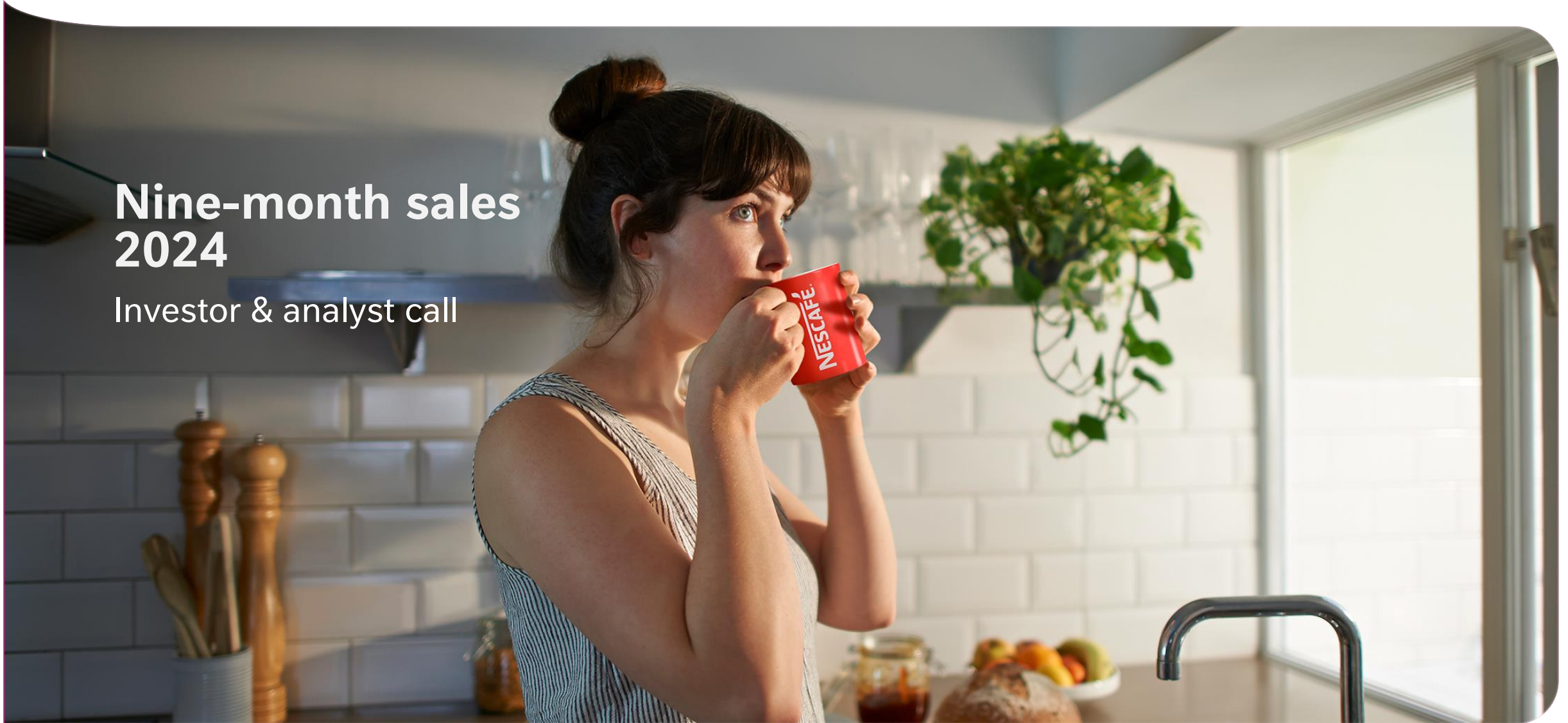




Nestlé Good food, Good life

Nine-month sales 2024

Investor & analyst call



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.



Agenda

- Nine-month 2024 sales – key messages
- Nine-month 2024 sales – commentary
- CEO perspectives
- Q&A

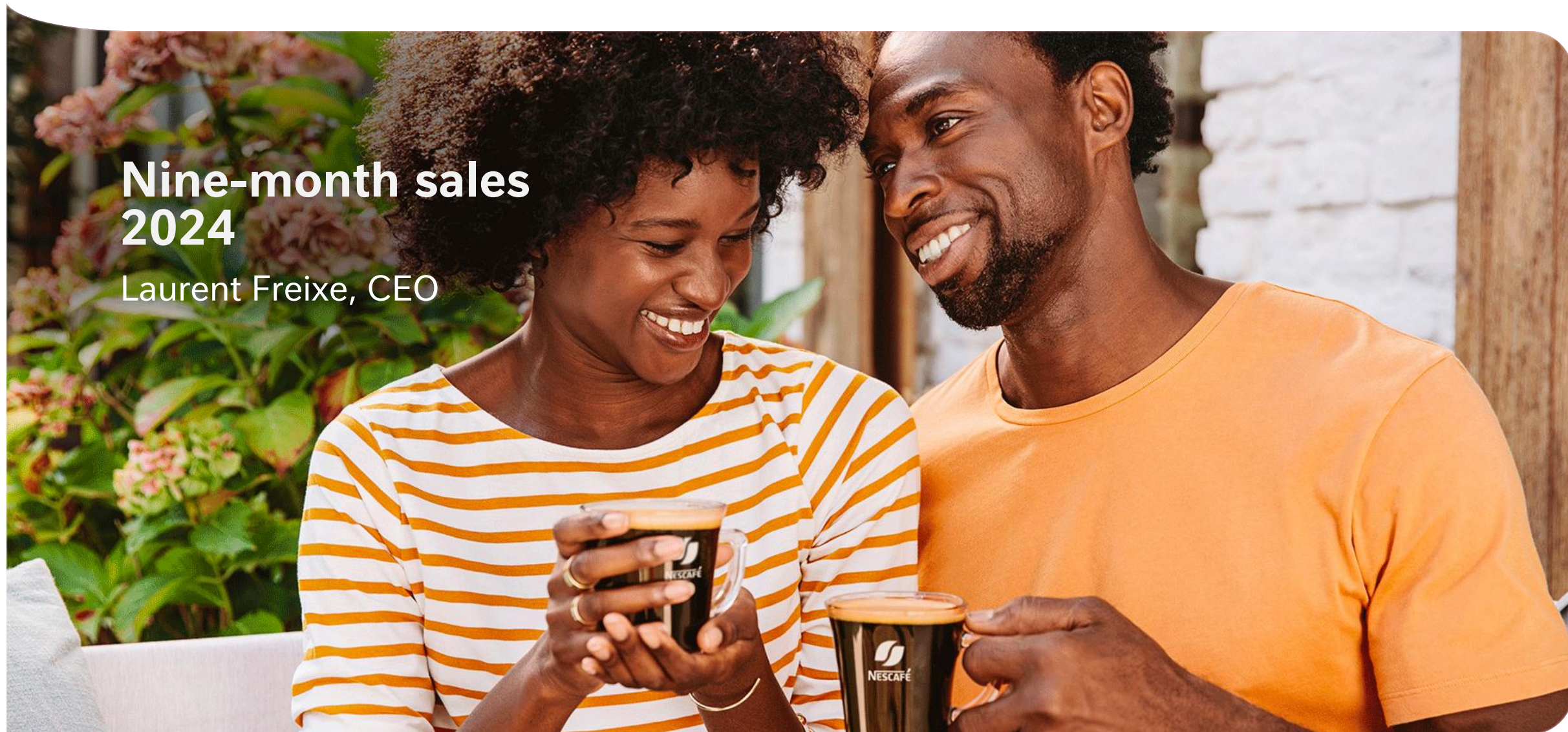




Nestlé Good food, Good life

Nine-month sales 2024

Laurent Freixe, CEO



Nine-month 2024 sales key messages

Organic growth was 2.0% for the first nine months and 1.9% in the third quarter

- Real internal growth impacted by:
 - softening consumer demand
 - actions taken to reduce customer inventory in the third quarter
 - consumer hesitancy toward global brands, linked to geopolitical tension
- Pricing normalizing following unprecedented increases in the prior two years

