



Nestlé investor
seminar 2022

Leading the world of coffee

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This presentation contains forward looking statements which reflect Management's current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures and regulatory developments.

This presentation contains certain financial performance measures which are not defined by IFRS. Management believes that these non-IFRS measures provide additional useful information to assess the financial and operational performance of the Group. Such measures may not be comparable to similar measures presented by other companies and are explained and/or reconciled with our IFRS measures (Consolidated Financial Statements) in the Nestlé Group Alternative Performance Measures (APMs) document available on our Investor Website.

At a glance: our Nestlé Coffee Brands business

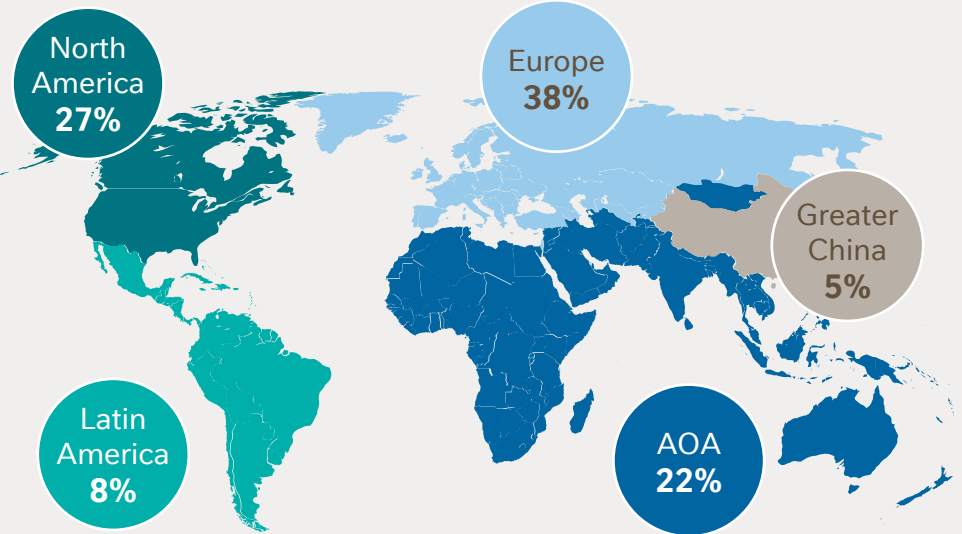
Sales 2021

CHF 22.4 bn

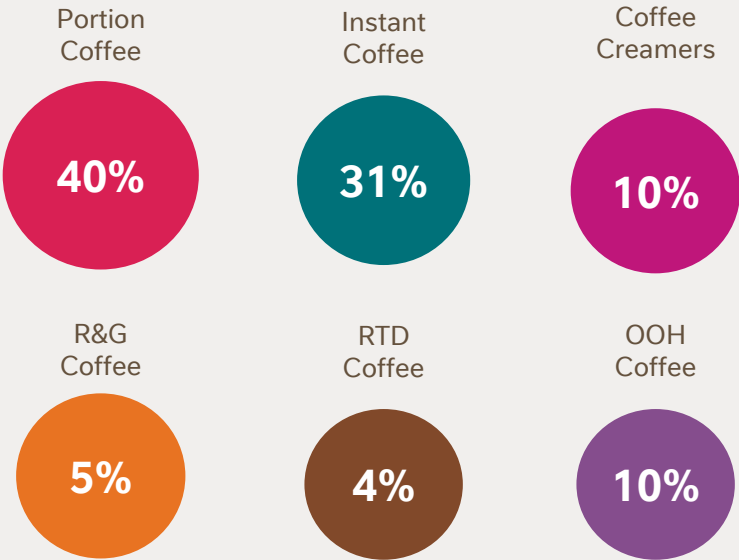
Underlying TOP margin

~24%

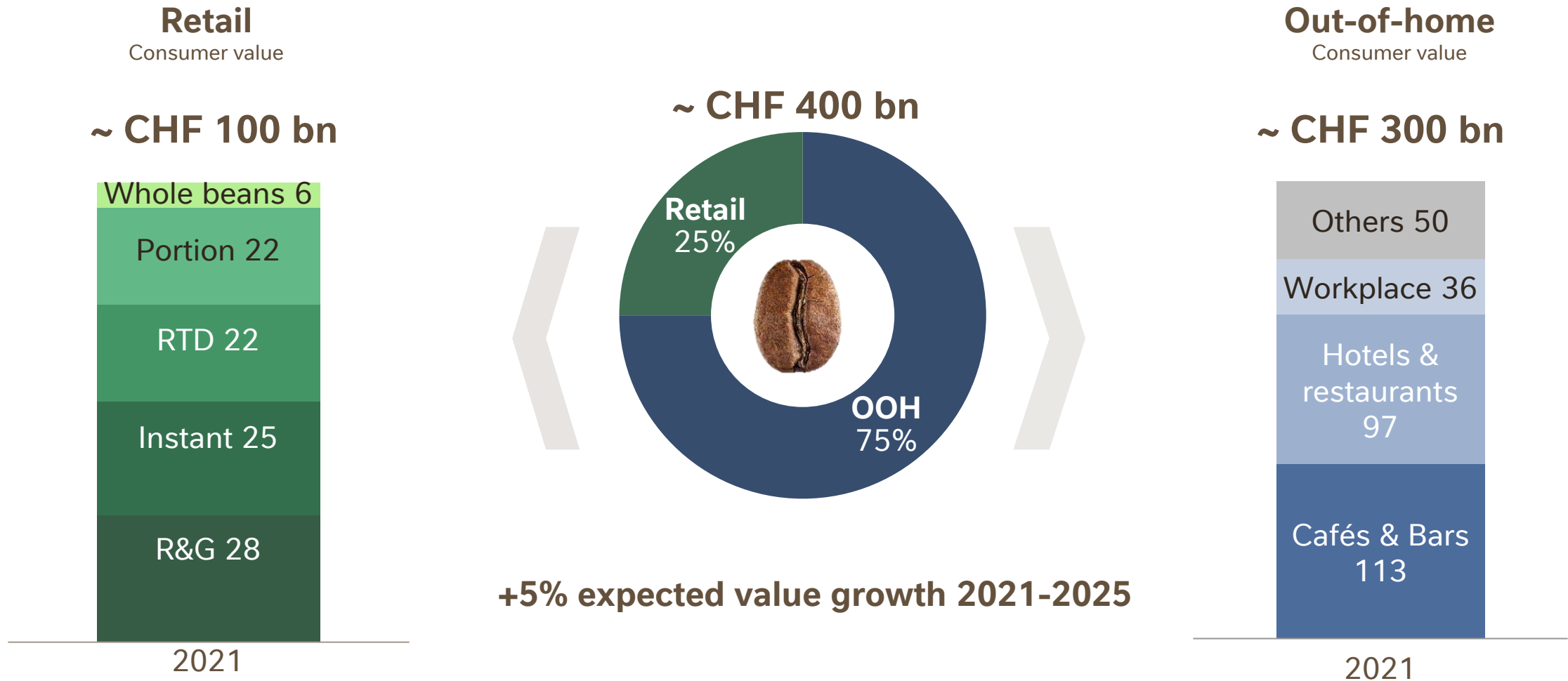
Where we sell



