

Compensation Report 2024

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Introduction

The future success of Nestlé is dependent on its ability to attract, motivate and retain the right talented employees. Among the various programs to support this ambition is a competitive remuneration policy. Nestlé believes in a performance culture as well as good corporate governance and corporate social responsibility.

Therefore, remuneration at Nestlé is based on the following principles:

- pay for performance to support the Company's short-term and long-term objectives;
- compensation aligned with long-term Group strategy and shareholders' interests;
- coherence in our remuneration plans and levels throughout the Company;
- competitiveness versus external market comparisons;
- appropriate balance of fixed and variable remuneration and short-term and long-term rewards.

This Compensation Report shall be submitted to the advisory vote of the shareholders at the Annual General Meeting 2025.

At the 2024 Annual General Meeting, shareholders approved the total compensation budgets for the Board of Directors and the Executive Board with large majorities.

To ensure complete accountability, the shareholders will be able to retrospectively vote on the Compensation Report and payouts in a consultative vote.

Changes to compensation

For 2024, the payout range for the short-term bonus has been expanded to a maximum of 150% to align with market practice.

Governance

The Board of Directors has the overall responsibility for defining the compensation principles used in the Group. Pursuant to art. 21^{bis} of Nestlé S.A.'s Articles of Association ^(*), the total compensation of the Board of Directors and the Executive Board is subject to approval by the shareholders, upon proposal by the Board of Directors.

As of December 31, 2024, the governance for setting the compensation of the members of the Board of Directors and the Executive Board is defined as follows:

| Compensation of | Recommended by | Approved by |
|---|-------------------------|---------------------------------------|
| Board of Directors as a whole | Board of Directors | Shareholders |
| Executive Board as a whole | Board of Directors | Shareholders |
| Chair of the Board, CEO | Compensation Committee | Board of Directors ^(a) |
| Non-executive members of the Board of Directors | Compensation Committee | Board of Directors ^(b) |
| Members of the Executive Board | CEO together with Chair | Compensation Committee ^(c) |

(a) Chair as well as CEO not voting on own compensation, and not participating in the relevant meetings.

(b) Members not voting on own compensation to the extent that Committee fees are concerned.

(c) Executive Board members not participating in the relevant meetings.

Compensation Committee (CC)

The CC is governed by the Compensation Committee Charter (see point 3.5.2 in the Corporate Governance section). The Committee consists of the Chair, who is an independent and non-executive member of the Board. The other members shall be a minimum of three other non-executive members of the Board.

The members of the CC have been elected by the shareholders for one year. The Chair was appointed by the Board of Directors. On December 31, 2024, the composition of the CC is as follows:

| Chair | Members |
|-----------|-------------------|
| Dick Boer | Pablo Isla |
| | Patrick Aebischer |
| | Dinesh Paliwal |

The tasks and areas of responsibility of the CC are described on page 14 of the Corporate Governance Report 2024.

(*) Nestlé S.A.'s Articles of Association can be found on page 65 and at www.nestle.com/investors/corporate-governance/articles

Board of Directors

Principles of compensation for the members of the Board of Directors

Governance

Pursuant to art. 21^{bis} par. 1 of Nestlé S.A.'s Articles of Association, the General Meeting shall approve annually the proposal of the Board of Directors in relation to the maximum aggregate amount of the compensation of the Board of Directors for the period until the next Annual General Meeting ^(a).

In the event the General Meeting has not approved a proposal of the Board of Directors, the Board of Directors shall determine the respective maximum aggregate amount or maximum partial amounts of compensation provided that:

- a) the Board of Directors takes into account (i) the proposed maximum aggregate amount of compensation; (ii) the decision of the General Meeting and, to the extent known to the Board of Directors, the main reasons for the negative vote; and (iii) Nestlé's compensation principles; and
- b) the Board of Directors submits the amount(s) so determined for approval by the same General Meeting, a subsequent Extraordinary General Meeting or the next Annual General Meeting (art. 21^{bis} par. 2 of the Articles of Association).

The compensation of the members of the Board of Directors is subject to "claw back" rules in accordance with art. 678 of the Swiss Code of Obligations. Members of the Board of Directors could be obligated to return benefits received from the Company to the extent that these are manifestly disproportionate to the performance rendered in return and to the Company's economic situation (including as a result of fraud or accounting misstatement).

Principles

The remuneration of the members of the Board of Directors is set to attract and retain highly qualified individuals to serve on the Board of Directors. The level of remuneration reflects the time and effort required from the members in fulfilling their Board and Committee responsibilities. The pay structure (cash and blocked shares) is designed to ensure the Board's focus on the long-term success of the Company. There is no variable compensation for non-executive members of the Board of Directors, in order to ensure a proper level of independence.

The principal benchmark used to define Board remuneration is a selection of large Swiss Market Index (SMI) companies ^(b), adjusted for the size of Nestlé. These figures are periodically reviewed against this benchmark.

Compensation 2024 for the members of the Board of Directors

Board membership fees and allowances

With the exception of the Chair and the CEO, each member of the Board of Directors receives a Board membership fee of CHF 280 000 and an Expense Allowance of CHF 15 000. These figures have remained unchanged since 2006.

(a) The Board of Directors may submit for approval by the General Meeting deviating or additional proposals relating to the same or different periods.

(b) Novartis, Roche, Richemont, ABB, UBS and Credit Suisse.

Members of a Board Committee receive the following additional fees ^(a):

| | Chair | Members |
|--|-------------|-------------|
| Chair's and Corporate Governance Committee | CHF 300 000 | CHF 200 000 |
| Compensation Committee | CHF 150 000 | CHF 70 000 |
| Nomination Committee | CHF 150 000 | CHF 70 000 |
| Sustainability Committee | CHF 150 000 | CHF 70 000 |
| Audit Committee | CHF 150 000 | CHF 100 000 |

(a) The Chair and the CEO Committee fees are included in their total remuneration.

Committee membership on December 31, 2024

| | Chair's and Corporate Governance Committee | Compensation Committee | Nomination Committee | Sustainability Committee | Audit Committee |
|--|--|------------------------|----------------------|--------------------------|-----------------|
| Paul Bulcke, Chairman | • (Chair) | | • | | |
| Pablo Isla, Vice-Chairman, Lead Independent Director | • | • | • (Chair) | | |
| Renato Fassbind | • | | | | • (Chair) |
| Hanne Jimenez de Mora | • | | | • (Chair) | |
| Dick Boer | • | • (Chair) | | • | |
| Patrick Aebischer | | • | | | |
| Dinesh Paliwal | | • | • | | |
| Lindiwe M. Sibanda | | | | • | |
| Chris Leong | | | | • | |
| Luca Maestri | | | | | • |
| Rainer Blair | | | | | • |
| Marie-Gabrielle Ineichen-Fleisch | | | • | | |
| Geraldine Matchett | | | | | • |

The above fees and allowances cover the period between the Annual General Meeting 2024 and the Annual General Meeting 2025. They are paid in two instalments in arrears. Board membership and Committee fees are paid 50% in cash and 50% in Nestlé S.A. shares, which are subject to a three-year blocking period. The blocking period remains applicable upon termination of the mandate.

The number of Nestlé S.A. shares is determined by taking the closing price of the share on the SIX Swiss Exchange on the ex-dividend date of the respective financial year.

Henri de Castries and Kimberly A. Ross did not stand for re-election at the Annual General Meeting on April 18, 2024, and left the Board of Directors.