Growth led by coffee, PetCare and confectionery; Nestlé Health Science turnaround on track

Market shares broadly in line with the half-year for billionaire brands

Full-year 2024 guidance revised

- Organic sales growth around 2.0%, underlying trading operating profit margin around 17.0%, underlying EPS growth in constant currency broadly flat





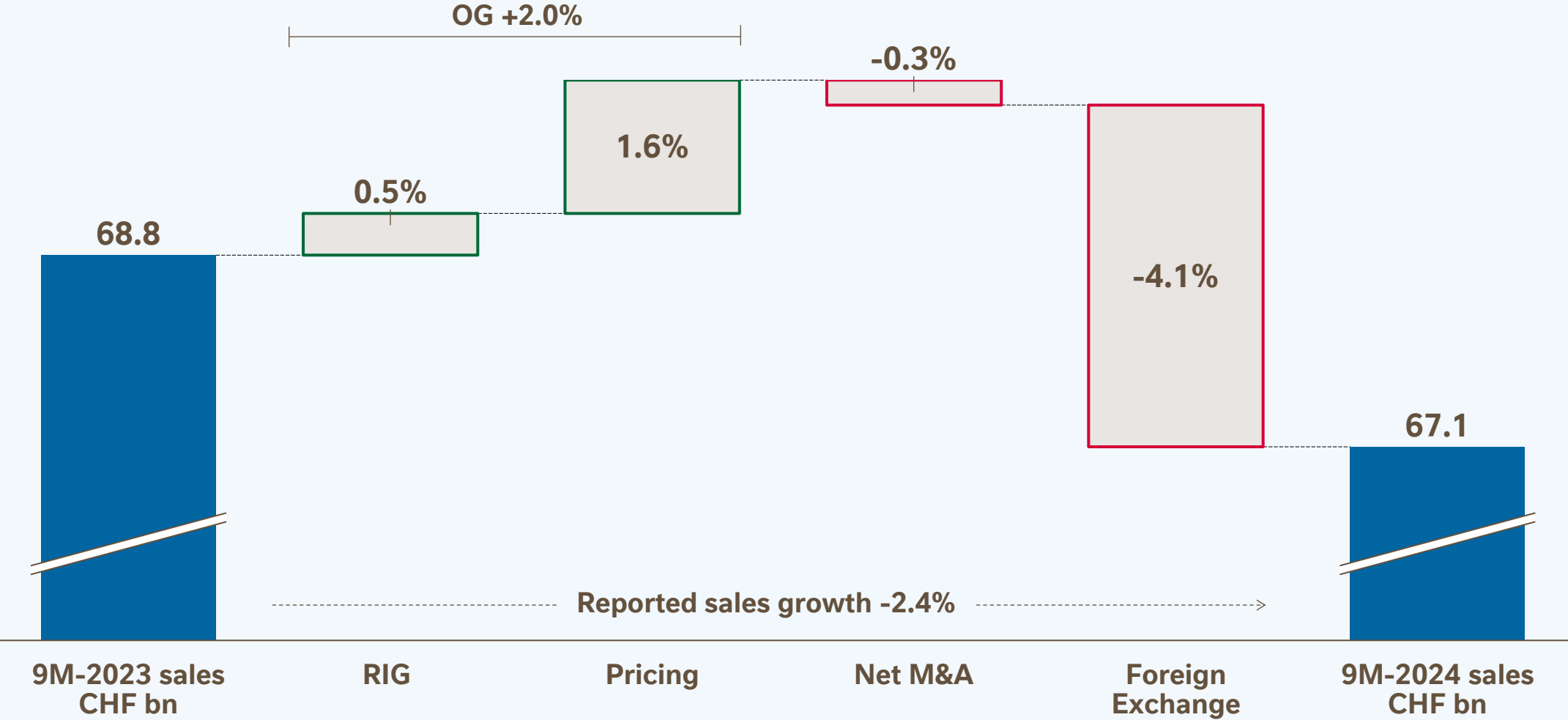
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Nine-month sales 2024