What we sell



Coffee: a dynamic and growing category



Source: Nestlé internal estimates, excluding RTD Japan.
November 29, 2022

Coffee growth is fueled by three key drivers



'Coffee shop at-home'
heightened expectations

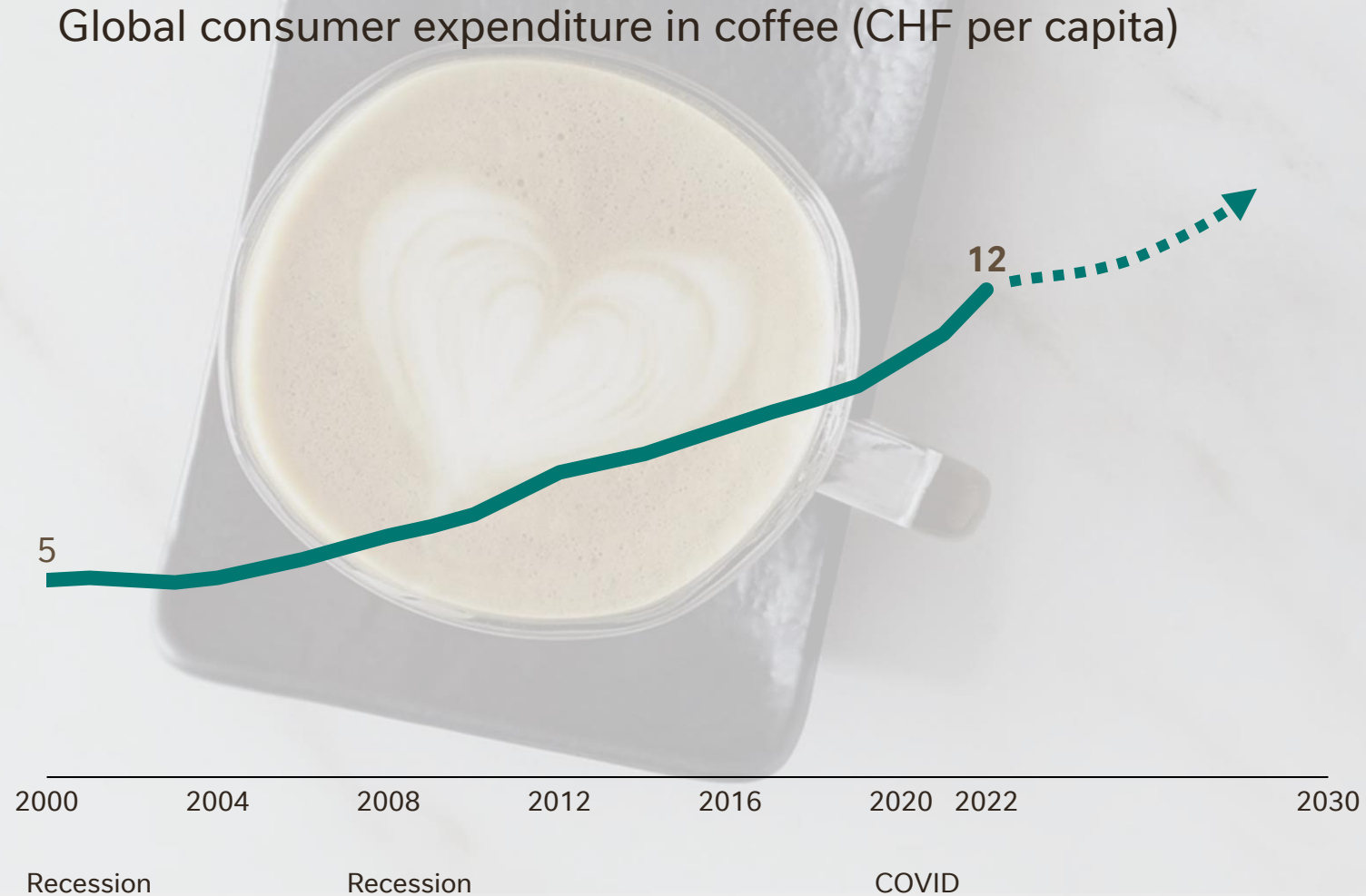


Out-of-home recovery
more premium occasions



**A world of new coffee
consumers to attract**

Coffee: a resilient category even in turbulent times

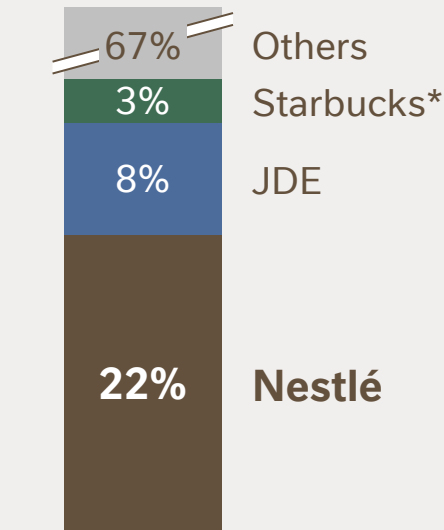


Source: Nestlé analysis on Euromonitor, 2021 fixed exchange rates, current prices