Compensation payout 2024

At the Annual General Meeting of April 18, 2024, the shareholders approved a maximum compensation for the Board of Directors of CHF 10 million for the period from the Annual General Meeting 2024 to the Annual General Meeting 2025. The total actual compensation payout for this period including social security contributions is CHF 9 762 642.

Audited (*) Summary of compensation 2024 **

| | Cash in CHF ^(a) | Market value of shares in CHF ^(b) | Total Cash & Shares | Social security & addit. Fees ^(c) | Total Compensation |
|---|-------------------------------|---|------------------------|---|-----------------------|
| Paul Bulcke, Chairman | — | 3 500 000 | 3 500 000 | 29 400 | 3 529 400 |
| Pablo Isla, Vice Chairman, Lead Independent Director | 365 000 | 350 000 | 715 000 | 29 400 | 744 400 |
| Renato Fassbind | 330 000 | 315 000 | 645 000 | 29 400 | 674 400 |
| Patrick Aebischer | 190 000 | 175 000 | 365 000 | 42 695 | 407 695 |
| Dick Boer | 365 000 | 350 000 | 715 000 | — | 715 000 |
| Dinesh Paliwal | 225 000 | 210 000 | 435 000 | 19 806 | 454 806 |
| Hanne Jimenez de Mora | 330 000 | 315 000 | 645 000 | 29 400 | 674 400 |
| Lindiwe M. Sibanda | 190 000 | 175 000 | 365 000 | 43 886 | 408 886 |
| Chris Leong | 190 000 | 175 000 | 365 000 | 18 886 | 383 886 |
| Luca Maestri | 205 000 | 190 000 | 395 000 | 20 365 | 415 365 |
| Rainer Blair | 205 000 | 190 000 | 395 000 | 20 365 | 415 365 |
| Marie-Gabrielle Ineichen-Fleisch | 190 000 | 175 000 | 365 000 | 18 886 | 383 886 |
| Geraldine Matchett | 205 000 | 190 000 | 395 000 | 23 622 | 418 622 |
| Total for 2024 | 2 990 000 | 6 310 000 | 9 300 000 | 326 111 | 9 626 111 |

** The above table shows the annual compensation due covering the twelve-month period starting with the Annual General Meeting.

- (a) The cash amount includes the expense allowance of CHF 15 000. The Chairman receives no expense allowance.
 (b) The Board is paid in arrears (25% in October 2024 and 75% in April 2025). The Nestlé S.A. shares equivalent to 50% of the annual remuneration will be delivered at the end of the Board year in April 2025. They will be valued at the closing price of the share on the SIX Swiss Exchange on the ex-dividend date 2025. The actual number of shares delivered will be published in the Compensation Report 2025. In 2024, 68 737 shares have been delivered to the Board.
 (c) Since Company contributions to social security are based on full earnings, whereas benefits are capped, only contributions that lead to future benefits are included. The additional cost to the Company taking into account full social security employer contributions is CHF 136 531 in 2024. For details of additional fees, see page 41. The amount includes as well pension contributions for one Board member who is not exempted from mandatory occupational benefit plans in Switzerland.

(*) Sections highlighted with a blue bar are audited by the statutory auditor. They include all elements the Company needs to disclose pursuant to art. 734a to 734f of the Swiss Code of Obligations.

Audited (*) **Summary of compensation 2023 ****

| | Cash in CHF ^(a) | Market value of shares in CHF ^(b) | Total Cash & Shares | Social security & addit. Fees ^(c) | Total Compensation |
|--|-------------------------------|---|------------------------|---|-----------------------|
| Paul Bulcke, Chairman | — | 3 500 000 | 3 500 000 | 29 400 | 3 529 400 |
| Ulf Mark Schneider, Chief Executive Officer ^(d) | — | — | — | — | — |
| Henri de Castries, Vice Chairman, Lead Independent Director | 380 000 | 365 000 | 745 000 | 29 400 | 774 400 |
| Renato Fassbind | 330 000 | 315 000 | 645 000 | 29 400 | 674 400 |
| Patrick Aebischer | 190 000 | 175 000 | 365 000 | 42 695 | 407 695 |
| Pablo Isla | 330 000 | 315 000 | 645 000 | 29 400 | 674 400 |
| Kimberly A. Ross | 205 000 | 190 000 | 395 000 | — | 395 000 |
| Dick Boer | 225 000 | 210 000 | 435 000 | — | 435 000 |
| Dinesh Paliwal | 225 000 | 210 000 | 435 000 | 19 806 | 454 806 |
| Hanne Jimenez de Mora | 330 000 | 315 000 | 645 000 | 29 400 | 674 400 |
| Lindiwe M. Sibanda | 190 000 | 175 000 | 365 000 | 43 886 | 408 886 |
| Chris Leong | 190 000 | 175 000 | 365 000 | 18 886 | 383 886 |
| Luca Maestri | 205 000 | 190 000 | 395 000 | 20 365 | 415 365 |
| Rainer Blair | 155 000 | 140 000 | 295 000 | 15 435 | 310 435 |
| Marie-Gabrielle Ineichen-Fleisch | 190 000 | 175 000 | 365 000 | 18 886 | 383 886 |
| Total for 2023 | 3 145 000 | 6 450 000 | 9 595 000 | 326 959 | 9 921 959 |

** The above table shows the annual compensation due covering the twelve-month period starting with the Annual General Meeting.

- (a) The cash amount includes the expense allowance of CHF 15 000. The Chairman receives no expense allowance.
- (b) The Board is paid in arrears (25% in October 2023 and 75% in April 2024). The Nestlé S.A. shares equivalent to 50% of the annual remuneration will be delivered at the end of the Board year in April 2024. They will be valued at the closing price of the share on the SIX Swiss Exchange on the ex-dividend date 2024. The actual number of shares delivered will be published in the Compensation Report 2024. In 2023, 55 042 shares have been delivered to the Board.
- (c) Since Company contributions to social security are based on full earnings, whereas benefits are capped, only contributions that lead to future benefits are included. The additional cost to the Company taking into account full social security employer contributions is CHF 140 246 in 2023. For details of additional fees, see page 41.
- (d) The CEO's compensation is disclosed in its entirety under compensation of the Executive Board.

Paul Bulcke, in his capacity as active, non-executive Chairman, received Nestlé S.A. shares, which are blocked for three years. In addition to his responsibilities for the governance and strategy of the Group, this reflects specific responsibilities for the direction and control of the Group, including the support of Nestlé Health Science through its Strategic Advisory Council, the direct leadership of Nestlé's interests in L'Oréal and the chairmanship of the Nestlé Science & Technology Advisory Council. Paul Bulcke maintains close relationships with shareholders, including through worldwide Chairman's Roundtables. He also engages with other stakeholders, including through his Co-Chairmanship of the 2030 Water Resources Group (WRG) and his membership of the WEF Community of Chairpersons. The remuneration includes all compensation received in relation to these activities.

| | 2024 | | 2023 |
|---|------------------|--------|------------------|
| | Value in CHF | Number | Value in CHF |
| Cash compensation | — | | — |
| Blocked shares (market value) ^(a) | 3 500 000 | 37 298 | 3 500 000 |
| Total Cash & Shares | 3 500 000 | | 3 500 000 |
| Company contribution to compulsory Swiss social security ^(b) | 29 400 | | 29 400 |
| Total compensation | 3 529 400 | | 3 529 400 |

(a) The Chairman is paid in arrears. The Nestlé S.A. shares equivalent to 100% of the annual remuneration will be delivered at the end of the Board year in April 2025. They will be valued at the closing price of the share on the SIX Swiss Exchange on the ex-dividend date 2025. The actual number of shares delivered will be published in the Compensation Report 2025.