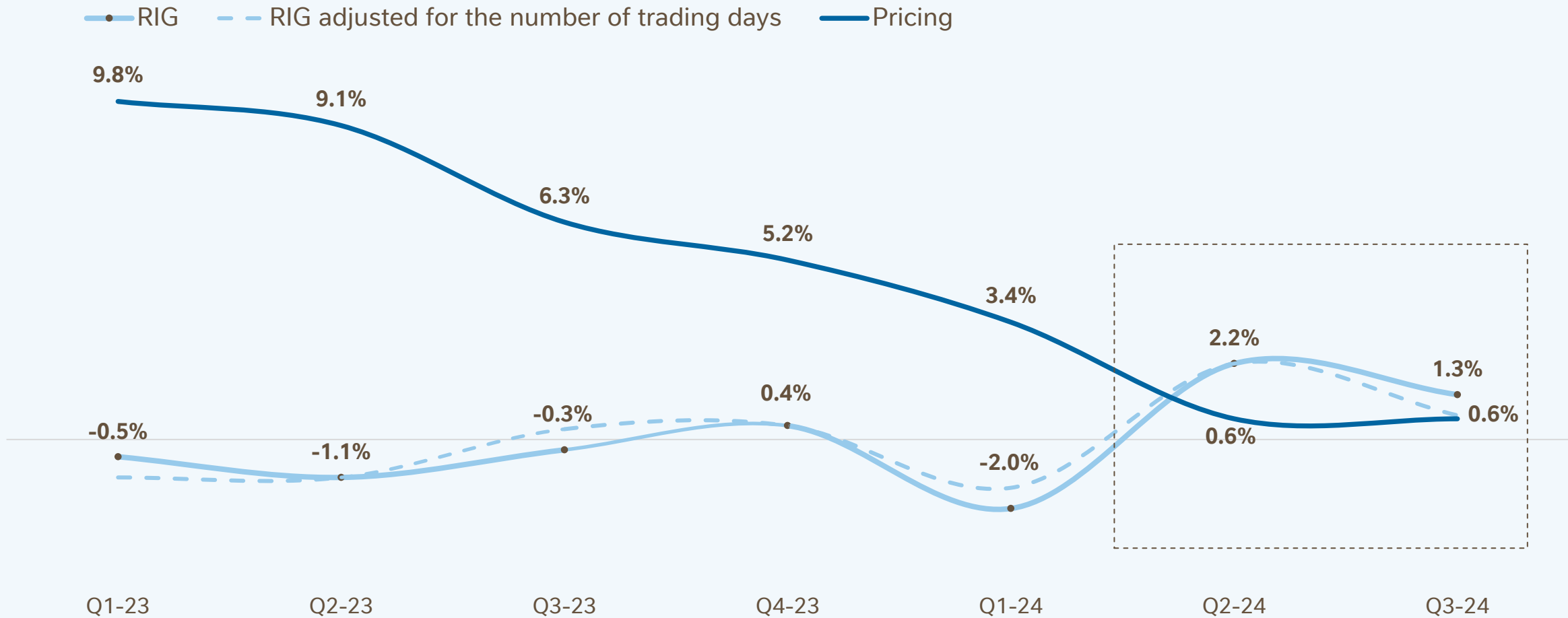
Anna Manz, CFO



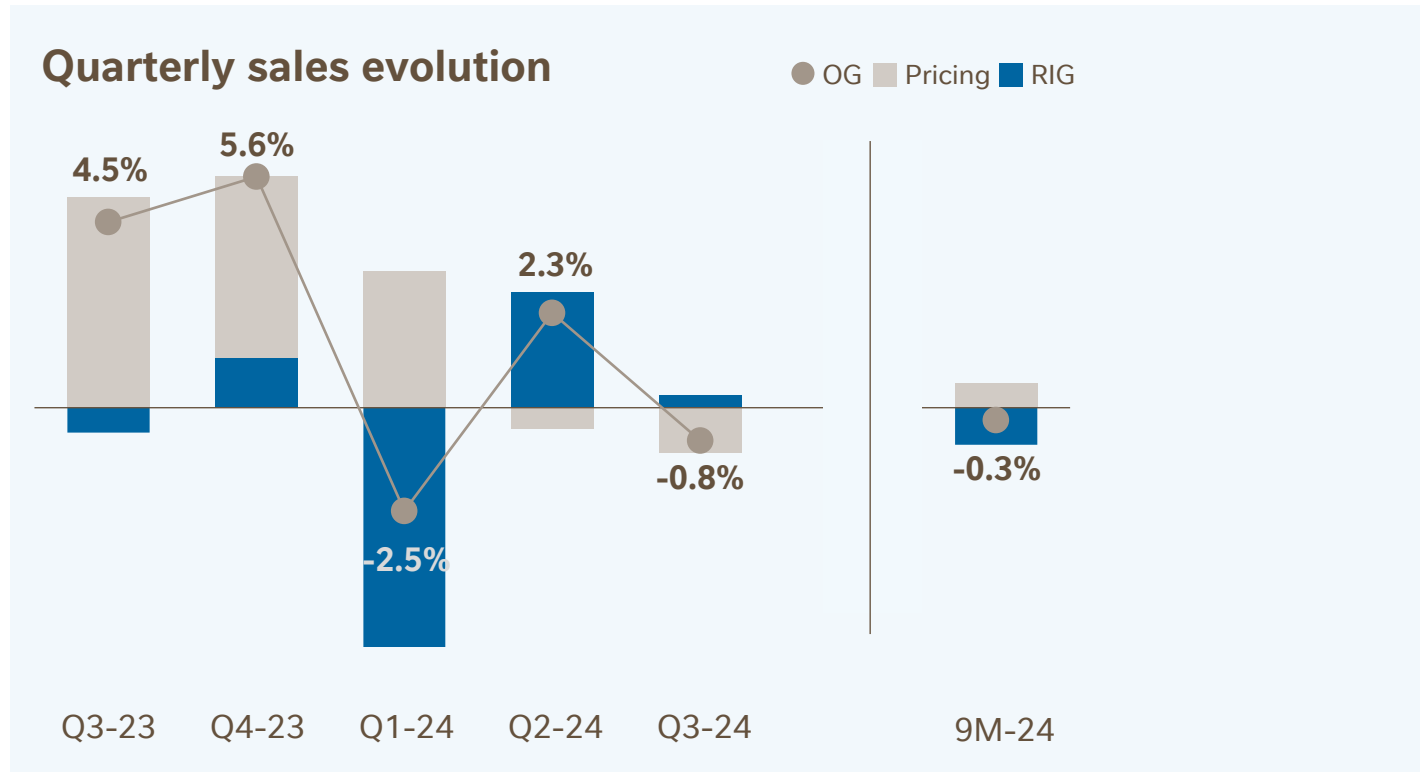
Nine-month sales growth



RIG positive in a challenging consumer environment



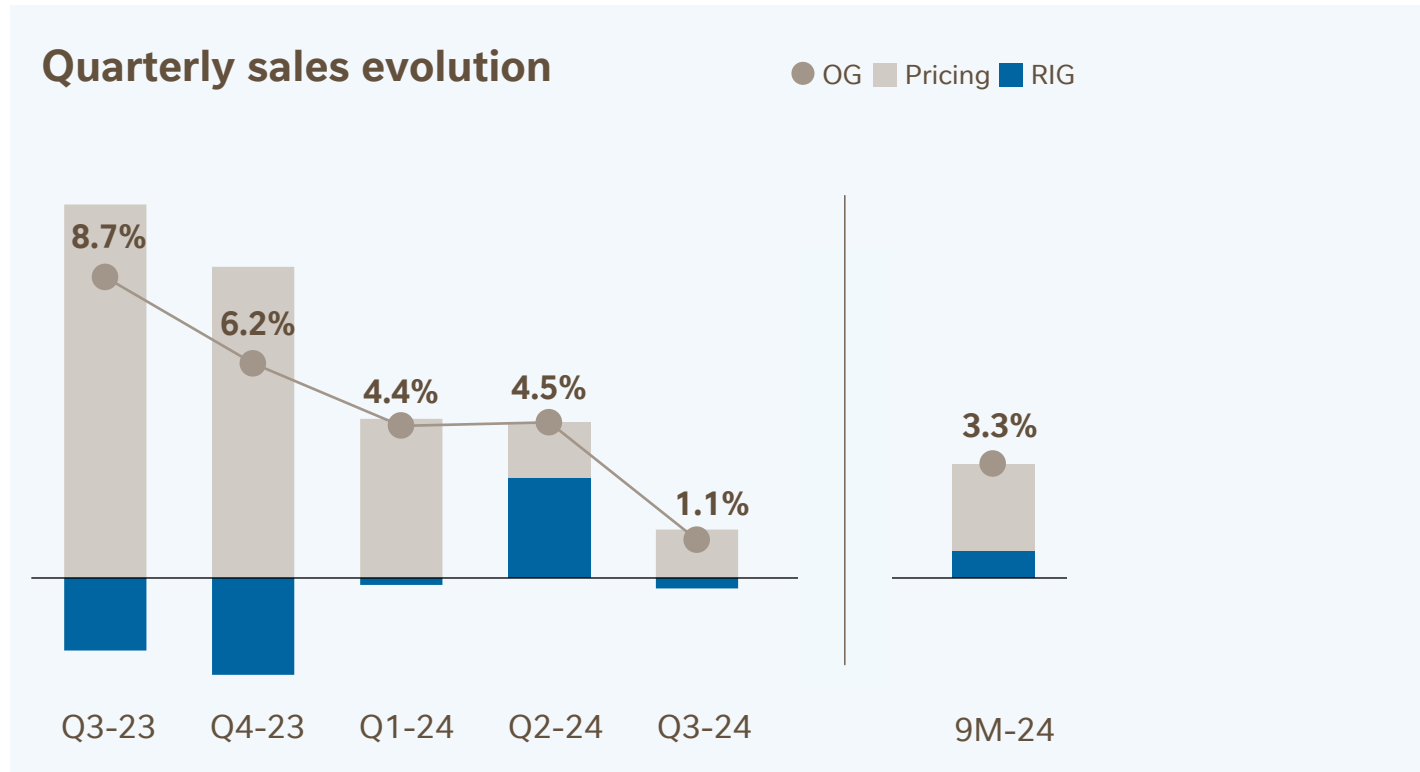
Zone North America



Q3-24 sales comments

- OG impacted by softening consumer demand as well as negative pricing, particularly in PetCare and creamers
- Reduction of customer inventory related to promotional campaigns negatively impacted RIG by ~100 bps
- Coffee and PetCare continued to drive growth; frozen food remained challenged

