



Nestlé investor
seminar 2022

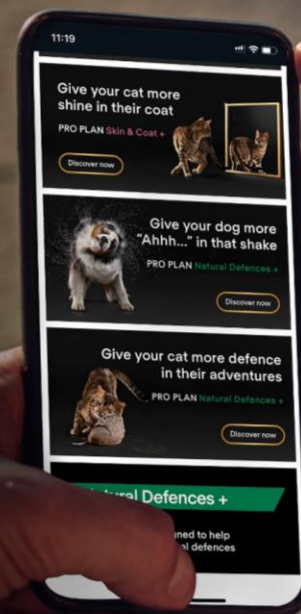
Accelerating our data-driven digital transformation

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Disclaimer

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.

Six emerging trends boosted and confirmed post COVID

Food as 1st Medicine



E-commerce / digital acceleration



Affordable / premium polarization



Local for local











Sustained in-home / reinvented OOH



Sustainability



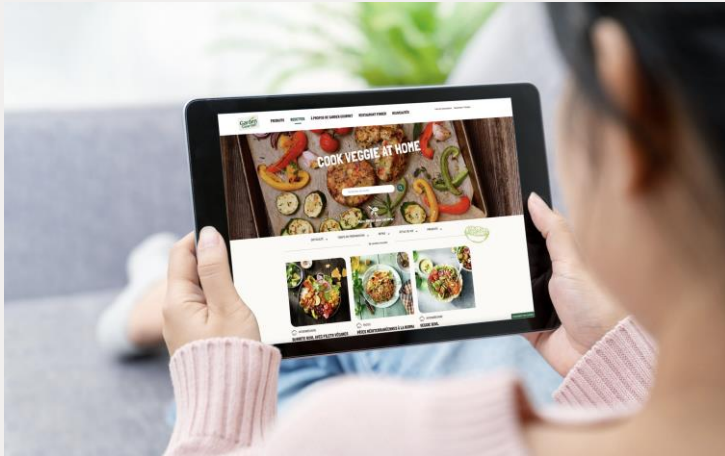
Holding strong positions in large, fast-growing categories

Category		Market size (CHF bn)	Market Growth (CAGR '18 - '21)	Nestlé 2021 sales (CHF bn)	2021 market share (where we play)
Coffee		100	5%	22	28%
Petcare		150	9%	16	23%
Food		370	6%	12	32%
Dairy		180	4%	7	31%
Nutrition		70	2%	8	21%
Confectionery		180	3%	8	22%
Consumer Care + Medical Nutrition		180	6%	5	14%
Waters		230	3%	4	9%

Market size relates to retail channel only. Coffee sales include creamers

The digitalization of food & beverage industry continues

Digital consumption increasing



147 minutes*
global average for time spent
on social media amongst
internet users per day in 2022

Online shopping is pervasive



60% of shoppers
expect to increase usage
of digital shopping channels

New business models emerging



300%
expected growth for social
commerce by 2025
20%
of media spend to go on
e-retail media by 2025