Nestlé leading the global coffee category

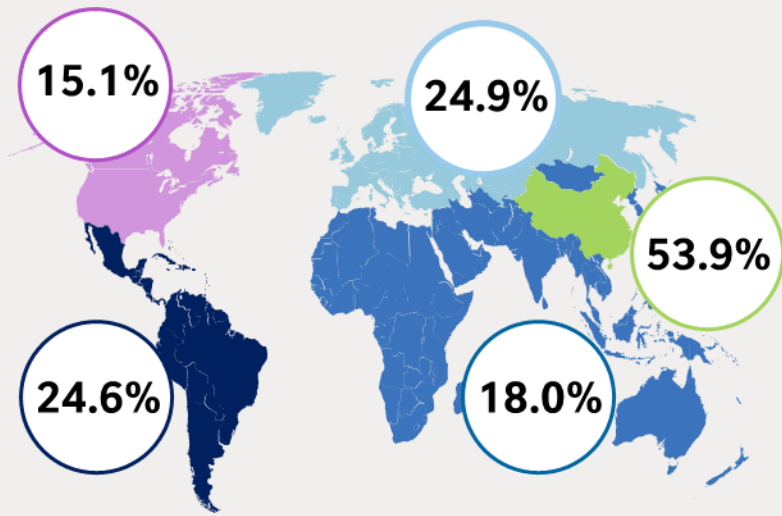
#1 coffee CPG company

Retail coffee market shares
2021



#1 across every geography

Retail coffee market shares
2021



+ 70 bps
market share gains globally

Source: 1. Euromonitor, 2021. *CPG business that is not part of Nestlé partnership. 2. Market share variation vs 2019.