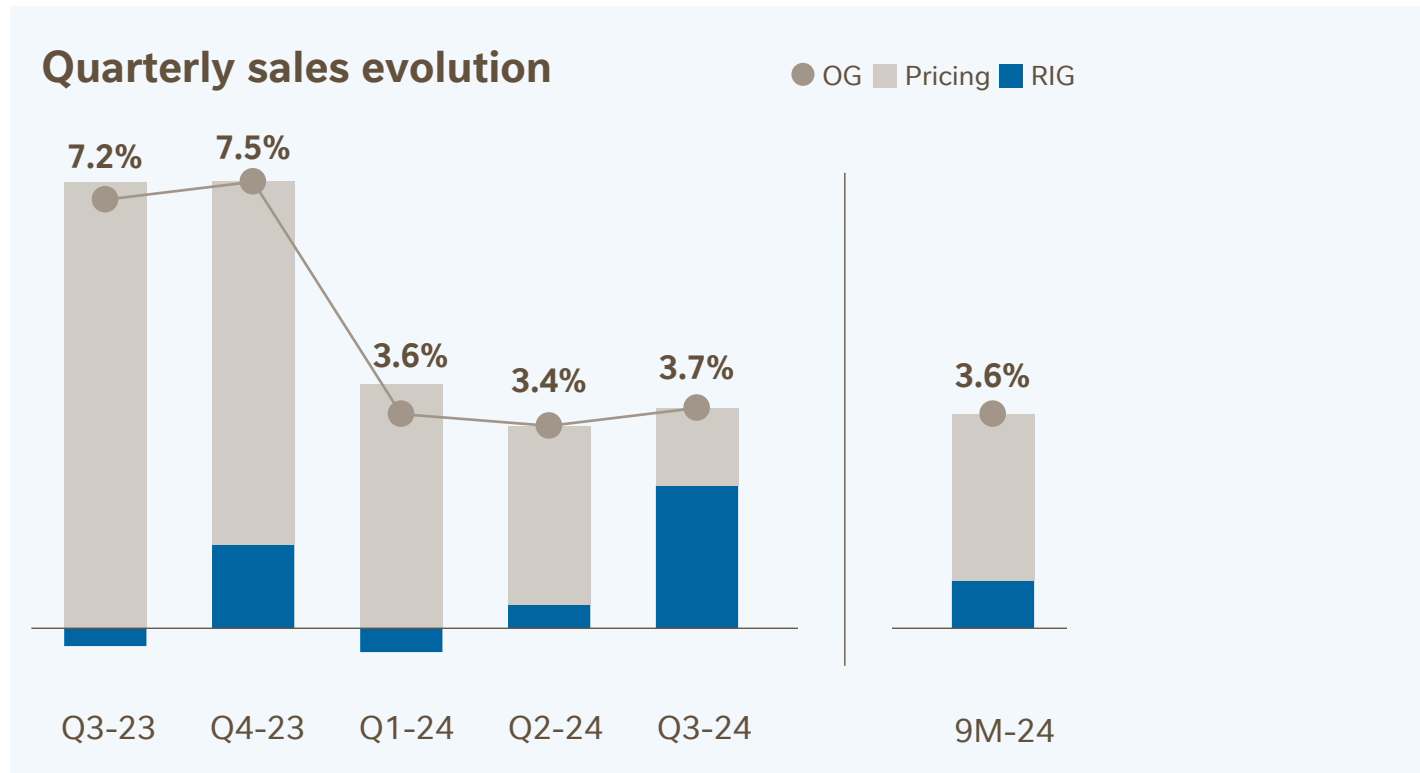
Zone Europe



Q3-24 sales comments

- Consumers becoming increasingly cautious and prioritizing affordability
- Tough retailer negotiations led to temporary delistings, which reduced RIG by ~50 bps
- Coffee and PetCare continued to drive growth

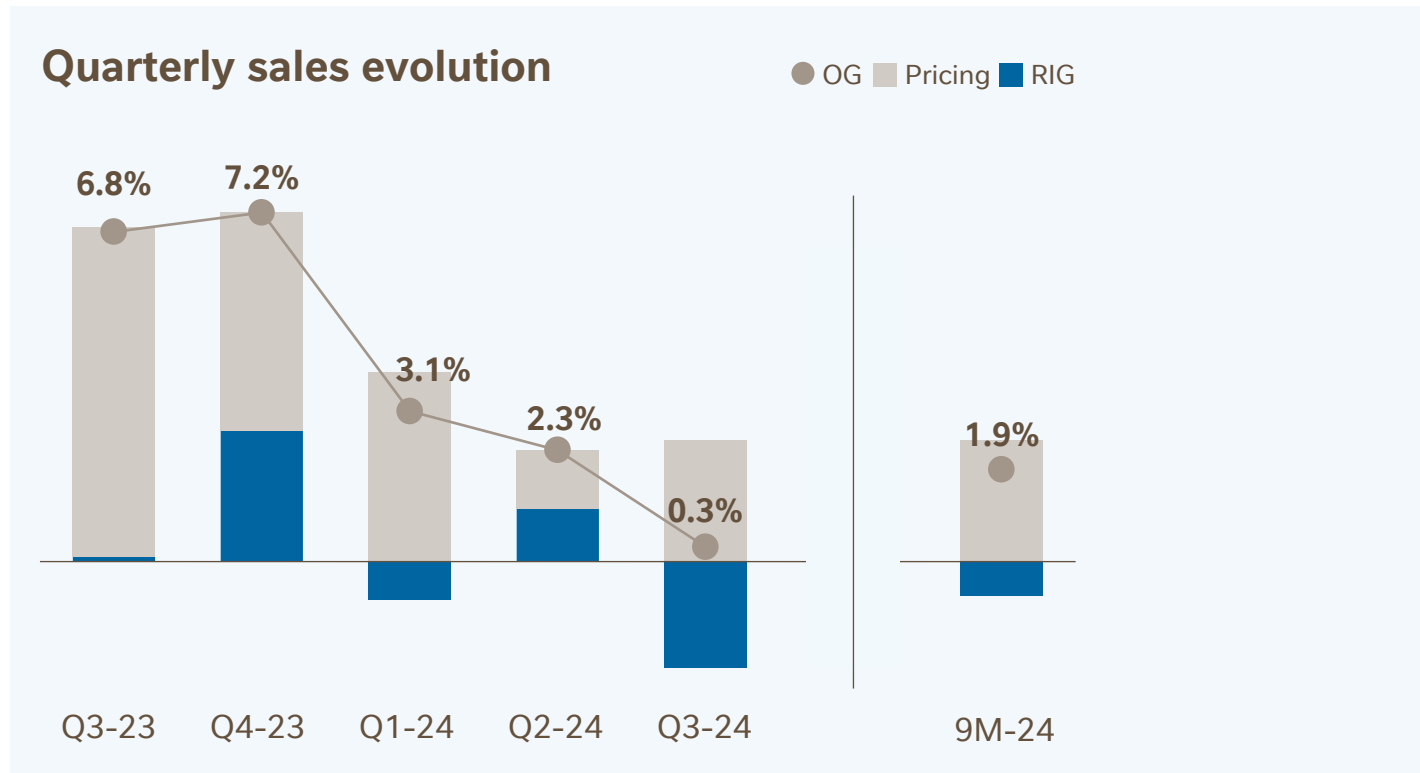
Zone Asia, Oceania and Africa



Q3-24 sales comments

- Growth continued to be impacted by pressure on global brands linked to geopolitical tensions
- RIG improvement led by Africa and Oceania, partially offset by a slowdown in India and Pakistan
- Coffee and culinary delivered strongest growth, with PetCare improving supported by increased supply