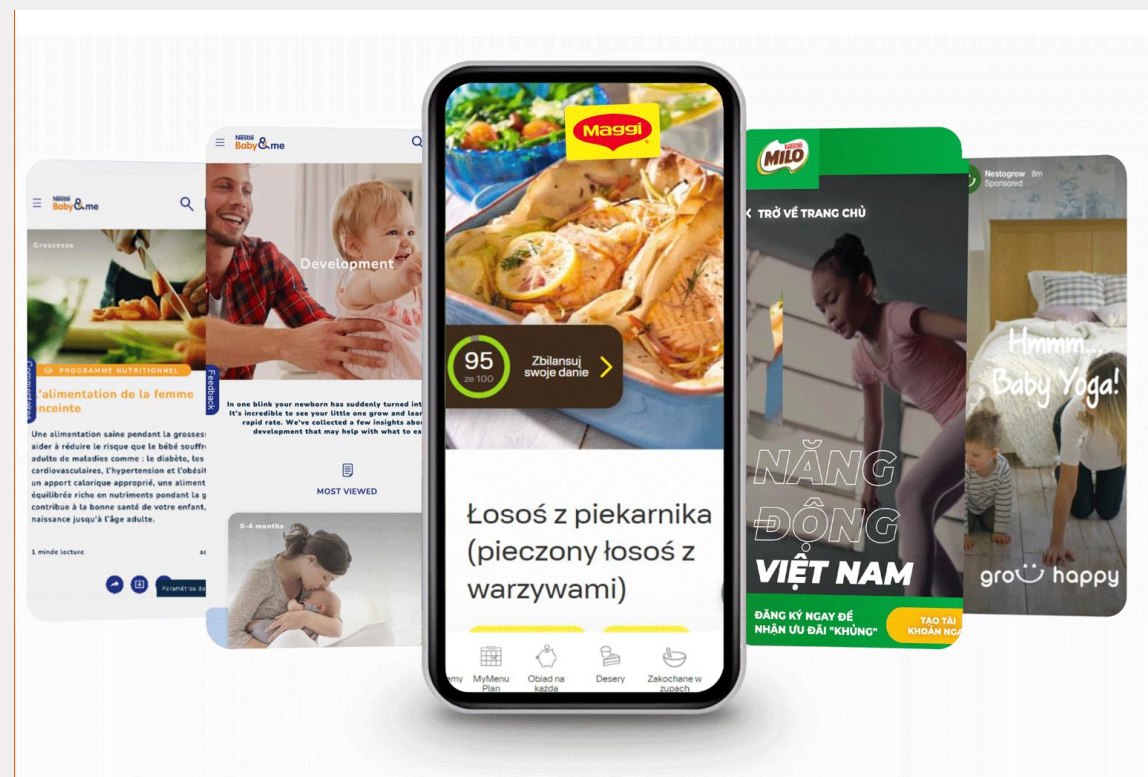
Source: Nielsen IQ, Statista 2022, GWI; Wunderman Thompson, Future Shopper Report 2022; Survey Q1-22, Morning consult survey Q2-22; Accenture, Why shopping's set for a social revolution Q1-22