Three iconic brands to delight consumers around the world



NESCAFÉ

The world's preferred
coffee brand



NESPRESSO

The leading premium
coffee brand

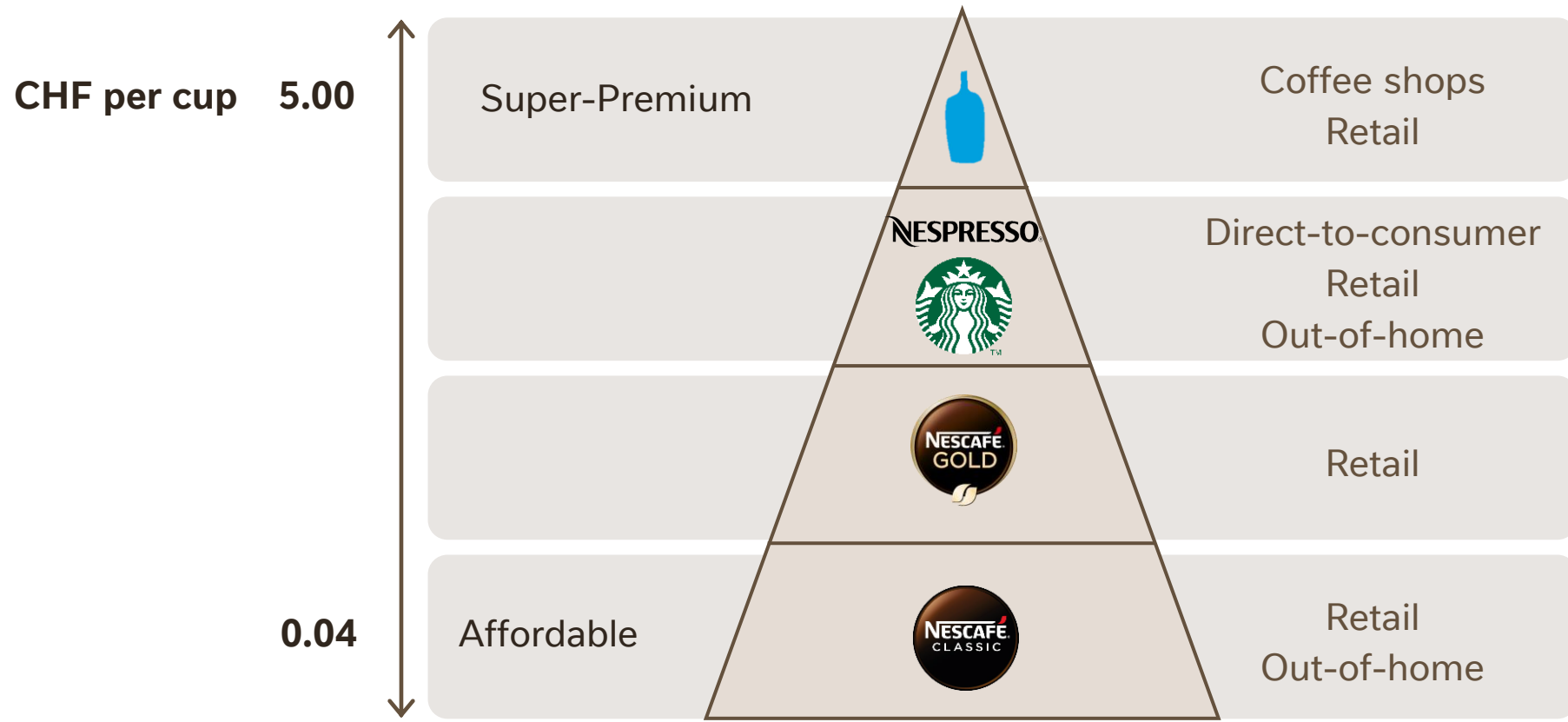


STARBUCKS

The iconic
coffee shop brand

Leveraging a unique complementary portfolio to capture value

Indicative price per cup and distribution channels



Note: Limited to the scope of Nestlé & Starbucks Global Coffee Alliance. Nestlé analysis

