

To the Board of Directors of Nestlé S.A.

Lausanne, 20 March 2023

Independent assurance report

We have been engaged by the Board of Directors of Nestlé S.A. to perform a limited assurance engagement on the selection of consolidated environmental and social indicators listed in Appendix 1 (the “Selected Information”) and presented in the Annual Review and in the Creating Shared Value and Sustainability (CSV) Report of Nestlé S.A (the “Reports”) for the reporting period from 1 January 2022 to 31 December 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Reports, and accordingly, we do not express a conclusion on this information.



Applicable criteria

The applicable criteria (hereafter “Applicable Criteria”) defined by Nestlé and used to prepare the Selected Information consist of internal reporting guidelines, a summary of which is provided in the “Reporting Scope and Methodology for ESG Key Performance Indicators”. We believe that these criteria are a suitable basis for our limited assurance engagement.



Responsibility of Nestlé

The management of Nestlé is responsible for the selection of the Applicable Criteria and for the preparation and presentation of the Selected Information in accordance with the Applicable Criteria. This responsibility includes the design, implementation, and maintenance of internal controls relevant to the preparation of the Selected Information that are free from material misstatement, whether due to fraud or error.



Independence and quality control

We have complied with the independence and other ethical requirements of the *International Code of Ethics for Professional Accountants (including International Independence Standards)* issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



Our responsibility

Our responsibility is to perform a limited assurance engagement and to express a conclusion about the Selected Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 “Assurance Engagements Other than Audits or Reviews of Historical Financial Information” issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform our engagement to obtain limited assurance about whether the Selected Information has been prepared, in all material respects, in accordance with the Applicable Criteria.



Summary of work performed

Based on risk and materiality considerations, we performed procedures to obtain sufficient appropriate evidence. The procedures selected depend on our judgment. This includes the assessment of the risks of material misstatements related to Selected Information. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement.

Although we considered the effectiveness of management’s internal control when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal control.

Greenhouse Gas (GhG) quantification process is subject to scientific uncertainty, which arises because of incomplete scientific knowledge about the measurement of GHGs. Additionally, GHG procedures are subject to estimation (or measurement) uncertainty resulting from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge.

Our limited assurance procedures included, amongst others, the following work:

- ▶ Assessment of the suitability of the Applicable Criteria in terms of their relevance, comprehensiveness, reliability, neutrality and understandability and their consistent application
- ▶ Inquiries of company’s representatives responsible for collecting, consolidating and calculating the Selected Information in order to assess the process of preparing the data, the reporting system, the data capture and compilation methods as well as internal controls to the extent relevant for the limited assurance engagement
- ▶ Inspection of the relevant documentation of the systems and processes for compiling, analyzing, and aggregating data and testing such documentation on a sample basis
- ▶ Analytical procedures and inspection of documents on a sample basis with respect to the compilation and reporting of quantitative data:
 - At Group level, analytical procedures to verify the correct consolidation of the collected data as well as the consistency of their evolution,
 - At the level of a representative selection of site and entities that we selected¹, based on their activity, their contribution to the consolidated indicators, their location and a risk analysis: interviews to verify

¹ 13 factories: Vergèze (France), Araras (Brazil), Aracatuba (Brazil), Tutbury (UK), Biessenhofen (Germany), Hamburg (Germany), Freemont (USA), Freehold (USA), Little Chute (USA), Karawang (Indonesia), Blayney (Australia), Riyadh (Saudi Arabia) and Coatepec (Mexico); and 13 entities (Markets & Above Market Functions): Nestlé France, Nestlé Brazil, Nestlé UK, Nestlé Germany, Nestlé Australia, Nestlé Indonesia, Nestlé Nigeria, Nestlé Mexico, Nestlé Saudi Arabia, Nestlé USA, Nestlé Business Services Lviv, Nestlé Business Services Manila and Nestrade Procurement Division; 4 entities from the 2021 scope were subject to follow up reviews: Nestlé

the correct application of the procedures and detailed tests on the basis of samples, consisting of checking the correct application of the definitions and procedures and reconciling the data with the supporting documents. The selected sample represented between 29% and 51% of the social information and between 28% and 78% of the environmental information²

- For the KPI "% virgin plastic reduction", our review of the 2018 baseline was limited to reviewing the restatements of baseline done in 2022 due to changes in consolidation scope and did not include detailed tests on 2018 data.
- For the KPI "Greenhouse Gas (GhG) emissions reductions", our review of the business as usual calculation was limited to checking that carbon intensities from the restated 2018 baseline were used in the calculation of the business-as-usual emissions as per the reporting guidelines and did not include detailed tests on 2018 data.
- ▶ Review of the consistency of the indicators listed on page 63 of the Creating Shared Value and Sustainability Report which are related to the Selected Information
- ▶ Critical review of the Reports regarding plausibility and consistency of the Selected Information with the other information in the Creating Shared Value chapter of the Annual Review and the Creating Shared Value and Sustainability Report.

Due to the necessary use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of non-detection of a significant anomaly in the Selected Information cannot be entirely eliminated.

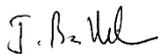
We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information has not been prepared, in all material respects, in accordance with the Applicable Criteria.

Ernst & Young Ltd



Jeanne Boillet
Partner



Laura Meadwell
Partner

Nespresso Switzerland, Nestlé Purina Petcare Company USA, Nestlé India and Nestlé South Africa; for KPIs on sourcing, selection made on a representative sample of commodities: soy, palm oil (for deforestation-free primary supply chains) and soy, cereals, palm oil, dairy derivatives and fish and seafood (for key ingredients produced sustainably)

² GhG emissions (CO₂e) Scope 1,2 and 3 and GhG emissions reductions compared with a business-as-usual scenario: 42%; CO₂e of removals: 78%; Water use reduction: 32%; Sourcing: 35%; Packaging: 31%; key ingredients sourced through regenerative agricultural methods 28%; Affordable Nutrition: 44%; Youth: 29%; and Gender diversity: 51%.

Appendix 1: selection of environmental and social indicators

Selected Information	Reported value
Environmental	
Million tonnes of CO2e reductions achieved compared with a business-as-usual scenario, and removals secured in 2022	10.7 million tCO2e (6.4 Million tonnes of CO2e reductions compared with business-as-usual scenario and 4.3 Million tonnes of CO2e removals secured in 2022)
Greenhouse Gas (GhG) emissions – Scope 1	3.24 million tCO2e
Greenhouse Gas (GhG) emissions – Scope 2 – Market-based	0.76 million tCO2e
Greenhouse Gas (GhG) emissions – Scope 3	108.90 million tCO2e
Water use reduction in factories	2.38 million m3
Percentage of key ingredients produced sustainably	22%
Percentage of assessed deforestation-free for primary supply chains	99.1%
Percentage of plastic packaging designed for recycling	81.9%
Percentage of virgin plastic reduction	10.5%
Key ingredients sourced through regenerative agricultural methods	6.8%
Social	
Number of servings of affordable nutrition with micronutrient fortification (MNF)	129.2 Billion servings
Number of young people around the world with access to economic opportunities	1.73 million opportunities
Percentage of women in the top 200+ senior executive positions	30.2%