* Amongst worldwide internet users in age group 16-64

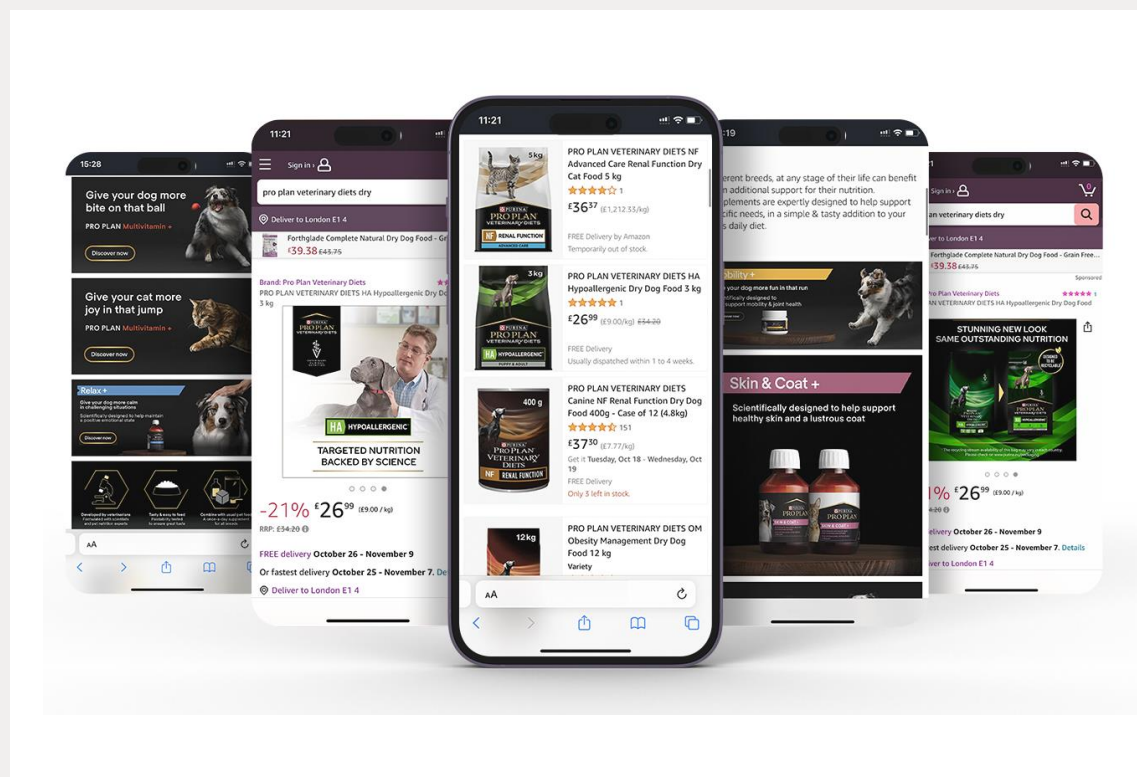
November 29, 2022

Data and technology are an essential source of competitive advantage

Building a seamless consumer experience



Navigating a channel-less commerce ecosystem

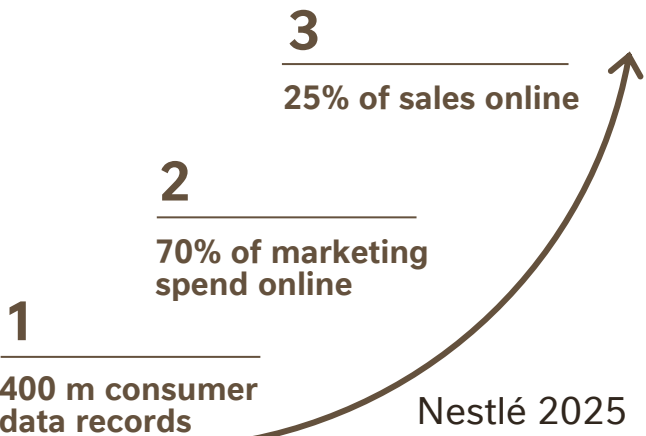


Source: Amazon.co.uk; Internal content

Confirming our ambition for digital transformation

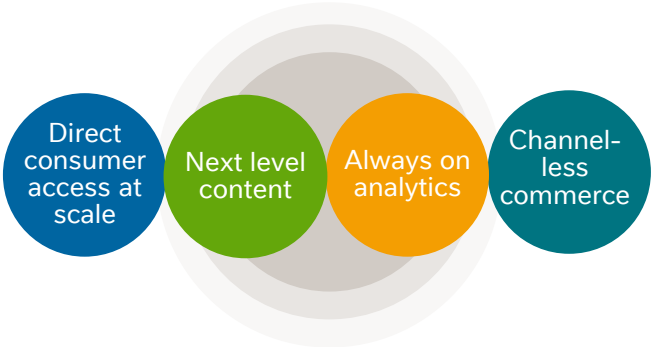
Ambition

Accelerate our transformation
to lead the F&B industry



Approach