Nestlé Coffee strategic growth drivers

1 Strengthening our core business



2 Leading in innovation



3 Accelerating cold coffee



4 Driving out-of-home



5 Leading in sustainability

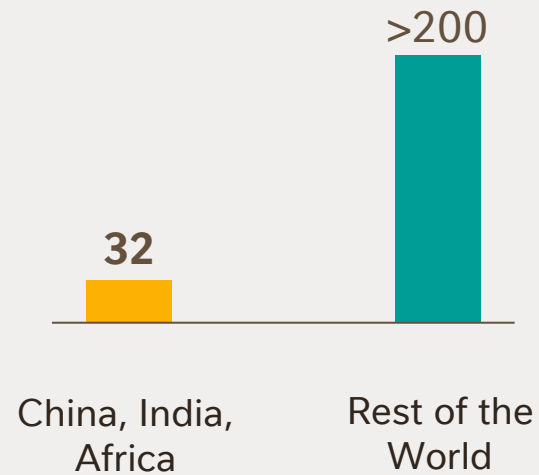
6 Unleashing digitalization

Nescafé: the world's favorite coffee brand

1

Increasing penetration

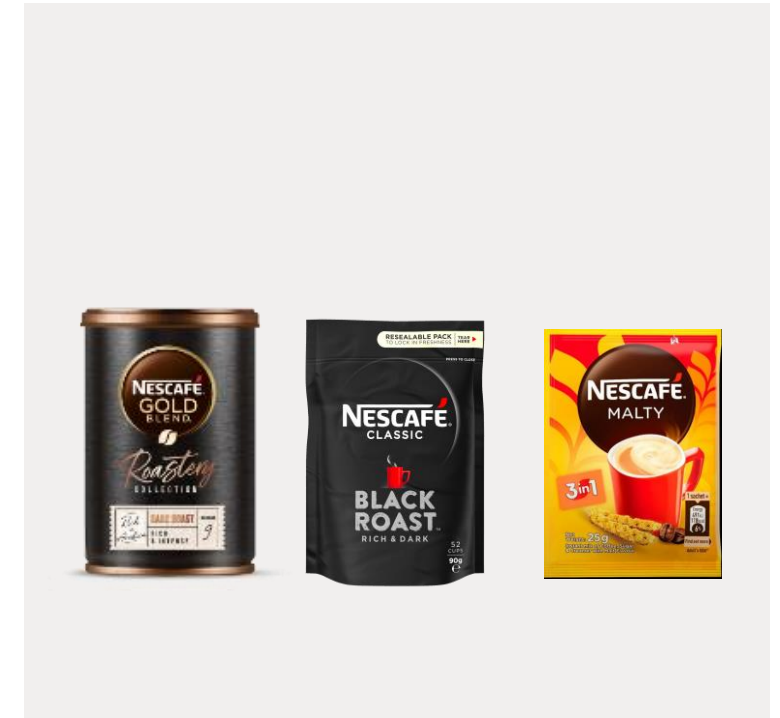
Coffee cups per person per year



Premiumizing the range



Innovating beyond the core



Nespresso: 100% D2C, digitally-enabled from bean to cup

1

Accelerating category development with Vertuo



Driving in-cup preference through the rarest coffees



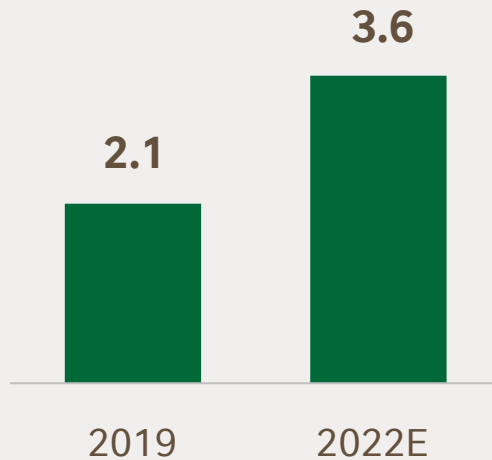
Expanding ecosystem to increase consumer value



Starbucks: delivering on our expansion plan

1

**CHF 1.5 bn
incremental sales**



**Expanding
portfolio**



**Bringing Starbucks experience
to over 80 countries**



Starbucks: set for next wave of growth

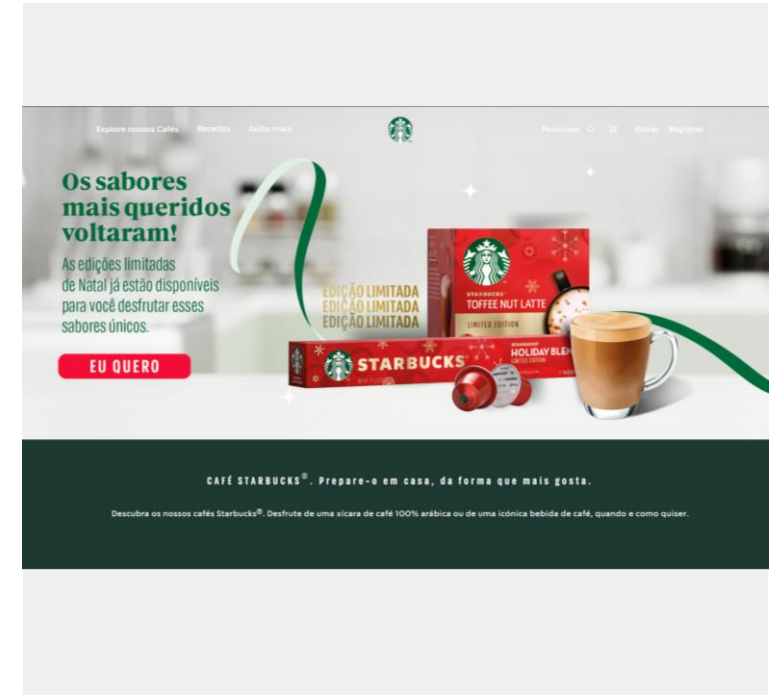
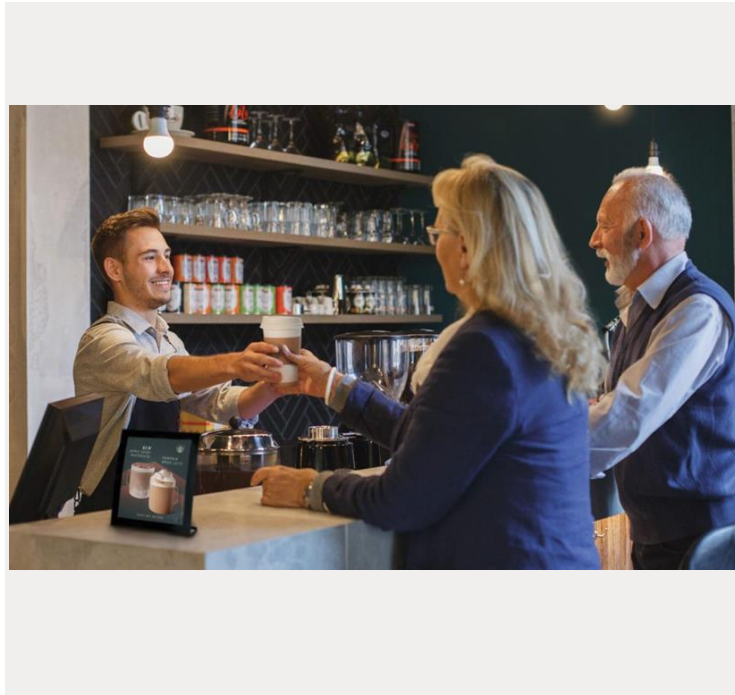
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Expecting to maintain growth momentum toward CHF 5 bn in the medium term