(b) Since Company contributions to social security are based on full earnings, whereas benefits are capped, only contributions that lead to future benefits are included. The additional cost to the Company taking into account full social security employer contributions is CHF 127 216 in 2023 and in 2024.

Share ownership of the non-executive members of the Board of Directors and closely related parties on December 31, 2024

| | Number of shares held ^(a) |
|--|--------------------------------------|
| Paul Bulcke, Chairman | 1 545 209 |
| Pablo Isla, Vice Chairman, Lead Independent Director | 15 334 |
| Renato Fassbind | 62 083 |
| Patrick Aebischer | 18 911 |
| Dick Boer | 10 391 |
| Dinesh Paliwal | 8 609 |
| Hanne Jimenez de Mora | 13 221 |
| Lindiwe M. Sibanda | 4 803 |
| Chris Leong | 3 392 |
| Luca Maestri | 3 683 |
| Rainer Blair | 1 645 |
| Marie-Gabrielle Ineichen-Fleisch | 8 231 |
| Geraldine Matchett | — |
| Total as at December 31, 2024 | 1 695 512 |
| Total as at December 31, 2023 | 1 663 993 |

(a) Including shares subject to a three-year blocking period.

There are no stock options held by any non-executive member of the Board of Directors and closely related parties.

Other audited information regarding the Board of Directors

Loans

There are no loans to members of the Board of Directors. Loans to a member of the Board of Directors may only be granted at market conditions and may, at the time of grant, not exceed the respective member's most recent total annual compensation (art. 21^{septies} of the Articles of Association).

Additional fees and remuneration of the Board of Directors

There are no additional fees or remuneration paid by Nestlé S.A. or any of its Group companies, directly or indirectly, to members of the Board of Directors, except for CHF 25 000 paid to Patrick Aebischer, who serves on the Nestlé Science & Technology Advisory Council, and CHF 25 000 paid to Lindiwe Sibanda who serves on the Creating Shared Value (CSV) Council.

Compensation and loans for former members of the Board of Directors

There was no compensation conferred during 2024 on former members of the Board of Directors. Similarly, there are no loans outstanding to former members of the Board of Directors.

Compensation or loans to related parties of members of the Board of Directors

In 2024, no compensation was paid to related parties of members of the Board of Directors and there were no loans outstanding to related parties.

Mandates on December 31, 2024

As at December 31, 2024, the members of the Board of Directors held the following comparable positions in other undertakings with commercial objectives.

| | Mandates in listed companies | Function | Mandates in non-listed companies | Function |
|-----------------------|-------------------------------------|--|---|---|
| Paul Bulcke | L'Oréal S.A. | <ul style="list-style-type: none"> – Board member – Vice Chairman – Strategy and Sustainable Development Committee, member – Nominations and Governance Committee, member – Human Resources and Remuneration Committee, member | J.P. Morgan International Council | – Member |
| Pablo Isla | | | Bertelsmann SE & Co. KGaA | – Board member |
| | | | Fonte Films S.L. | – Chairman |
| | | | Cinven Ltd | – Global Senior Advisor |
| Renato Fassbind | | | | |
| Hanne Jimenez de Mora | | | Microcaps AG | <ul style="list-style-type: none"> – Board member – Chairperson |
| | | | IMD Business School | <ul style="list-style-type: none"> – Board member – Vice Chair |
| Dick Boer | Shell plc | <ul style="list-style-type: none"> – Board member – Senior Independent Non-Executive Director – Deputy Chair – Audit & Risk Committee, member – Nomination and Succession Committee, member – Remuneration Committee, member | SHV Holdings N.V. | <ul style="list-style-type: none"> – Board member – Vice Chair |
| | Just Eat Takeaway.com | <ul style="list-style-type: none"> – Board member & Chairman – Audit Committee, member – Nomination and Remuneration Committee, member | Het Concertgebouw N.V. | – Board member & Chairman |

Audited

| | Mandates in listed companies | Function | Mandates in non-listed companies | Function |
|----------------------------------|-------------------------------------|--|---|--|
| Patrick Aebischer | PolyPeptide Group AG | – Board member – Vice Chairman & Lead Independent Director | NistronTech Sàrl | – Board member |
| | | | Amazentis SA | – Board member – Vice Chairman |
| | | | Swiss Vaccine SA | – Board member |
| | | | Vandria SA | – Board member – Chairman |
| | | | EPFL | – Honorary Professor |
| Dinesh Paliwal | KKR & Co. Inc. | – Partner | Marelli & Koki Holdings Co. Ltd. | – Board member – Non-Executive Chairman |
| Lindiwe M. Sibanda | | | University of Pretoria | – Professor Extraordinary |
| | | | Linds Agriculture Services PVT Ltd. | – Managing Director |
| Chris Leong | Schneider Electric SE | – Chief Marketing Officer | | |
| Luca Maestri | Apple Inc. | – Chief Financial Officer | | |
| Rainer Blair | Danaher Corporation | – President & CEO – Board member – Executive Committee, member – Science & Technology Committee, member | | |
| Marie-Gabrielle Ineichen-Fleisch | BVZ Holding AG | – Board member | KIBAG Holding AG | – Board member |
| | | | Schweizerische Mobiliar Genossenschaft | – Board member |
| | | | F.G. Pfister Holding AG | – Board member |
| Geraldine Matchett | ABB Ltd. | – Board member | | |
| | Swiss Re Ltd. | – Board member | | |

Mandates on December 31, 2023

As at December 31, 2023, the members of the Board of Directors held the following comparable positions in other undertakings with commercial objectives.

| | Mandates in listed companies | Function | Mandates in non-listed companies | Function |
|--------------------|-------------------------------------|---|---|--------------------------------------|
| Paul Bulcke | L'Oréal S.A. | Board member Vice Chairman Strategy and Sustainable Development Committee, member Nominations and Governance Committee, member Human Resources and Remuneration Committee, member | J.P. Morgan International Council | Member |
| Ulf Mark Schneider | Roche Holding Ltd | Board member | | |
| Henri de Castries | Stellantis N.V. | Board member Lead Independent Director | General Atlantic | Senior Advisor Chairman of Europe |
| | | | AXA Assurances Vie Mutuelle | Board member |
| | | | AXA Assurances IARD Mutuelle | Board member |
| Renato Fassbind | | | | |
| Patrick Aebischer | Logitech International SA | Board member Nominating and Governance Committee, member | NistronTech Sàrl | Board member |
| | PolyPeptide Group AG | Board member Vice Chairman & Lead Independent Director | Amazentis SA | Board member Vice Chairman |
| | | | Swiss Vaccine SA | Board member |
| | | | Vandria SA | Board member |
| | | | EPFL | Honorary Professor |
| Pablo Isla | | | Amara NZero S.A. | Chairman |
| | | | Fonte Films S.L. | Chairman |
| Kimberly A. Ross | The Cigna Group | Board member Finance Committee, member Audit Committee, Chair | | |
| | Northrop Grumman Corporation | Board member Audit Committee, member Policy Committee, member | | |
| | KKR Co. Inc. | Board member | | |