3-year digital roadmap



End game

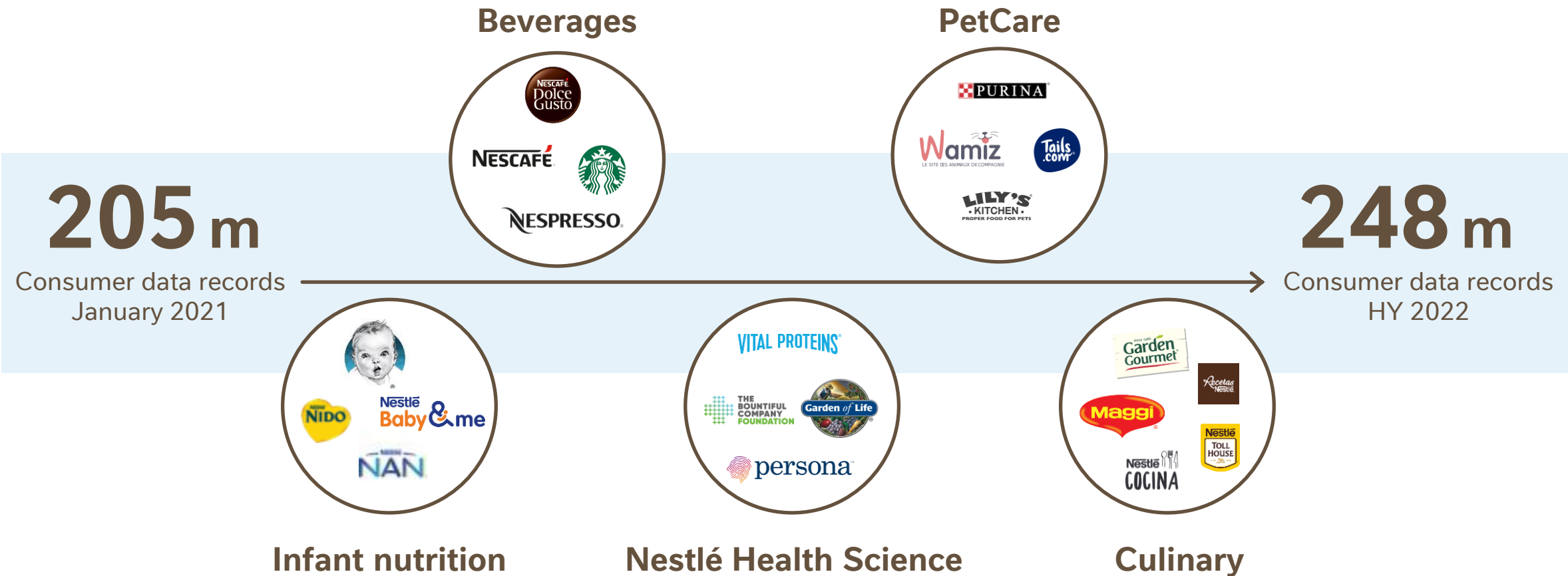
Data-powered, fully digitalized
experience-brands company



Progressing on four strategic priorities to build competitive advantage



Making progress to reach 400 m consumer data records by 2025



Unlocking value via consumer data across geographies and categories

United Kingdom

Precision marketing



56% improvement
in cost per click (CPC)

Middle East & North Africa

Occasion-based marketing



25% improvement
in return on ad spend (ROAS)