Fuelling recruitment
via innovation

Expanding
in out-of-home

Building our partnership
towards a digital ecosystem



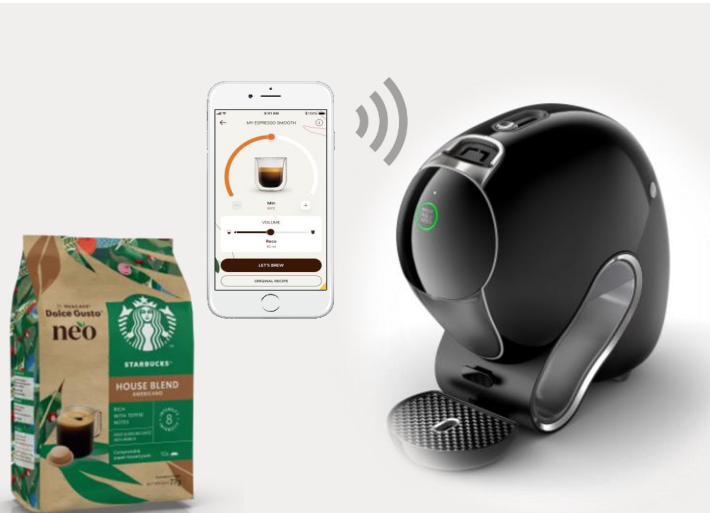
Leveraging unique innovation capabilities