Audited

| | Mandates in listed companies | Function | Mandates in non-listed companies | Function |
|----------------------------------|-------------------------------------|---|---|--|
| Dick Boer | Shell plc | Board member-Senior Independent Non-Executive Director Deputy Chair Audit & Risk Committee, member Nomination and Succession Committee, member Remuneration Committee, member | SHV Holdings N.V. | Board member |
| | Just Eat Takeaway.com | Board member & Chairman | Het Concertgebouw N.V. | Board member & Chairman |
| Dinesh Paliwal | KKR & Co. Inc. | Partner | Marelli & Koki Holdings Co. Ltd. | Board member Non-Executive Chairman |
| Hanne Jimenez de Mora | | | Microcaps AG | Board member Chairperson |
| | | | IMD Business School | Board member Vice Chair |
| Lindiwe M. Sibanda | | | University of Pretoria | Professor Extraordinary Director |
| | | | Linds Agriculture Services Pvt Ltd. | Managing Director |
| Chris Leong | Schneider Electric SE | Chief Marketing Officer | | |
| Luca Maestri | Apple Inc. | Chief Financial Officer | | |
| Rainer Blair | Danaher Corporation | President & CEO Board member Science & Technology Committee, member | | |
| Marie-Gabrielle Ineichen-Fleisch | | | KIBAG Holding AG | Board member |
| | | | Schweizerische Mobiliar Genossenschaft | Board member |
| | | | F.G. Pfister Holding AG | Board member |

Executive Board

Principles of compensation for members of the Executive Board

Governance

Pursuant to art. 21^{bis} par. 1 of Nestlé S.A.'s Articles of Association (*), the General Meeting shall approve annually the proposal of the Board of Directors in relation to the maximum aggregate amount of the compensation of the Executive Board for the following financial year (**).

In the event the General Meeting has not approved a proposal of the Board of Directors, the Board of Directors shall determine the respective maximum aggregate amount or maximum partial amounts of compensation, provided that:

- a) the Board of Directors takes into account: (i) the proposed maximum aggregate amount of compensation; (ii) the decision of the General Meeting and, to the extent known to the Board of Directors, the main reasons for the negative vote; and (iii) Nestlé's compensation principles; and
- b) the Board of Directors submits the amount(s) so determined for approval by the same General Meeting, a subsequent Extraordinary General Meeting or the next Annual General Meeting (art. 21^{bis} par. 2 of the Articles of Association).

If the maximum aggregate amount of compensation already approved by the General Meeting is not sufficient to also cover compensation of one or more members who become members of or are being promoted within the Executive Board during a compensation period for which the General Meeting has already approved the compensation of the Executive Board, Nestlé or companies controlled by it shall be authorized to pay such member(s) a supplementary amount during the compensation period(s) already approved. The total supplementary amount shall not exceed 40% of the aggregate amount of compensation of the Executive Board last approved by the General Meeting per compensation period (art. 21^{ter} of the Articles of Association).

Principles

The principles of compensation for members of the Executive Board are the following:

Pay for performance

The Total Direct Compensation for the members of the Executive Board includes a fixed portion (Annual Base Salary) and a variable portion (Short-Term Bonus and Long-Term Incentives). The fixed compensation takes into account individual performance. Variable compensation is determined based on collective and individual performance. These are intended to ensure a major part of executive rewards are contingent on achieving demanding performance goals.

Alignment with long-term company strategy and shareholder interests

Compensation for members of the Executive Board is aligned with company strategy and shareholders' interests. The Short-Term Bonus payout is determined by the degree of achievement of a number of objectives aligned to annual business plans. Long-Term Incentives are provided in the form of share-based instruments, therefore ensuring alignment with shareholders' interests. In 2024, the main Long-Term Incentive instrument was the Performance Share Unit Plan (PSUP). PSUs have a vesting period of three years, with a further holding period of two years for Executive Board members, leading to a total restriction period of five years. Their alignment with shareholder interests is reinforced through payouts being tied to underlying Earnings per Share (EPS) growth, relative Total Shareholder Return (TSR) performance, Return on Invested Capital (ROIC) and reduction in greenhouse gas emissions.

Coherence in remuneration plans and levels throughout the Company

The Company aims to align remuneration plans across the Group and to ensure that compensation rewards are appropriate for the added responsibilities of positions held. This is reflected in the relative remuneration levels of the Executive Board.

(*) Nestlé S.A.'s Articles of Association can be found on page 65 and at www.nestle.com/investors/corporate-governance/articles

(**) The Board of Directors may submit for approval by the General Meeting deviating or additional proposals relating to the same or different periods.

Compensation to be internationally competitive by using selected benchmarks

The compensation packages for the members of the Executive Board need to be competitive in a dynamic international environment. Nestlé targets its overall remuneration policy to be between the median and the 75th percentile of the selected external benchmarks (please refer to page 52). Whenever appropriate, the benchmark values are adjusted for the size of Nestlé. The market competitiveness of the compensation of the Executive Board is therefore periodically assessed using the services of Willis Towers Watson, a reputed international human capital and benefits consultancy.

The total compensation package consists of the following elements:

1. Base Salary

The Base Salary is the foundation of the total compensation. It reflects the experience, expertise and sustained performance of the Executive Board member, as well as taking into account external market competitiveness. It also serves as the basis for determining the Short-Term Bonus target levels and the allocation of Long-Term Incentives. The Base Salary is reviewed annually by the Compensation Committee. Criteria for adjustments are individual contribution and the level of competitiveness against the benchmarks.

2. Short-Term Bonus

The Short-Term Bonus is intended to reward results achieved against annual collective and individual objectives related to Nestlé's overall business strategy. The Short-Term Bonus is paid in cash and/or in Nestlé S.A. shares ^(*), which are subject to a three-year blocking period.

Governance

Pursuant to art. 21^{quater} of Nestlé S.A.'s Articles of Association ^(**), variable compensation may comprise short-term compensation elements, and shall be subject to caps expressed as predetermined multipliers of the respective target levels.

Short-term compensation elements are governed by performance metrics that take into account the performance of Nestlé and/or parts thereof, targets in relation to the market, to other companies or to comparable benchmarks and/or individual targets, and achievement of which is generally measured based on a one-year period. The annual target level of the short-term compensation elements is determined as a percentage of the Base Salary; depending on achieved performance, the compensation may amount up to a pre-determined multiplier of target level.

The Board of Directors or, to the extent delegated to it, the Compensation Committee, determines performance metrics and target levels, and their achievement.

(*) or American Depositary Receipts

(**) Nestlé S.A.'s Articles of Association can be found on page 65 and at www.nestle.com/investors/corporate-governance/articles

Objectives 2024

The Short-Term Bonus (Annual Bonus) is based on a bonus target expressed in % of the Annual Base Salary.

In 2024, the following target levels were applicable

- CEO: 150%;
- Executive Vice President: 100%;
- Deputy Executive Vice President: 80%.

For the CEO and the CFO, 85% of the target is linked to performance against the Nestlé Group objectives (see below) and 15% to Environmental, Social and Governance (ESG) objectives. For the other members of the Executive Board, at least 35% of the target is linked to business performance, to ensure accountability for Nestlé's results; for Function Heads, 50% is tied to functional objectives, 35% to Group performance and 15% to ESG objectives; for Zone or Business Heads, 60% is tied to business objectives they are directly responsible for, 25% to Group performance and 15% to ESG objectives.

In case an executive reaches all objectives in full, the bonus payout will correspond to the targeted level. If one or more objectives are not reached, the bonus is reduced. The bonus payout is capped at a maximum of 150% (2023: 130%) of the target. There is no guarantee for the payout of a minimum bonus.

Members of the Executive Board can elect to receive part or all of their Short-Term Bonus in Nestlé S.A. shares ^(*). The CEO has to take a minimum of 50% in shares.