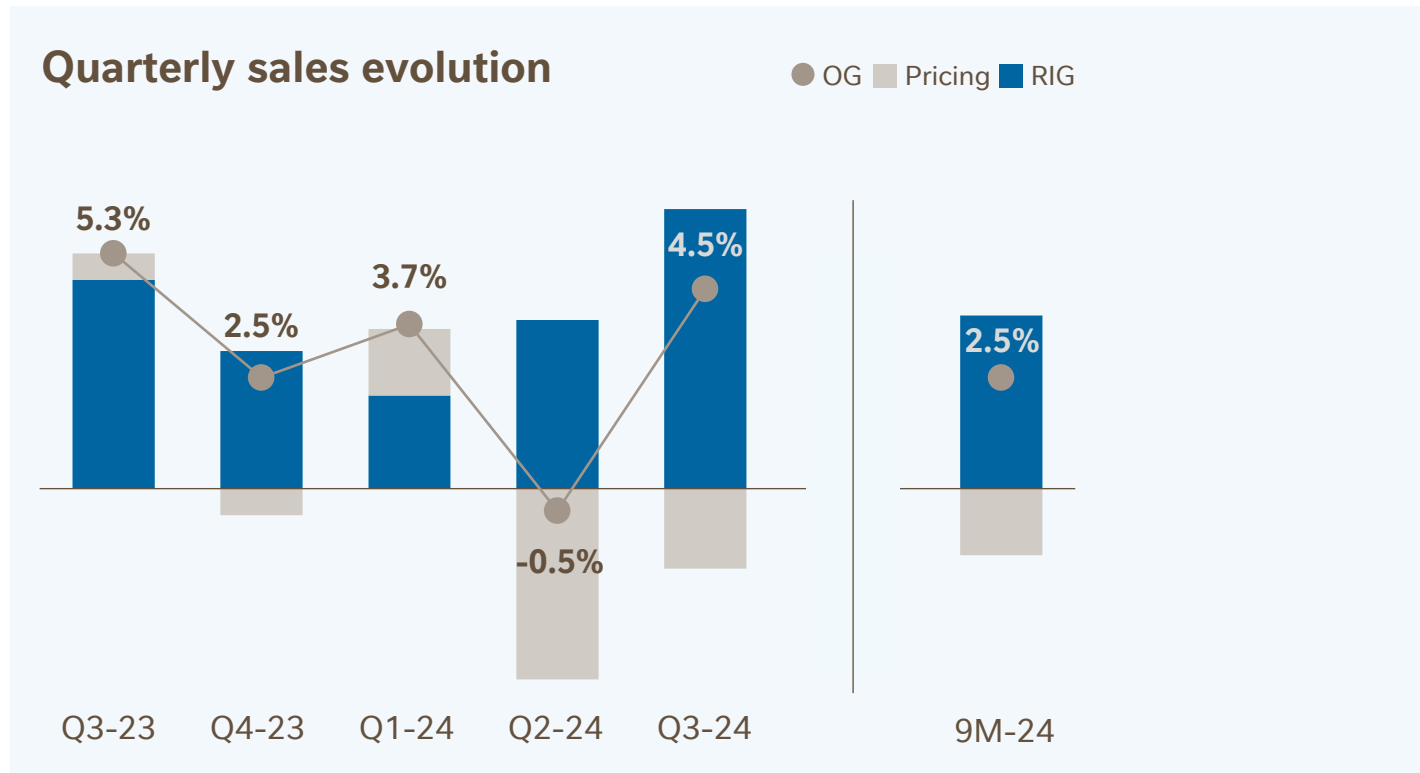
Zone Latin America



Q3-24 sales comments

- RIG affected by soft consumer demand, as well as impact from customer inventory reductions of ~130 bps
- Growth was led by Brazil and Mexico; other markets combined remain challenged
- Confectionery, Nestlé Professional and coffee led growth; Infant Nutrition and dairy challenged

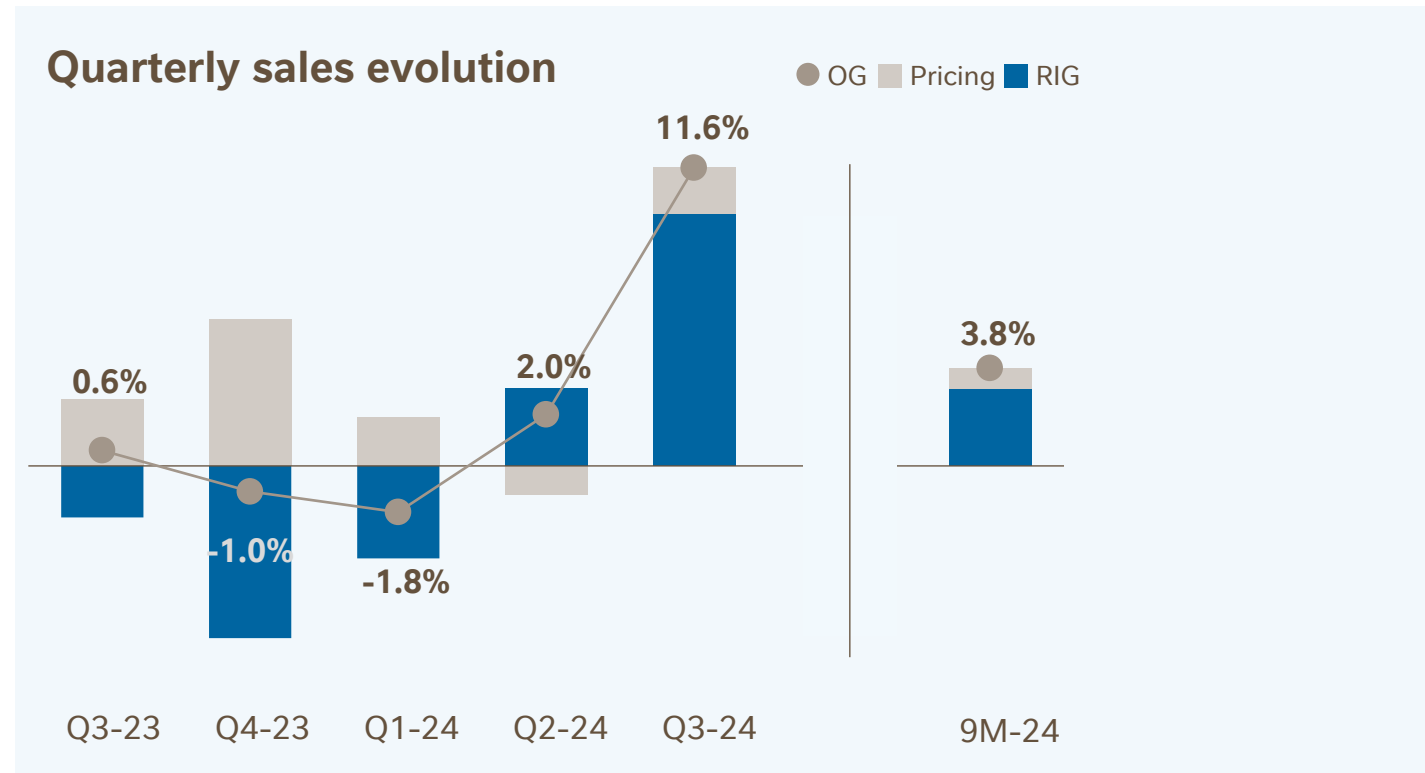
Zone Greater China



Q3-24 sales comments

- Consumer demand remains soft with heightened price competition in a low-inflationary environment
- RIG improvement driven by Infant Nutrition; culinary & Nestlé Professional impacted by slowdown of out-of-home
- Growth led by Infant Nutrition, coffee and confectionery