2

NESPRESSO®



Home compostable
paper-based pods



Connected system +
paper-based pods

ROASTELIER™
by NESCAFÉ®



INTELLIROAST™ technology

Cold coffee is a major growth platform

3

Win in key markets



Launch Starbucks in select markets



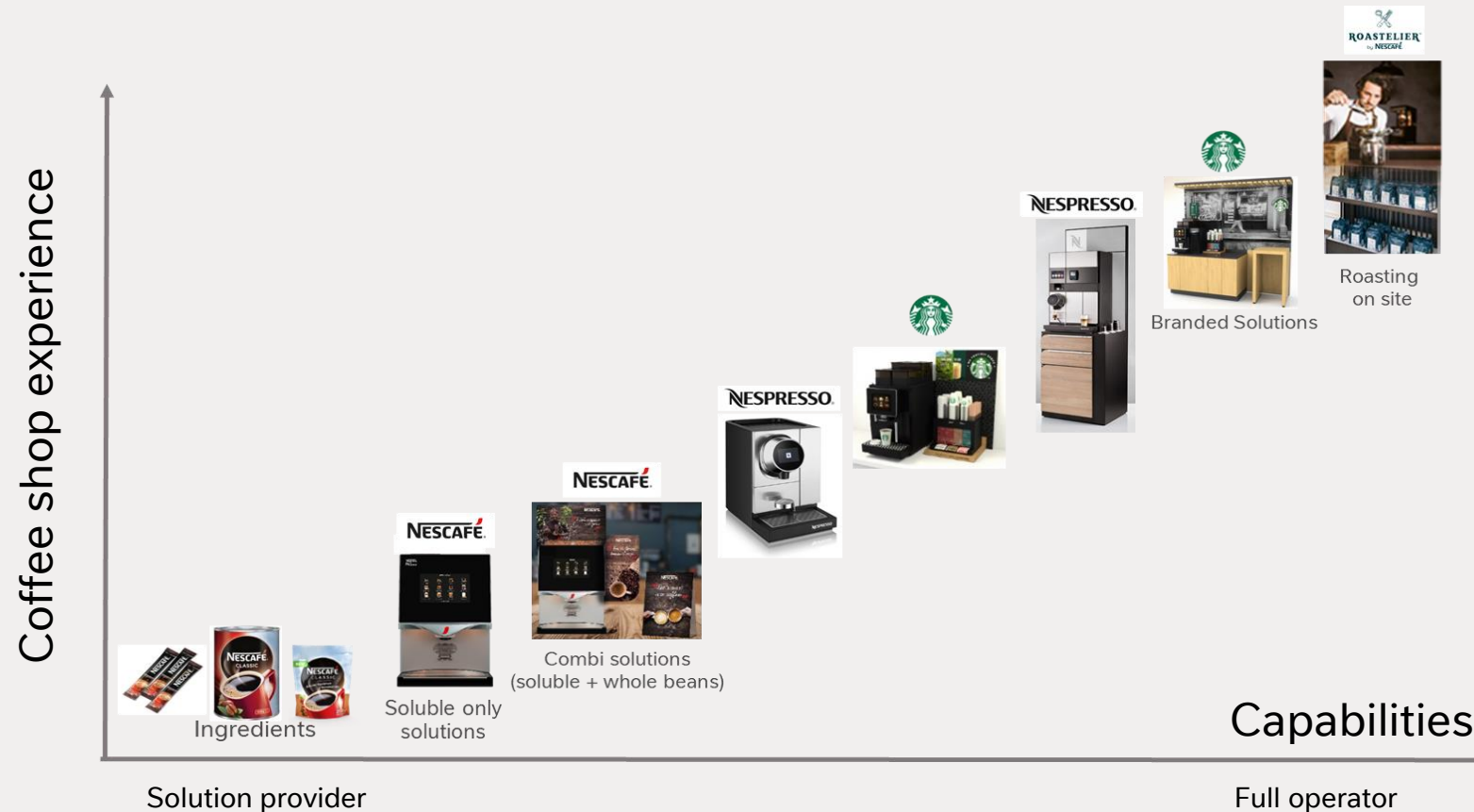
Win with cold in-home



Capturing growth in out-of-home with brands and solutions

4

Leveraging the strengths of our portfolio across segments



Capturing growth in out-of-home with brands and solutions

4

Accelerate penetration of our portfolio



Conquer premium R&G with Starbucks



Securing the future of coffee while improving the lives and livelihood of coffee farmers

5

Our principles



- **Regenerative** Agriculture
- **Net Zero** carbon emissions
- **Inclusive** value chain

Unique capabilities



- **R&D expertise** in plant science
- **>700 agronomists**

Impactful commitments



By 2025:

- **100% sustainable** coffee, 20% via regenerative agriculture
- **20% carbon reduction** vs. 2018

Unleashing digitalization to fuel consumer engagement and value

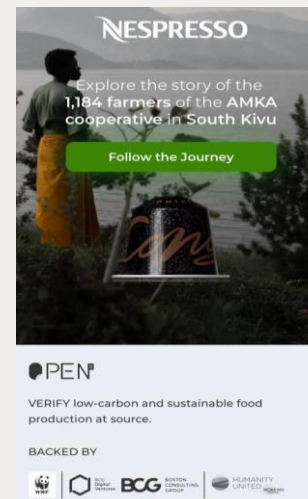
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Fuelling customer engagement with digital connectivity



Connected machines ensuring personalisation and seamless CRM

Leveraging digitalisation and data across the value chain



Real time transparency enabling

- responsible sourcing
- farmers financial inclusion
- regenerative farming

Innovating faster with real-time data & predictive analytics



- Test & learn at **scale**
- **Shorter** time to shelf

Key takeaways

- 1. Leading coffee with three iconic and complementary brands**
- 2. Objective to outperform category growth**
- 3. Building growth opportunities across brands, channels and markets**
 - Nescafé: bringing new consumers into coffee and driving premiumization
 - Nespresso: leveraging D2C ecosystem to premiumize the coffee experience
 - Starbucks: expanding into new channels and ecosystems to drive the next wave of growth
- 4. Moving at speed to capture growth, with digitalization as key enabler**