The number of shares granted is determined using the average market closing price of the last ten trading days of January 2025.

Group objectives

Every year, the Board of Directors defines a set of key quantitative operational objectives, which comprise the main elements in determining the annual Group performance for the following year. These are linked to measurable financial objectives. In 2024, their weighting was 60% Organic Growth and 40% Profitability (Underlying Trading Operating Profit margin).

Additional quantitative and qualitative objectives, set by the Board of Directors in line with Nestlé's strategy, are also used to determine the Nestlé Group performance. This set of additional objectives reflects market shares, capital expenditure, structural cost optimization, progress on digitalization, strengthening Nestlé's values and culture, and further progress on quality and safety.

The above objectives are kept under review by the Board of Directors to ensure that they are aligned with Nestlé's business objectives and its strategic ambition.

Business and functional objectives

Business and functional objectives are determined by the CEO for each member of the Executive Board. They are related to the individual area of responsibility and are of a financial or non-financial nature.

Environmental, Social and Governance (ESG) objectives

ESG objectives (15% of the target) are set annually by the Compensation Committee and reflect selected performance measures from the Company's ESG/Sustainability agenda. For 2024, they relate to affordable nutrition with micro nutrients, reduction of greenhouse gas emissions, virgin plastic reduction, reduction of water use in factories and management positions held by women. These five objectives are equally weighted at 3% each.

(*) or American Depositary Receipts

3. Long-Term Incentives

Long-Term Incentives are intended to reward sustained business success and overall shareholder value creation as well as to retain key senior management members.

Governance

Pursuant to art. 21^{quater} of Nestlé S.A.'s Articles of Association ^(*), variable compensation may comprise long-term compensation elements, and shall be subject to caps expressed as pre-determined multipliers of the respective target levels.

Long-term compensation elements are governed by performance metrics that take into account strategic objectives of Nestlé, achievement of which is generally measured based on a multi-annual period. The annual target level of the long-term compensation elements is determined as a percentage of the Base Salary; depending on the achieved performance, the compensation may amount up to a pre-determined multiplier of the target level. Vesting periods, as determined by the Board of Directors or, to the extent delegated to it, the Compensation Committee, shall be at least three years. See further art. 21^{quater} par. 6 to par. 8 of the Articles of Association.

The Board of Directors or, to the extent delegated to it, the Compensation Committee determines performance metrics and target levels, and their achievement.

Target levels 2024

In 2024, members of Nestlé's Executive Board were eligible to receive Long-Term Incentives in the form of Performance Share Units under the Performance Share Unit Plan (PSUP). The grant value for Long-Term Incentives in 2024 was the following:

- CEO: 150% of the Annual Base Salary
- Executive Vice President and Deputy Executive Vice President: 100% of the Annual Base Salary

The PSUP provides units which entitle participants to receive Nestlé S.A. shares at the end of the three-year vesting period. These shares remain blocked for a further period of two years for Executive Board members.

The level at which PSUs vest is determined by the degree by which the four performance measures of the PSUP are met over the full three-year vesting period. These four criteria are:

- the growth of underlying Earnings per Share (EPS) in constant currencies;
- the relative Total Shareholder Return (TSR) of the Nestlé S.A. share in relation to the STOXX Global 1800 Food & Beverage Gross Return Index;
- the Return on Invested Capital (ROIC) and
- the reduction in greenhouse gas emissions.

Growth of underlying Earnings per Share, Total Shareholder Return performance in relation to peers, Return on Invested Capital and reduction in greenhouse gas emissions are commonly used measures to determine senior management long-term performance in the industry. Growth of underlying Earnings per Share will be weighted at 40%, Total Shareholder Return Performance, Return on Invested Capital and reduction in greenhouse gas emissions at 20% respectively to determine the vesting level of the initial PSU award.

All four performance measures will be subject to Compensation Committee review in case of extraordinary events.

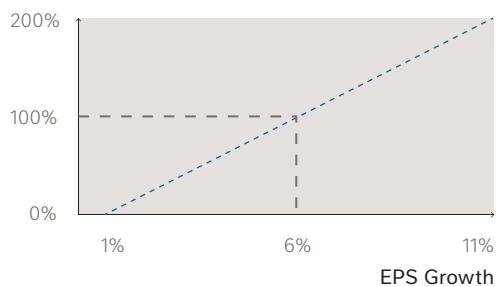
The PSUP covers the Executive Board, Senior Vice Presidents and selected Vice Presidents and Assistant Vice Presidents. A Restricted Stock Unit Plan (RSUP) applies to all other participants.

(*) Nestlé S.A.'s Articles of Association can be found on page 65 and at www.nestle.com/investors/corporate-governance/articles

The following charts show the different potential levels of achievement for each of the four measures for the 2024 PSUP grant.

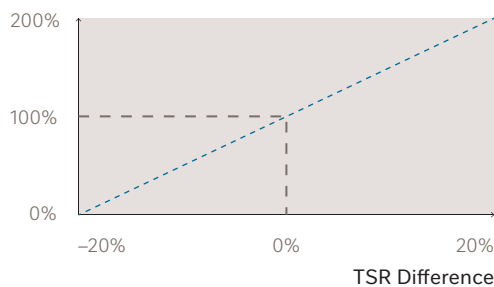
**Underlying EPS Growth
(constant currencies)**

Achievement



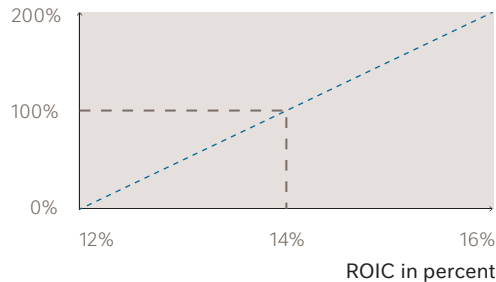
**TSR Difference
(Nestlé vs. Index)**

Achievement



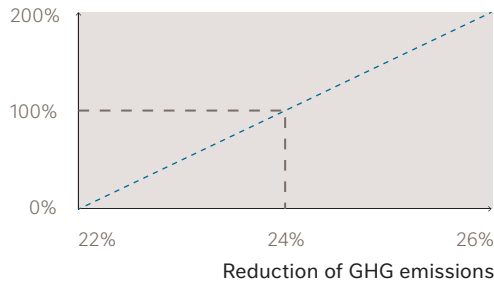
ROIC (in percent)

Achievement



Reduction of Greenhouse Gas (GHG) emissions

Achievement

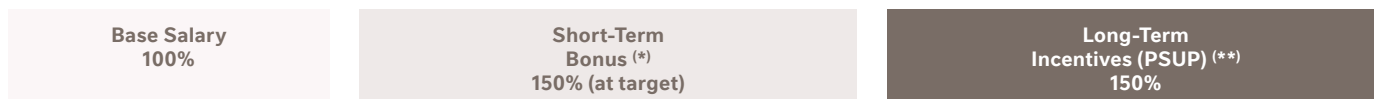


The total vesting level will be determined by applying, at the end of the vesting period, a weight of 40% for Underlying EPS Growth, 20% for TSR Difference, 20% for ROIC and 20% for the Reduction of Greenhouse Gas emissions, and by adding up the four elements.

The vesting range of the PSU starts at 0% and is capped at 200% of the initial PSU award, thus providing alignment with strategy and shareholders' interests, as well as ensuring competitiveness versus external market comparisons.