Thailand

Content personalization

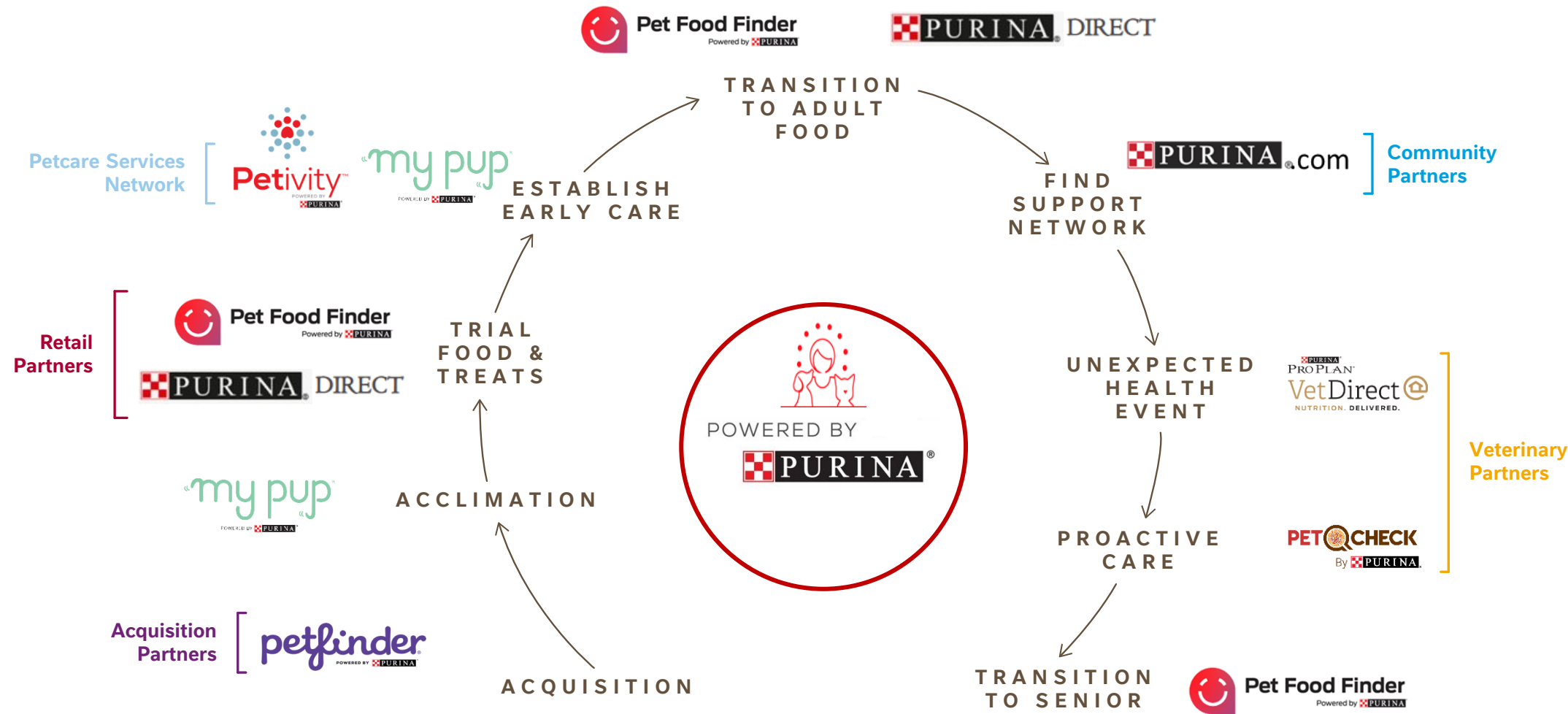


12% increase in ad recall

Leveraging consumer data to optimize digital media performance



Capturing more value across the PetCare journey via ecosystems



Notional representation of the petcare ecosystem

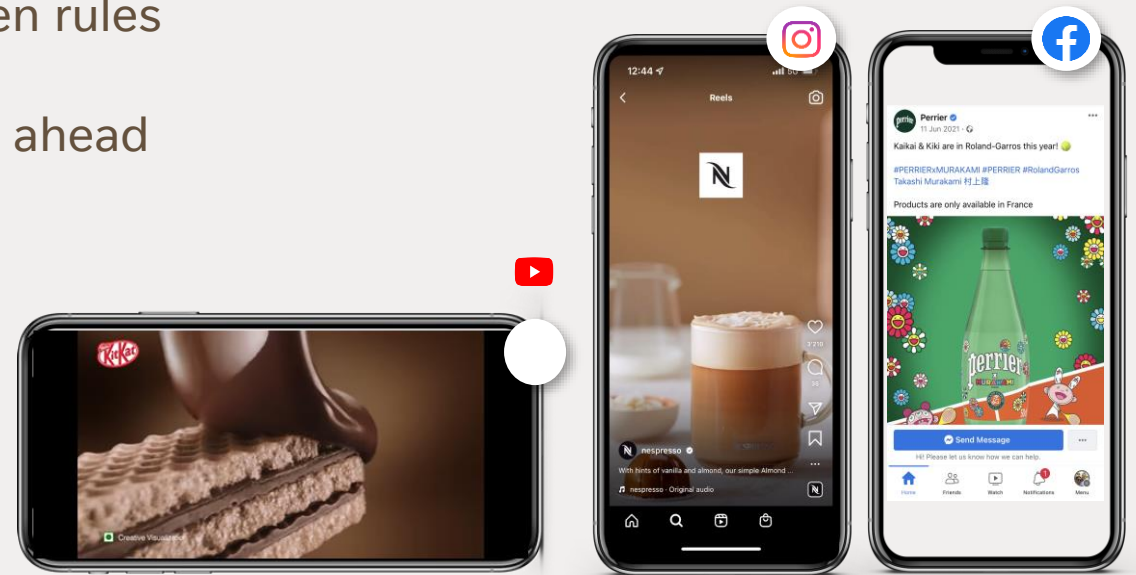
Brand-building requires exponentially more platform-specific content