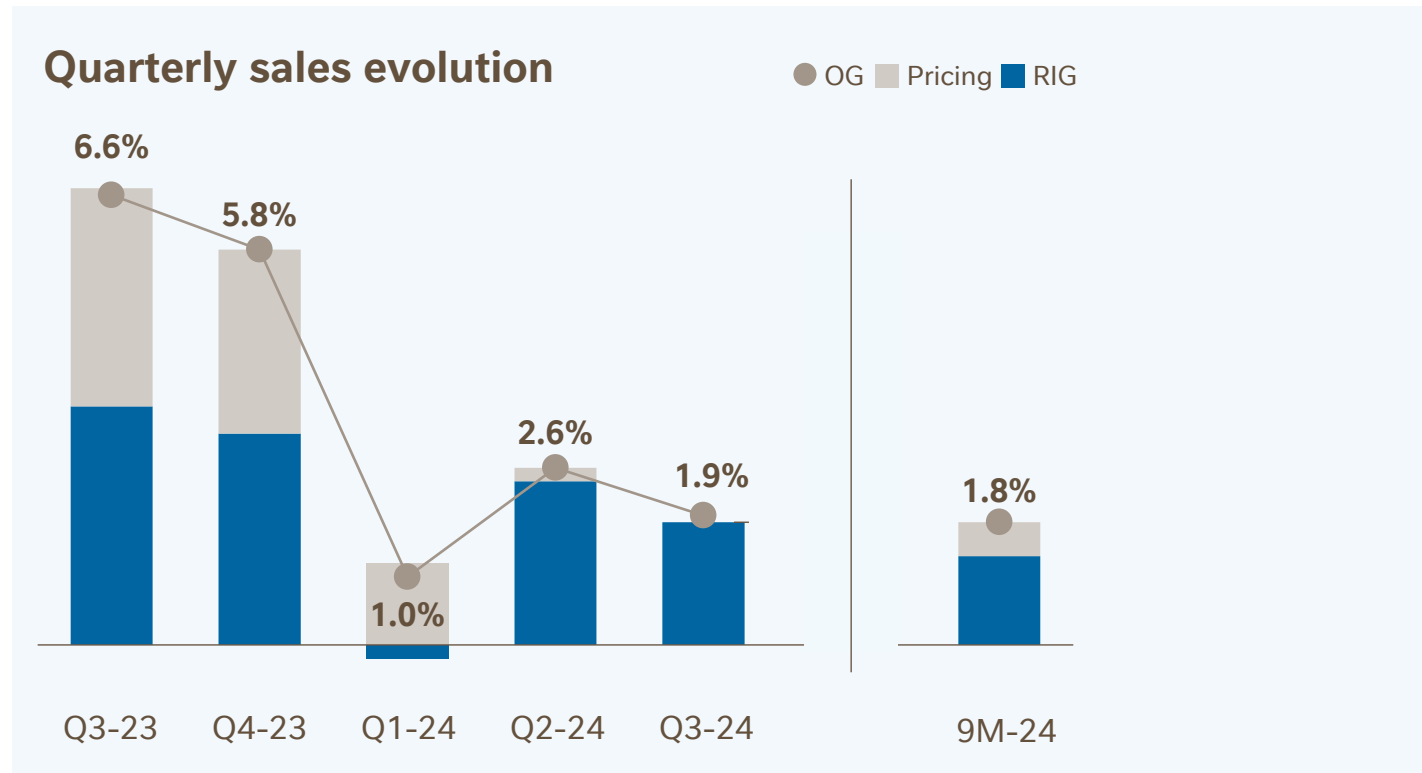
Nestlé Health Science



Q3-24 sales comments

- Recovery on track; strong RIG-led growth, with increased pricing
- Vitamins, minerals and supplements delivering to plan, with double-digit growth in the third quarter
- Active and medical nutrition delivered strong growth across most segments

Nespresso



Q3-24 sales comments

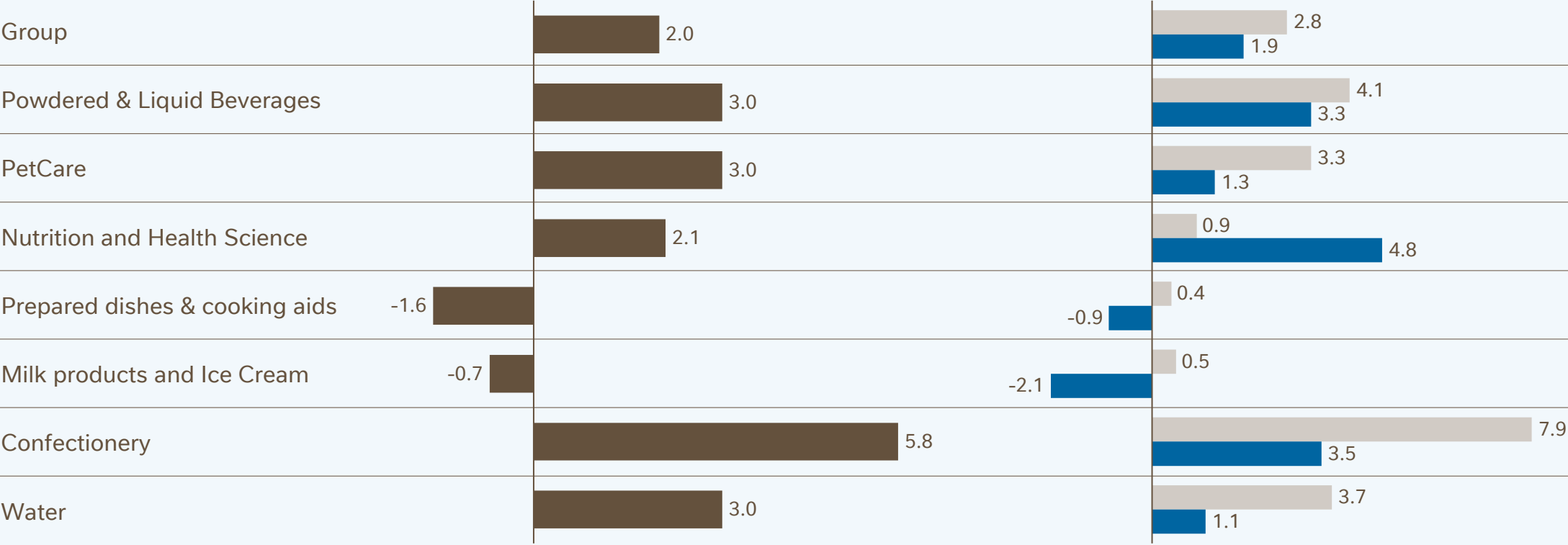
- Vertuo and out-of-home generating broad-based growth momentum
- North America with mid-single digit growth; Europe with slightly negative growth in a competitive environment
- Nespresso ecosystem delivered a further 130 bps of growth

Nine-month and quarterly category growth

■ 9M-24 ■ Q2-24 ■ Q3-24

9M-24 OG (%)

Q2-24 and Q3-24 OG (%)