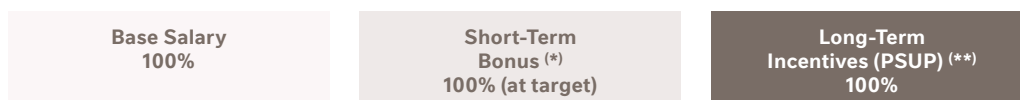
Overview of Executive Board compensation elements

CEO



(*) Payable between 50% and 100% in Nestlé S.A. shares with a three-year blocking period.
 (**) Subject to a two-year holding period after the three-year vesting period.

Executive Vice Presidents



(*) Payable between 0% and 100% in Nestlé S.A. shares with a three-year blocking period.
 (**) Subject to a two-year holding period after the three-year vesting period.

Maximum payout:

- Short-Term Bonus: capped at 150% of the target;
- PSUP: vesting ranges from 0% to 200% of the initial PSU award.

4. Other Incentive Plans

For the Head of Nestlé Health Science, the LTI target grant values are the same as mentioned above, but are split between PSUP (30% of grant value) and the specific Long-Term Incentive Plan of Nestlé Health Science (70% of grant value). Nestlé Health Science has a Phantom Share Unit Plan based on the long-term development of that business, with a vesting period of three years, and a value capped at two times the Unit price at grant.

The Head of Zone North America also participates in the Nestlé US Short-Term and Long-Term Incentive Plans for 75% of his total grant value. The Nestlé US Long-Term Incentive Plan, which has a target value of 250%, is a Phantom Share Unit Plan based on the long-term results of Nestlé S.A. The vesting range and performance measures of these US Performance Share Units (US PSUs) are the same as those of the PSUs described above. US PSUs have a three-year vesting period and are cash settled following the third anniversary of the grant date. These terms reflect the dynamics in our largest market and are comparable to the terms applicable for employees in similar positions in the US.

5. Other benefits

Typical elements are a car allowance, long-term service awards in line with Company policy as well as contributions towards health insurance premiums and periodical health checks as well as personal security services. Health insurance premiums of the Heads of Zone North America and Zone Greater China, the Chief Communications Officer, the Head of Nestlé Health Science and the Head of Operations are paid by the Company. They also receive a financial planning allowance. Those Executive Board members who have been transferred to Switzerland from other Nestlé locations are eligible to receive benefits provided by Nestlé’s expatriation policies. The Heads of Zone North America and Zone Greater China receive a housing allowance. The Chief Financial Officer benefits from tax and relocation support for her transfer to Switzerland. The Head of Zone North America also receives certain additional benefits including contributions to life insurance and other benefits available to employees in similar positions in the US.

6. Pension benefits

Executive Board members are affiliated to the Nestlé Pension Plan in Switzerland like all other employees, except for the Head of Operations, who is affiliated to the Expatriate Swiss Life Pension Plan in Switzerland, the Chief Communications Officer and the Head of Nestlé Health Science. The Heads of Zone North America and of Zone Greater China are also affiliated to the local pension plans, as are the Chief Communications Officer, the Head of Operations and the Head of Nestlé Health Science, who remained on US pension plans in line with Nestlé's Corporate Expatriation Policy. The employer's contributions for future pension benefits are included in the compensation amount.

Pensionable earnings under the Nestlé Pension Plan in Switzerland include the Annual Base Salary, but not the variable compensation (Short-Term Bonus or Long-Term Incentives). Any part of the Annual Base Salary which exceeds the ceiling prescribed by Swiss Pension Law is covered directly by the Company.

Benchmarks of Executive Board compensation

Any benchmark needs to take into account Nestlé's overall size, its sector and geographic location. The Compensation Committee has therefore decided that the most appropriate way to assess the competitiveness of the compensation for the Executive Board is by comparing it against the STOXX Europe 50 index (excluding financial services) as the primary benchmark (*), while taking account of trends in executive remuneration in the European fast moving consumer goods (FMCG) and pharma companies. Reflecting the Company's size (revenue and headcount), Nestlé's competitive position has been evaluated with reference to the 75th percentile of the benchmark.

Share ownership policy

Following an appropriate build-up period, each Executive Board member is required to hold shares at least equal to twice his/her Annual Base Salary, absent specific circumstances. The CEO is required to hold shares at least equal to five times his Annual Base Salary.

An additional two-year blocking period is imposed on Nestlé S.A. shares delivered to Executive Board members upon vesting of PSUs, bringing the total restriction period to five years. The blocking period remains applicable upon termination of employment.

Loans

The Company does not, as a rule, grant loans, except that it may provide advances, generally repayable over a three-year period to members of the Executive Board who have been transferred to Switzerland from other Nestlé locations in line with the Nestlé Corporate Expatriation Policy.

Loans to Executive Board members may only be granted at market conditions and may, at the time of grant, not exceed the respective member's most recent total annual compensation (art. 21^{septies} of the Articles of Association).

Contracts of employment and severance payments

Members of the Executive Board are subject to a notice period of 12 months. During this time, unless there was termination for cause, entitlement to the Annual Base Salary and prorated Short-Term Bonus continues. Long-Term Incentives are forfeited upon voluntary resignation or termination for cause; Long-Term Incentives immediately vest in all other cases of termination of employment. There are no severance payments or change of control provisions ("golden parachutes"). Non-compete provisions are in line with the Articles of Association and are activated by the Company only as necessary on a case-by-case basis.

The compensation of the members of the Executive Board is subject to forfeiture or claw back if the compensation paid or granted is rejected by the General Meeting of Nestlé S.A. in a final vote.

(*) Companies include: ABB, Adyen, Air Liquide, Airbus, ASML, AstraZeneca, BASF, Bayer, BP, British American Tobacco, Deutsche Post, Deutsche Telekom, Diageo, Enel, EssilorLuxottica, Glencore, GSK, Kering, L'Oréal, Mercedes-Benz, Novartis, Novo Nordisk, Prosus, Relx, Rio Tinto, Roche, Sanofi, SAP, Schneider Electric, Shell, Siemens, TotalEnergies and Vinci.

Audited

Compensation 2024 for members of the Executive Board

At the Annual General Meeting of April 20, 2023 the shareholders approved a maximum compensation for members of the Executive Board of CHF 72 million for 2024. The total compensation paid to members of the Executive Board in 2024, including contributions towards future pension benefits and total social security contributions, was CHF 77 037 581. This amount includes a supplementary payment to one new member of the Executive Board. Please refer to the explanations provided on page 58.

Compensation for members of the Executive Board in CHF (including the CEO)

| | 2024 | 2023 |
|---|-------------------|-------------------|
| Annual Base Salary | 17 833 333 | 16 741 666 |
| Short-Term Bonus (cash) | 15 155 708 | 15 666 017 |
| Short-Term Bonus (market value of Nestlé S.A. share) ^(a) | 1 901 376 | 4 755 855 |
| Performance Share Units (market value) ^(b) | 20 406 777 | 19 594 778 |
| Other benefits | 2 576 594 | 2 385 243 |
| Total | 57 873 788 | 59 143 559 |
| % Fixed/Variable | 35.3 – 64.7 | 32.3 – 67.7 |
| | | |
| Company contributions towards future pension benefits (in line with Nestlé's Pension Benefit Policy described above) | 4 978 127 | 4 896 824 |
| Company contributions to compulsory Swiss social security ^(c) | 421 400 | 436 100 |
| Additional remuneration and fees paid to members of the Executive Board | 11 092 353 | — |
| Total including the elements above | 74 365 668 | 64 476 483 |

