially impactful, commercially viable insurance protection to the underserved and incorporated by nine insurance entities, have collaborated to launch a pilot weather index insurance program for smallholder coffee farmers in Colombia.

In the face of climate change, there is an immediate need to establish innovative solutions that help to ensure coffee producers have long-term security. Smallholder coffee farmers are subject to immense risk as unpredictable and adverse weather conditions can have detrimental effects on coffee crops. There is a lack of suitable insurance options available to these farmers.

This gap is precisely why Nespresso and Blue Marble are working together to enhance the welfare of coffee farmers and address supply chain risk. This pilot weather index insurance program has commenced with 1,975 farmer participants across 5,724 hectares, belonging to the farmers of the Aguadas and Norte de Caldas cooperatives in Caldas, Colombia. The program is a co-creation of farmers, Nespresso coffee specialists and Blue Marble insurance experts. It provides tailor-made coverage for excess rainfall and drought during the developmental stages in which coffee is most vulnerable to climatic shocks.

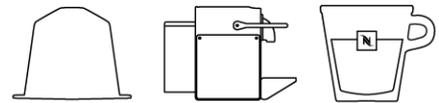
“This pilot initiative helps to establish a support mechanism for smallholder coffee farmers in Colombia so that they can continue to thrive in the face of climate change,” said Guillaume Le Cunff, President and CEO of Nespresso USA. “Nespresso is truly grateful for Blue Marble’s partnership in developing this vital initiative for smallholder coffee farmers, whom we work closely with and rely on to grow and harvest the world’s highest quality beans.”

“Our changing climate poses serious threats to the livelihoods of coffee producers, especially smallholder farmers,” said Joan Lamm-Tennant, Chief Executive Officer and Founder of Blue Marble. “Insurance provides these farmers with critical safety nets, and it can have a lasting impact. Blue Marble is proud to work with Nespresso to help mitigate risk and create value in the lives of these farmers.”

“Having an insurance solution that protects our members from the devastating effects of climate change is critical for the cooperatives,” said Cesar Julio Díaz, Head of the Aguadas and Norte de Caldas cooperatives. “It allows coffee growers access to economic resources in the form of insurance payouts that will help them re-establish their crops, making them productive and able to continue with their agronomic activity.”

Through the use of satellite technology, this pilot weather index insurance program provides farmers with an affordable and efficient solution. In the event of excess rainfall or drought, payments are automated and quick. All of the pilot program design parameters have been validated by farmers based on their knowledge and historical yields.

Over time, Nespresso and Blue Marble intend to expand this program to other regions. The National Federation of Coffee Growers of Colombia (FNC) has expressed interest in extending this program to other coffee regions. Blue Marble and Nespresso are continuously working



with the farmers and cooperatives to refine the design of the program, with the aim of scaling it in the near future.

Blue Marble and Nespresso would like to thank key partners for their ongoing support in the development of this innovative program. Cafexport, a company focused on delivering sustainable coffee to the roasting industry, is helping with the implementation of the pilot initiative in Caldas. Nespresso's long-time partner Fairtrade International, a non-profit focused on promoting fairer trading conditions, is working with Nespresso to implement and promote sustainable coffee production in Colombia. Cooperatives have democratically chosen to use their Fairtrade International premiums to pay for the pilot weather index insurance program.

Matching Blue Marble's investment, Nespresso is financing the pilot program through the Nespresso Sustainability Innovation Fund, which facilitates the company's investment in sustainability initiatives that go beyond its core business operations. Nespresso has committed an initial \$10 million to specific innovative coffee value chain initiatives, including this vital program.

This initiative is an integral part of Nespresso's larger commitment to utilizing responsible and sustainable practices throughout its entire supply chain, from coffee sourcing to aluminum stewardship. One such example is the company's unique, green coffee-sourcing approach, the Nespresso AAA Sustainable Quality™ Program. This innovative system works directly with over 70,000 farmers in 12 countries to better manage their farms, their businesses and their land, helping to protect the future of the highest quality coffees.

The pilot insurance program also aligns with Nespresso's actions on climate change. These initiatives range from energy-efficient machine design and renewable energy (RE100) in its factories to certified agroforestry insetting through the planting of five million trees by 2020. All of these actions ensure that Nespresso's operations are carbon neutral.

One major benefit of Nespresso portioned coffee is that it minimizes waste. The company's precision consumption system uses only the exact amount of coffee, energy and water that is needed to brew a single cup. Thereby, it reduces the carbon footprint, as well as the food, energy and water waste, per serving.

Additionally, Nespresso capsules are fully recyclable. The company uses aluminum because it is the best material for preserving the quality of its coffees and it can be recycled again and again. Aluminum that comes from recycled Nespresso capsules is used in a wide range of products, from window frames to bicycles, and even new capsules.

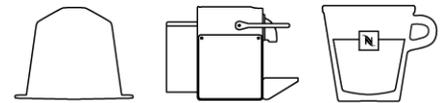
With the creation of this new option for smallholder farmers in Colombia, Nespresso and Blue Marble are leading the way in the realm of coffee crop insurance. It is their determined hope that other players within both of their industries will participate in this program in the future.

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About Nestlé Nespresso SA

Nestlé Nespresso SA is the pioneer and reference for highest-quality portioned coffee. The company works with more than 75,000 farmers in 12 countries through its AAA Sustainable Quality™ Program to embed sustainability practices on farms and the surrounding landscapes. Launched in 2003 in collaboration with The Rainforest Alliance, the program helps to improve the yield and quality of harvests, ensuring a sustainable supply of high quality coffee and improving livelihoods of farmers and their communities.

Headquartered in Lausanne, Switzerland, Nespresso operates in 76 countries and has 13,500 employees. In 2017, it operated a global retail network of more than 700 boutiques. For more information, visit the Nespresso corporate website: www.nestle-nespresso.com.

About Blue Marble Microinsurance

Blue Marble Microinsurance is a startup with a mission of providing socially impactful, commercially viable insurance protection to the underserved. A UK corporation owned by nine insurance entities, Blue Marble incubates and implements microinsurance ventures that advance food security, financial inclusion and microentrepreneurship.

The owners are: American International Group, Inc., Aspen Insurance Holdings Limited, Grupo ASSA, Guy Carpenter & Company, LLC together with Marsh & McLennan Companies, Inc., Hamilton Insurance Group, Ltd., Old Mutual Emerging Markets Limited, Transatlantic Holdings Inc., XL Insurance (UK) Holdings Limited, and Zurich Insurance Company Ltd.

For more information, visit the Blue Marble website: www.bluemarblemicro.com.