Using AI to track, correct & enhance > 500 000 digital assets per year

Improving the performance of our digital content

- Ensure adherence to the 5 platform-specific golden rules
- **72%** of Nestlé creative assets meet requirements, ahead of CPG industry average (43%)*
- **Increase in effectiveness by up to 66%**



*Creative X data YTD, CPG Verticals average = 43%; Oct 2022; ROAS measurement executed by Ebiquity on Meta data in 2020

Powering digital content production via agile and cost-effective model

- Multiple digital partners replaced by **a network of internal studios**
- Deployed at scale: **more than 30 studios**
- **50% more efficient** vs. previous content model

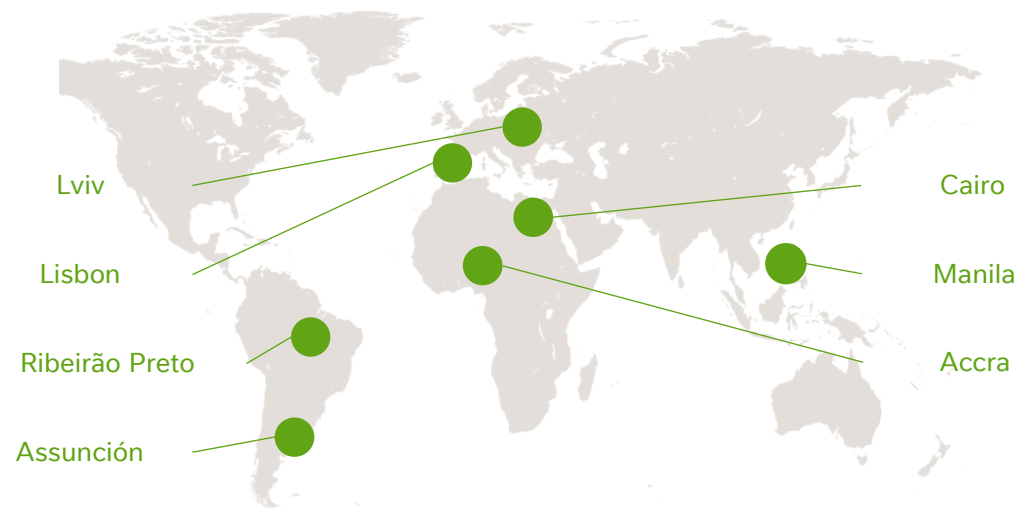


**CONTENT
STUDIO**



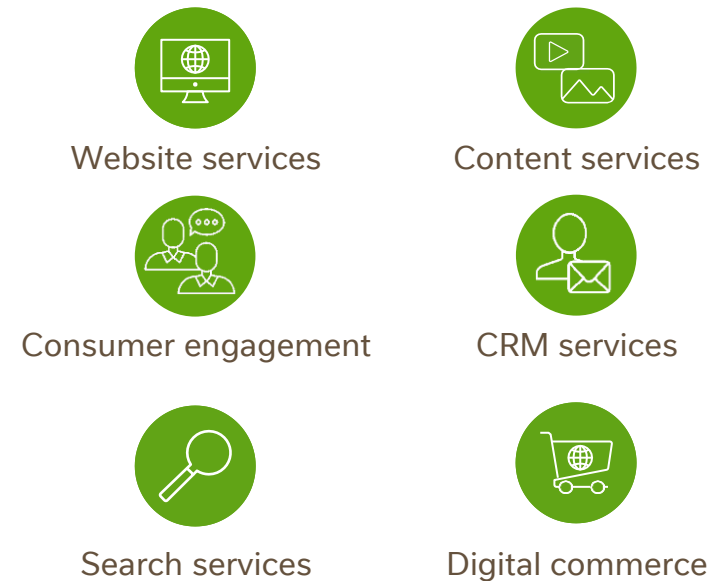
Internalizing marketing expertise across the digital value chain