Revised 2024 guidance

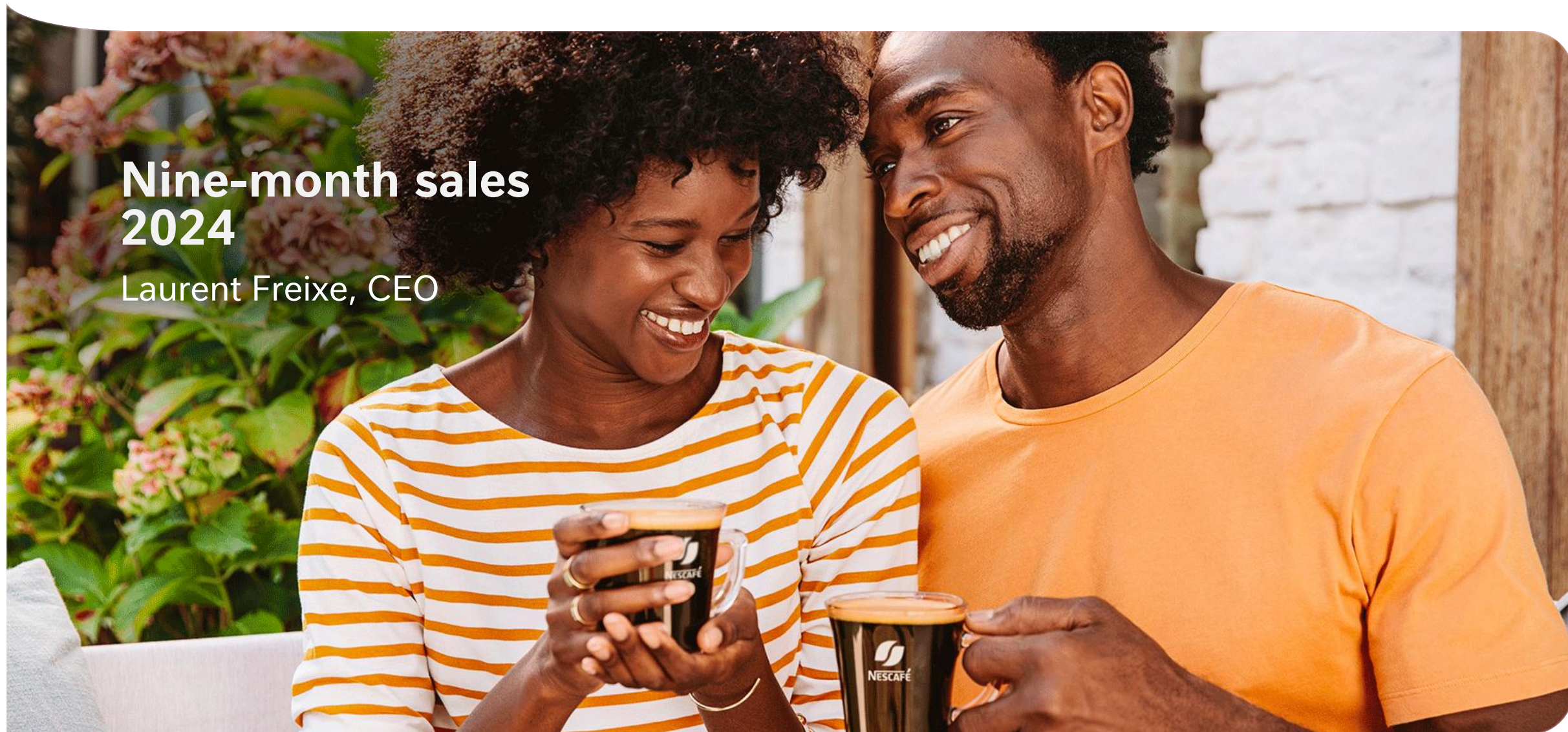
- Organic sales growth expected to be around 2%
- Underlying trading operating profit margin expected to be around 17.0%
- Underlying earnings per share growth in constant currency expected to be broadly flat



Nestlé Good food, Good life

Nine-month sales 2024

Laurent Freixe, CEO



Focus areas in first weeks as CEO

**Intensive
engagement with
stakeholders**

**Sharpening
strategy and
action plan**

**Actions
already
underway**

Intensive engagement with stakeholders

Internal

- Top-to-bottom colleague engagement
- Market and business reviews
- Strategy development with leadership teams

External

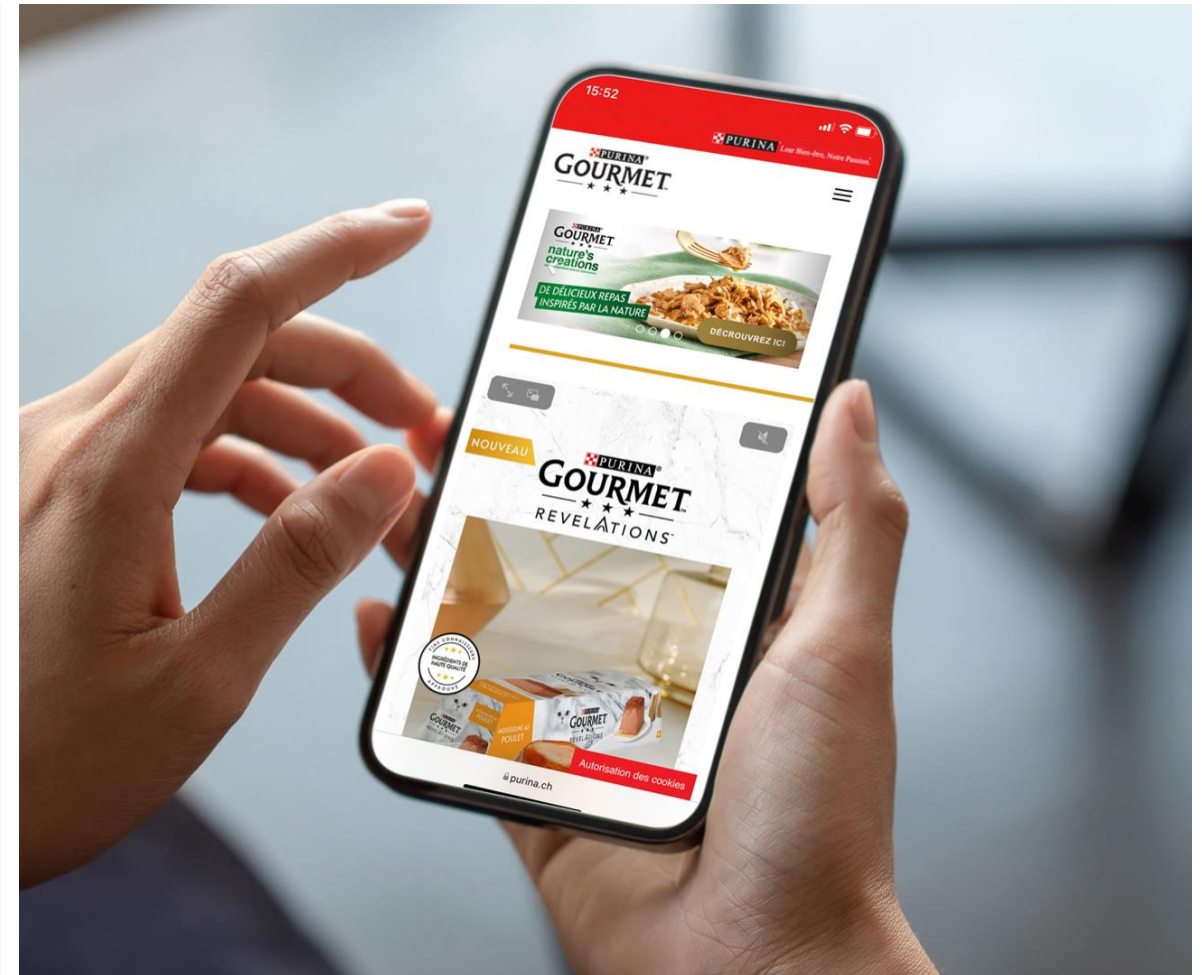
- Consumers, customers and partners
- Political leaders and social partners



Powerful combination of strengths

Strengths

- Passionate people with long-term perspective
- Portfolio of iconic brands, globally and locally
- Leading category positions and products
- Unrivalled geographic coverage and scale
- Deep consumer penetration
- Powerful innovation ecosystem
- Leadership on sustainability



Multiple opportunities ahead

Opportunities

- Connectivity with consumers and customers
- Focusing innovation – fewer, bigger, better
- Executing more consistently
- Restoring investment, funded by efficiencies
- Digitalizing real-time end-to-end
- Further embedding sustainability
- Rebuilding confidence and trust



Actions already to drive performance and transformation

- **Created alignment** to accelerate performance and transform for the future
- **Launched productivity initiatives** to support increased investment
- **Announced new organizational structure** to increase agility and accountability