The above compensation table includes the following:

| | 2024 | 2023 |
|--|---------|---------|
| Number of Nestlé S.A. shares ^(d) granted | 24 923 | 48 757 |
| Number of Performance Share Units granted under the PSUP | 218 855 | 181 573 |

- (a) Nestlé S.A. shares or American Depositary Receipts delivered as part of the Short-Term Bonus are valued at the average closing price of the last ten trading days of January 2025.
- (b) The Performance Share Units are valued at the average closing price of the first ten trading days, after the publication of the annual results for the Grant in March and at the average closing price of the last ten trading days in September for the Grant in October. Performance Share Units granted and revoked in the same year are not disclosed.
- (c) Since the Company contributions to social security are based on full earnings, whereas benefits are capped, only contributions that lead to future benefits are included. The additional cost to the Company taking into account full social security employer contributions is CHF 2 671 913 in 2024 and CHF 2 337 174 in 2023.
- (d) or American Depositary Receipts

Explanations

- On December 31, 2024, the Executive Board consisted of 15 members.
- Anna Manz was appointed member of the Executive Board effective March 1, 2024.
- Francois-Xavier Roger left the Executive Board on March 1, 2024.
- Guillaume Le Cunff was appointed member of the Executive Board effective July 1, 2024.
- Marco Settembri left the Executive Board on July 1, 2024.
- Laurent Freixe was appointed CEO effective September 1, 2024.
- Mark Schneider left the Executive Board on September 1, 2024.
- For other benefits, see section 5 above.
- Performance Share Units granted in 2024 are disclosed at market value, which corresponds to CHF 93.07 (*) for the Grant in March and to CHF 84.58 for the Grant in October.
- The values in the table above differ in some respect from the compensation disclosure in Note 18.1 of the Consolidated Financial Statements of the Nestlé Group 2024, which have been prepared in accordance with the IFRS Accounting Standards. The differences relate to the timing of valuation of Performance Share Units, whose values are spread over three years under IFRS but reported fully at the grant date in this report.

Payout levels

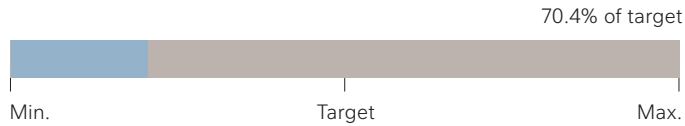
- The Short-Term Bonus payout for the Executive Board was 89.1% in 2024, based on the achievement of the relevant Group and individual quantitative and qualitative objectives (2023: 118%).
- The Performance Share Units granted in 2022 vest in February 2025 with a payout of 79% of the initial PSU award (PSUs granted in 2021 vested in 2024 with a payout of 92%).

(*) USD 113.38 for US Performance Share Units

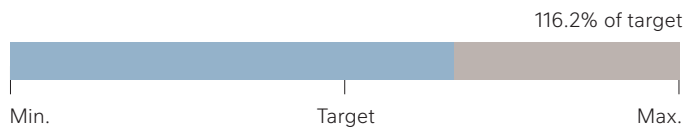
Target Achievements

Group and ESG Objectives 2024 Target Achievements
(CEO Short Term Bonus Achievements)

Financial Objectives (85% weighted)

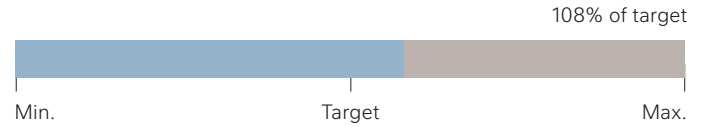


ESG (15% weighted)

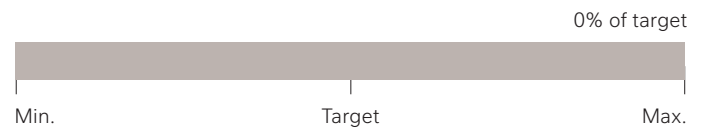


Long-Term Incentive Plan 2022–2024 Achievements

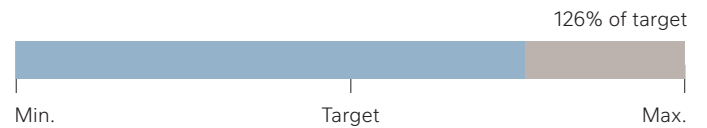
Underlying EPS (50% weighted)



TSR (30% weighted)



ROIC (20% weighted)



Events after the balance sheet date

- Philipp Navratil was appointed member of the Executive Board effective January 1, 2025.
- Anna Lenz was appointed member of the Executive Board effective January 1, 2025.
- David Zhang left the Executive Board on January 1, 2025.
- Béatrice Guillaume-Grabisch left the Executive Board on January 1, 2025.
- Lisa Gibby left the Executive Board on January 1, 2025.
- David Rennie left the Executive Board on January 1, 2025 and was re-appointed member of the Executive Board effective April 1, 2025, succeeding Bernard Meunier.
- Bernard Meunier will leave the Executive Board on April 1, 2025.

Highest total compensation for a member of the Executive Board (*)

In 2024, the highest total compensation for a member of the Executive Board was conferred to Ulf Mark Schneider, the CEO until August 31, 2024. The amounts below are included in the Executive Board compensation disclosed above.

| | | 2024 | | 2023 |
|--|--------|------------------|--------|-------------------|
| | Number | Value in CHF | Number | Value in CHF |
| Annual Base Salary | | 2 400 000 | | 2 400 000 |
| Short-Term Bonus (cash) | | 2 779 200 | | 2 210 401 |
| Short-Term Bonus (market value of Nestlé S.A. share) (a) | | — | 22 661 | 2 210 399 |
| Performance Share Units (market value) (b) | 38 681 | 3 600 041 | 33 211 | 3 600 072 |
| Other benefits | | 68 900 | | 148 568 |
| Total | | 8 848 141 | | 10 569 440 |
| % Fixed/Variable | | 27.9 – 72.1 | | 24.1 – 75.9 |
| Company contribution towards future pension benefits | | 748 775 | | 647 381 |
| Company contribution to compulsory Swiss social security (c) | | 29 400 | | 29 400 |
| Total including the elements above | | 9 626 316 | | 11 246 221 |

- (a) Nestlé S.A. shares delivered as part of the Short-Term Bonus are valued at the average closing price of the last ten trading days of January 2025.
- (b) The Performance Share Units are valued at the average closing price of the first ten trading days, after the publication of the annual results.
- (c) Since the Company contributions to social security are based on full earnings, whereas benefits are capped, only contributions that lead to future benefits are included. The additional cost to the Company taking into account full social security employer contributions is CHF 425 265 in 2024 and CHF 498 525 in 2023.

Explanations

- Performance Share Units granted in 2024 are disclosed at market value, which corresponds to CHF 93.07 for the Grant in March.
- Please also refer to the explanations provided on page 54.

Payout levels

- The Short-Term Bonus payout for the CEO was 77.2% in 2024, based on the achievement of Group quantitative and qualitative objectives and the ESG objectives (2023: 122.8%).
- The Performance Share Units granted in 2022 vest in February 2025 with a payout of 79% of the initial PSU award (PSUs granted in 2021 vested in 2024 with a payout of 92%).

(*) Not taking into account replacement grants awarded to members of the Executive Board during the financial year. Including replacement grants, Anna Manz (CFO) would have been the highest paid in 2024. Please refer to the explanations provided on page 58.