> 1 000 digital specialists added



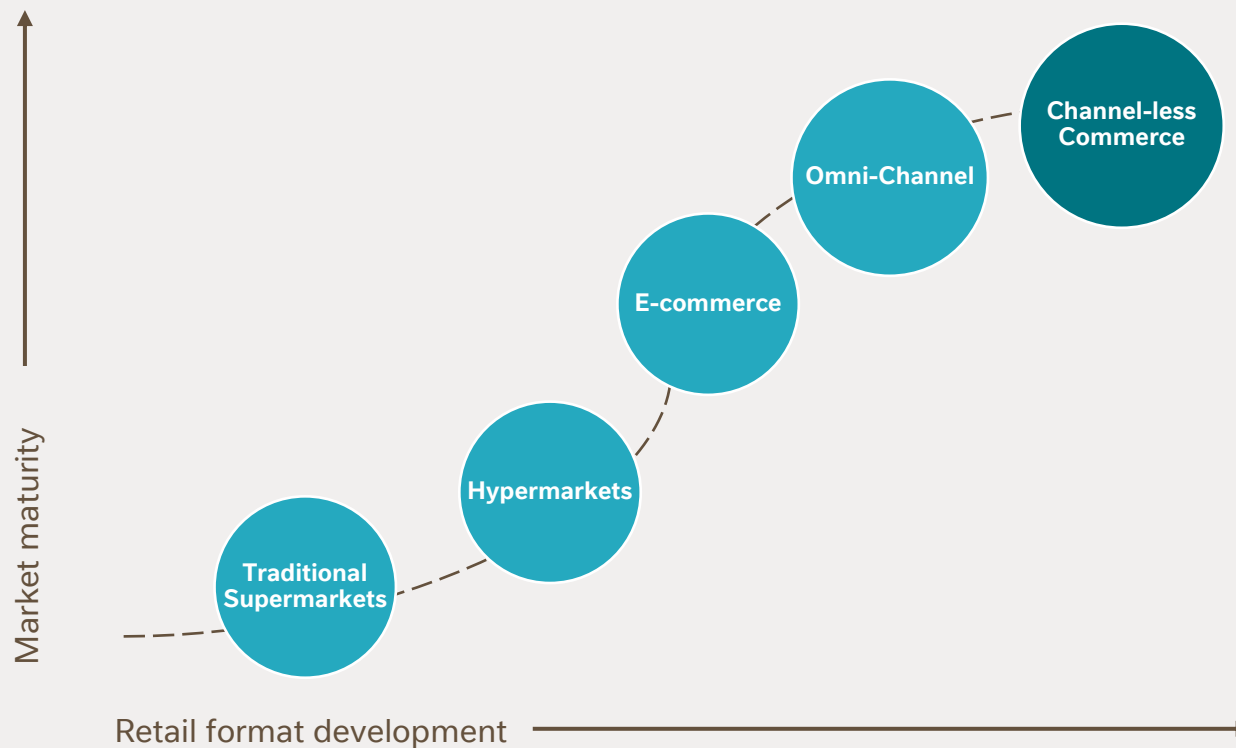
Hosted in 7 centers

Delivering **best-in-class** marketing services



57% more efficient than traditional marketing services model

Channel-less is transforming the retail landscape



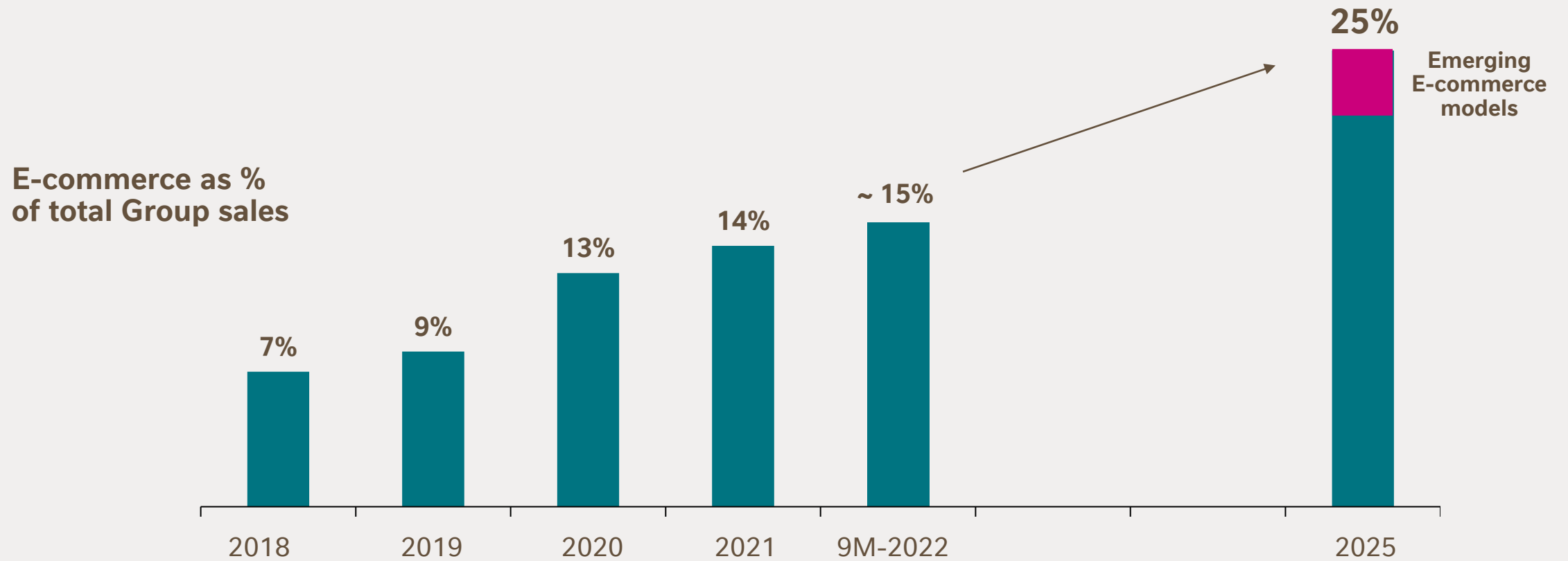
Channel-less features

- Retailers becoming **ecosystems**
- Consumers **switching effortlessly**
- **Trade fragmentation** and blurring lines

Imperatives for Nestlé

- **Direct access** to consumers
- **Analytics** capabilities
- **Win** offline, online and with new models

E-commerce momentum



Our roadmap to win in e-commerce

Excel in execution



600+ e-commerce SKUs in Amazon

Strategic partnerships



New business models



Building capabilities

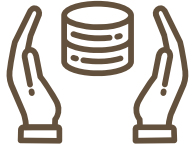
+11 k employees upskilled



eBusiness Academy



Unlocking growth potential by leveraging analytics capabilities



**Harness the
power of data**



Strategic

Predictive

Real-time



**Making
smarter investment decisions**



**Improving sales
operations effectiveness**



**Building a culture of
always-on optimization**

Advanced analytics solutions for strategic revenue management

Pricing optimization



Additional pricing captured

Customer investment management



Trade spend efficiencies

Always-on analytics for Sales Operations



- 1 Commercial dashboards
- 2 Predictive and prescriptive use cases
- 3 Enterprise-wide



Impact: India market*

- +4%** Average purchase per outlet
- 97%** Monthly forecast accuracy
- +3-5%** Improvement in demand planning accuracy

* Results from India in the scope implemented

Sales operations digitalization

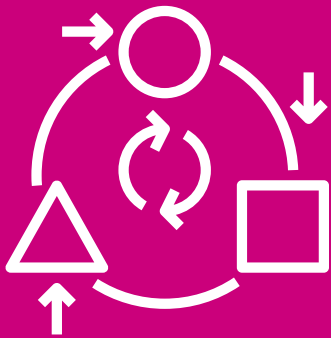


Sales operations digitalization



Nestlé is accelerating its data-driven digital transformation across all categories and geographies

TRANSFORMING OUR BRANDS



INVESTING INTO OUR PEOPLE WORLDWIDE



TO DRIVE GROWTH