Organizational changes to support our strategy

Key changes

- Zone structure revised from 5 to 3 zones; all Zone heads located in Vevey
- Both GMB heads on Executive Board, reporting to CEO
- Coffee brands structure simplified, reducing duplication
- Digitalization and Sustainability leads to report to CEO



Key takeaways

Organic growth was 2.0% for the first nine months and 1.9% in the third quarter

- RIG impacted by softening consumer demand and retailer inventory reductions in the third quarter
- Pricing normalizing

Full-year 2024 guidance revised

- Organic sales growth around 2.0%, underlying trading operating profit margin around 17.0%, underlying EPS growth in constant currency broadly flat

Moving at pace to accelerate performance and transform Nestlé for the future

- Clear plan to drive profitable growth over time
- Actions already taken to align and simplify the organization
- More details at Capital Market Day in November



Supporting slides



Q3-2024 Operating segments – topline summary

	Q3-2024 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Zone North America	6 291	0.3	-1.1	-0.8
Zone Europe	4 617	-0.3	1.4	1.1
Zone AOA	4 100	2.4	1.3	3.7
Zone Latin America	2 748	-2.2	2.5	0.3
Zone Greater China	1 110	6.3	-1.8	4.5
Nestlé Health Science	1 676	9.8	1.8	11.6
Nespresso	1 489	1.8	0.0	1.9
Other Businesses	73	9.0	1.1	10.1
Total Group	22 104	1.3	0.6	1.9

Q3-2024 Products – topline summary

	Q3-2024 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Powdered and liquid beverages	5 911	2.0	1.3	3.3
Water	853	-0.7	1.9	1.1
Milk products and Ice cream	2 460	-0.9	-1.2	-2.1
Nutrition and Health Science	3 677	3.7	1.1	4.8
Prepared dishes and cooking aids	2 564	-0.5	-0.4	-0.9
Confectionery	2 075	-1.8	5.3	3.5
PetCare	4 563	2.8	-1.5	1.3
Total Group	22 104	1.3	0.6	1.9

9M-2024 Operating segments – topline summary

	9M-2024 sales						
	Sales (CHF m)	RIG %	Pricing %	OG %	Net M&A %	F/X %	Reported sales growth %
Zone North America	18 524	-0.9	0.6	-0.3	0.0	-2.3	-2.6
Zone Europe	13 900	0.8	2.5	3.3	-2.2	-2.9	-1.8
Zone AOA	12 542	0.8	2.8	3.6	0.0	-8.7	-5.2
Zone Latin America	8 913	-0.7	2.5	1.9	0.0	-4.2	-2.3
Zone Greater China	3 550	3.9	-1.5	2.5	0.2	-4.7	-2.0
Nestlé Health Science	4 915	3.0	0.8	3.8	0.5	-3.0	1.3
Nespresso	4 586	1.3	0.5	1.8	0.2	-2.6	-0.7
Other Businesses	218	8.6	1.3	9.8	0.0	-3.3	6.6
Total Group	67 148	0.5	1.6	2.0	-0.3	-4.1	-2.4



9M-2024 Products – topline summary

	9M-2024 sales			
	Sales (CHF m)	RIG %	Pricing %	OG %
Powdered and liquid beverages	17 952	1.3	1.7	3.0
Water	2 474	-0.8	3.7	3.0
Milk products and Ice cream	7 648	-0.8	0.1	-0.7
Nutrition and Health Science	11 313	0.8	1.3	2.1
Prepared dishes and cooking aids	7 826	-2.2	0.5	-1.6
Confectionery	5 920	0.7	5.1	5.8
Petcare	14 015	1.8	1.2	3.0
Total Group	67 148	0.5	1.6	2.0

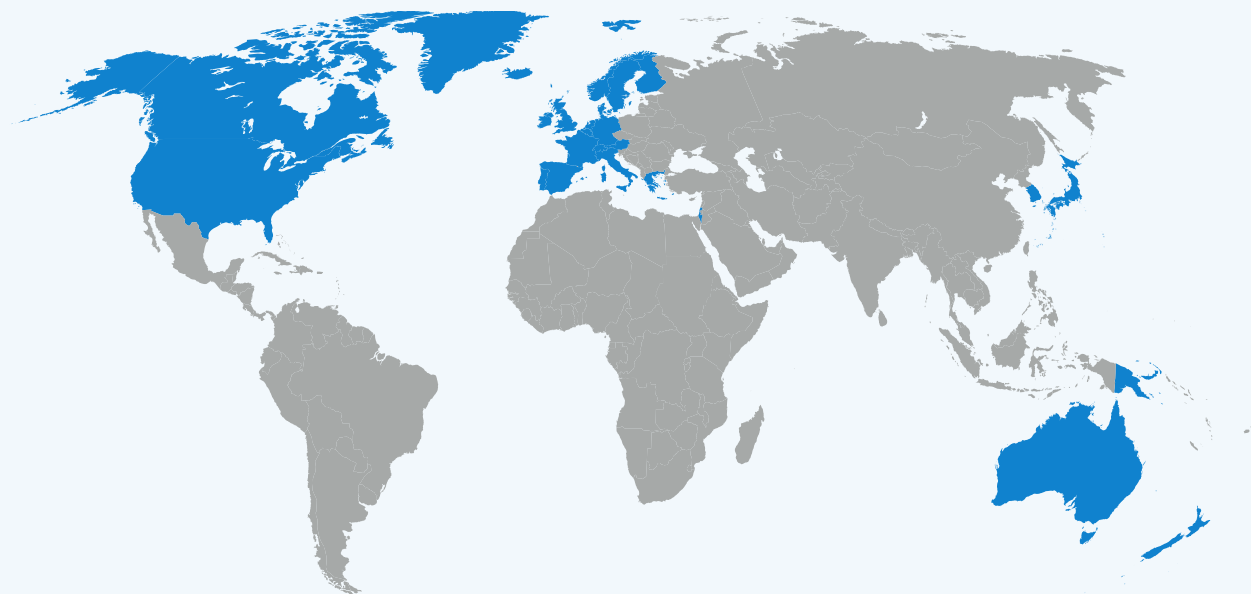


Q3-2024 historical eight quarters

Period	RIG%	Pricing %	OG %
Q4-2022	-2.6	10.1	7.5
Q1-2023	-0.5	9.8	9.3
Q2-2023	-1.1	9.1	8.0
Q3-2023	-0.3	6.3	6.0
Q4-2023	0.4	5.2	5.7
Q1-2024	-2.0	3.4	1.4
Q2-2024	2.2	0.6	2.8
Q3-2024	1.3	0.6	1.9

Continued growth across developed and emerging markets

	Developed	Emerging
Sales (in CHF) % of Group sales	39.4 bn 59%	27.7 bn 41%
RIG	0.4%	0.6%
Pricing	0.7%	2.9%
OG	1.1%	3.5%



9M-2024 Currency overview

				Average rate		
				9M-2023	9M-2024	Variation in %
US Dollar		1	USD	0.902	0.881	-2.3%
Euro		1	EUR	0.978	0.958	-2.0%
Chinese Yuan Renminbi		100	CNY	12.866	12.245	-4.8%
Brazilian Real		100	BRL	18.014	16.834	-6.6%
Philippine Peso		100	PHP	1.625	1.547	-4.8%
UK Pound Sterling		1	GBP	1.122	1.125	0.3%
Mexican Peso		100	MXN	5.066	4.969	-1.9%
Canadian Dollar		1	CAD	0.670	0.648	-3.2%
Japanese Yen		100	JPY	0.654	0.583	-10.9%
Australian Dollar		1	AUD	0.603	0.584	-3.2%
Indian Rupee		100	INR	1.095	1.057	-3.5%



Abbreviations

- OG Organic sales growth
- RIG Real internal growth
- AOA Zone Asia, Oceania and Africa
- LATAM Zone Latin America
- GC Zone Greater China