Audited

Share ownership of the members of the Executive Board and closely related parties on December 31, 2024

| | Number of shares held ^(a) |
|---|--------------------------------------|
| Laurent Freixe, Chief Executive Officer | 41 318 |
| Stefan Palzer | 31 397 |
| Béatrice Guillaume-Grabisch | 78 194 |
| Leanne Geale | 31 178 |
| Bernard Meunier | 20 370 |
| Steve Presley | 7 312 |
| Rémy Ejel | 13 214 |
| David Zhang | 6 441 |
| Stephanie Pullings Hart | — |
| David Rennie | 29 540 |
| Anna Mohl | 800 |
| Anna Manz | 44 297 |
| Guillaume Le Cunff | 6 768 |
| Sanjay Bahadur | 99 467 |
| Lisa Gibby | 6 536 |
| Total as at December 31, 2024 | 416 832 |
| Total as at December 31, 2023 | 1 031 522 |

(a) Including shares subject to a three-year blocking period, and further two-year holding period.

There are no stock options held by any member of the Executive Board and closely related parties.

Audited Other audited information regarding the Executive Board**Loans to members of the Executive Board**

On December 31, 2024, there were no loans outstanding to any member of the Executive Board.

Additional fees and remuneration of the Executive Board

One member of the Executive Board, in her role of CEO of Nestlé Health Science, also participated in 2024 in the Nestlé Health Science Long-Term Incentive plan, a Phantom Share Unit plan based on the long-term development of that business. She was attributed 6958 Units in 2024, with a share price of CHF 80.48 per Unit (vesting period of three years, value capped at two times the Unit price at grant).

One member of the Executive Board (Anna Manz, CFO) received on March 1, 2024, replacement grants for long-term and short-term incentives granted to her by her former employer, London Stock Exchange Group, that were forfeited as a result of her resignation. They were granted in the form of Nestlé PSUs, blocked Nestlé shares and cash (in the total amount of CHF 10 532 373). For a part of the value (CHF 5 037 580), the supplementary amount authority pursuant to article 21^{ter} of Nestlé's Articles of Association was used.

For the sake of full transparency, two members of the Executive Board served on the Board of Directors of Froneri Lux Topco Sàrl ("Froneri"), in which Nestlé holds a minority equity interest of 44%. Nestlé does not exercise control over Froneri. In 2024, these members of the Executive Board did not receive any compensation from Froneri.

Compensation and loans for former members of the Executive Board

On December 31, 2024, there were no loans outstanding to former members of the Executive Board.

Compensation or loans to related parties of members of the Executive Board

In 2024, no compensation was paid to related parties of members of the Executive Board, and there were no loans outstanding to related parties.

Audited

Mandates on December 31, 2024

As at December 31, 2024, the members of the Executive Board held the following comparable positions in other undertakings with commercial objectives.

| | Mandates in listed companies | Function | Mandates in non-listed companies | Function |
|-----------------------------|-------------------------------------|---|--|---|
| Laurent Freixe | | | Cereal Partners Worldwide SA | – Board member |
| Stefan Palzer | Merck KGaA | – Board member | | |
| Béatrice Guillaume-Grabisch | L'Oréal S.A. | – Board member – Audit Committee, member | | |
| Leanne Geale | Holcim Ltd. | – Board member – Health, Safety and Sustainability Committee, member | | |
| Bernard Meunier | | | Cereal Partners Wordwide SA | – Board member, Co-Chair |
| Steve Presley | | | | |
| Rémy Ejel | | | Cereal Partners Wordwide SA | – Board member |
| David Zhang | Mei Nian Jian Kang | – Board member | | |
| Stephanie Pullings Hart | | | TraceLink Inc. | – Board member – Enterprise Risk Committee, member |
| David Rennie | | | Froneri Lux Topco Sàrl | – Board member |
| Anna Mohl | | | Amazentis SA | – Board member |
| Anna Manz | AstraZeneca Plc | – Board member – Audit Committee, member | | |
| Guillaume Le Cunff | | | Cereal Partners Wordwide SA Lactalis Nestlé Produits S.A.S. | – Board member – Board member |
| Sanjay Bahadur | | | Froneri Lux Topco Sàrl European Pizza Group Topco Sàrl | – Board member – Board member |
| Lisa Gibby | | | | |

Mandates on December 31, 2023

As at December 31, 2023, the members of the Executive Board held the following comparable positions in other undertakings with commercial objectives.

| | Mandates in listed companies | Function | Mandates in non-listed companies | Function |
|-----------------------------|--------------------------------------|---|--|--|
| Ulf Mark Schneider | Roche Holding Ltd | Board member | | |
| Laurent Freixe | | | Cereal Partners Worldwide SA | Board member |
| Marco Settembri | | | Froneri Lux Topco Sàrl Lactalis Nestlé Produits S.A.S | Board member Board member |
| François-Xavier Roger | Sandoz Group AG | Board member Audit, Risk and Compliance Committee, Chair | Cereal Partners Worldwide SA | Board member |
| Stefan Palzer | | | | |
| Béatrice Guillaume-Grabisch | L'Oréal S.A. | Board member Audit Committee, member | | |
| Leanne Geale | Holcim Ltd. | Board member Health, Safety and Sustainability Committee, member | | |
| Bernard Meunier | | | Cereal Partners Wordwide SA | Board member, Co-Chair |
| Steve Presley | | | | |
| Rémy Ejel | | | | |
| David Zhang | | | | |
| Stephanie Pullings Hart | | | TraceLink Inc. | Board member Enterprise Risk Committee, member |
| Grégory Behar | Sonova AG Seres Therapeutics Inc. | Board member Board member | Amazentis SA | Board member |
| Sanjay Bahadur | | | Froneri Lux Topco Sàrl European Pizza Group Topco Sàrl | Board member Board member |
| David Rennie | | | | |
| Lisa Gibby | | | | |

To the General Meeting of
Nestlé S.A., Cham & Vevey

Lausanne, 12 February 2025

Report of the statutory auditor on the audit of the Compensation



Opinion

We have audited the Compensation Report of Nestlé S.A. (the Company) for the year ended 31 December 2024. The audit was limited to the information pursuant to articles 734a-734f of the Swiss Code of Obligations (CO) in the tables marked “audited” and highlighted with a blue bar on pages 38 to 60 of the Compensation Report.

In our opinion, the information pursuant to Art. 734a-734f CO in the Compensation Report complies with Swiss law and the Company’s articles of association.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the Compensation Report” section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the tables labelled “audited” in the Compensation Report, the consolidated financial statements, the stand-alone financial statements and our auditor’s reports thereon.

Our opinion on the Compensation report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Compensation Report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the audited financial information in the Compensation Report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of directors' responsibilities for the Compensation Report

The Board of Directors is responsible for the preparation of a Compensation Report in accordance with the provisions of Swiss law and the Company's articles of association, and for such internal control as the Board of Directors determines is necessary to enable the preparation of a Compensation Report that is free from material misstatement, whether due to fraud or error. It is also responsible for designing the remuneration system and defining individual remuneration packages.



Auditor's responsibilities for the Audit of the Compensation Report

Our objectives are to obtain reasonable assurance about whether the information pursuant to Art. 734a-734f CO is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Compensation Report.

As part of an audit in accordance with Swiss law and SA-CH, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement in the Compensation Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.

We communicate with the Board of Directors or its relevant committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Shape the future
with confidence

We also provide the Board of Directors or its relevant committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Ernst & Young Ltd

A handwritten signature in black ink, appearing to read 'J. Boillet', written in a cursive style.

Jeanne Boillet
Licensed audit expert
(Auditor in charge)

A handwritten signature in black ink, appearing to read 'André Schaub', written in a cursive style.

André Schaub
Licensed audit expert

