

# Full-year Results 2025

Roadshow  
presentation



# Key takeaways



## Our actions are working

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Improved organic sales growth trends in 2025

## Strategy is clear

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Focused portfolio, bolder investment in growth

## Execution is accelerating

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Performance culture, efficiency through simpler organization

## Performance is improving

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Expect sustained improvement in 2026 and beyond

# Strategic priorities for 2026 and beyond



**1** **Winning portfolio**

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**2** **RIG-led growth**

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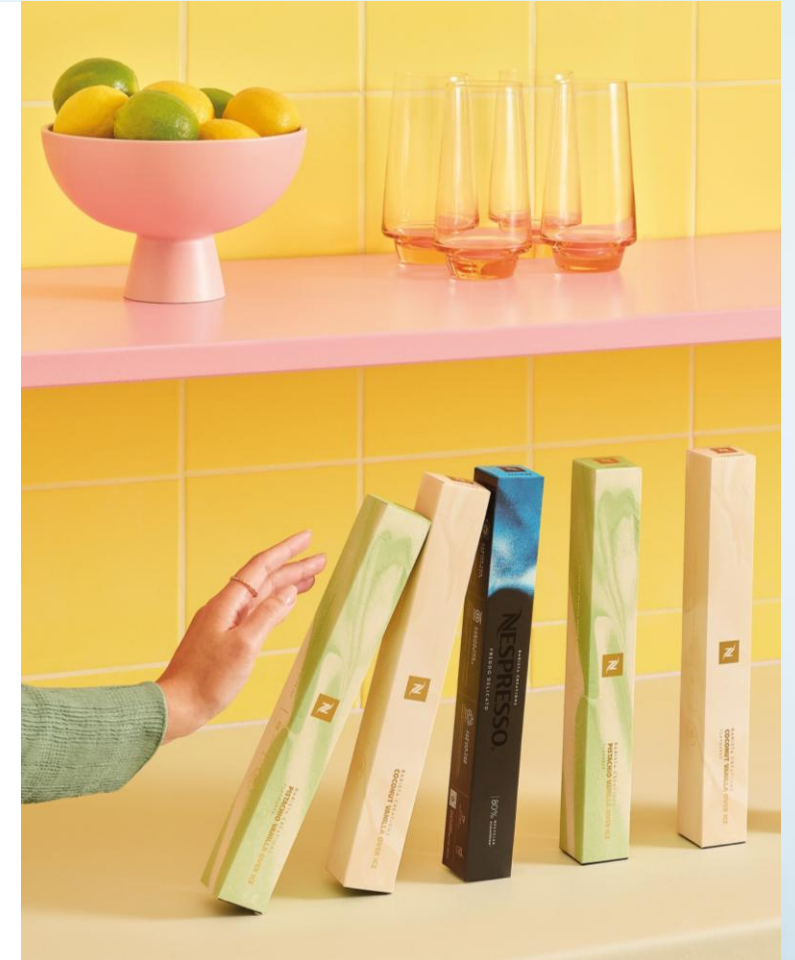
**3** **Transformation and efficiency**

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**4** **Cash and capital allocation**

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**5** **Performance culture**



# Winning portfolio



## Winning business

- Structural growth
- Leading position
- Attractive returns
- Gaining share

















## Winning combination

- Commercial synergies
- Shared capabilities



# Focused on four businesses with leading positions and brands



	Coffee	Petcare	Nutrition	Food & Snacks
<b>Group sales*</b>	<b>29%</b> CHF 25 billion	<b>21%</b> CHF 18 billion	<b>21%</b> CHF 18 billion	<b>29%</b> CHF 25 billion
<b>Market positions</b>	Portion <b>#1</b> Soluble <b>#1</b> Coffee creamers <b>#1</b>	Cat <b>#1</b> Dog <b>#2</b> Therapeutics & supplements <b>#2</b>	Infant <b>#1</b> Kids & all family <b>#1</b> Adult <b>#1</b> Medical <b>#2</b>	Food** <b>#1/2</b> Confectionery** <b>#3</b> Ice cream** <b>#1/2</b>
<b>Leading global brands</b>	   	   	   	   

\* 2025 group sales, % split excluding Nestlé Waters & Premium Beverages \*\*Market position in footprint (not global)

# Nutrition business well-positioned across four categories



## Medical nutrition

**CHF 2 bn**

4-6% CAGR

PEPTAMEN®

Compleat®

resource®

2025 sales by zone

AOA      EUR      AMS



## Infant nutrition

**CHF 5 bn**

1-3% CAGR

Nestlé  
NAN

S-26

Alfaré.  
Althéra.  
Alfamino.

2025 sales by zone

AOA      EUR      AMS



## Kids & all family nutrition

**CHF 6 bn**

2-4% CAGR

Nestlé  
Cerelac

Gerber

Nestlé  
NIDO

Orgain.

2025 sales by zone

AOA      EUR      AMS



## Adult nutrition

**CHF 5 bn**

5-7% CAGR

VITAL PROTEINS®

pure  
encapsulations®

SOLGAR®

2025 sales by zone

AOA      EUR      AMS

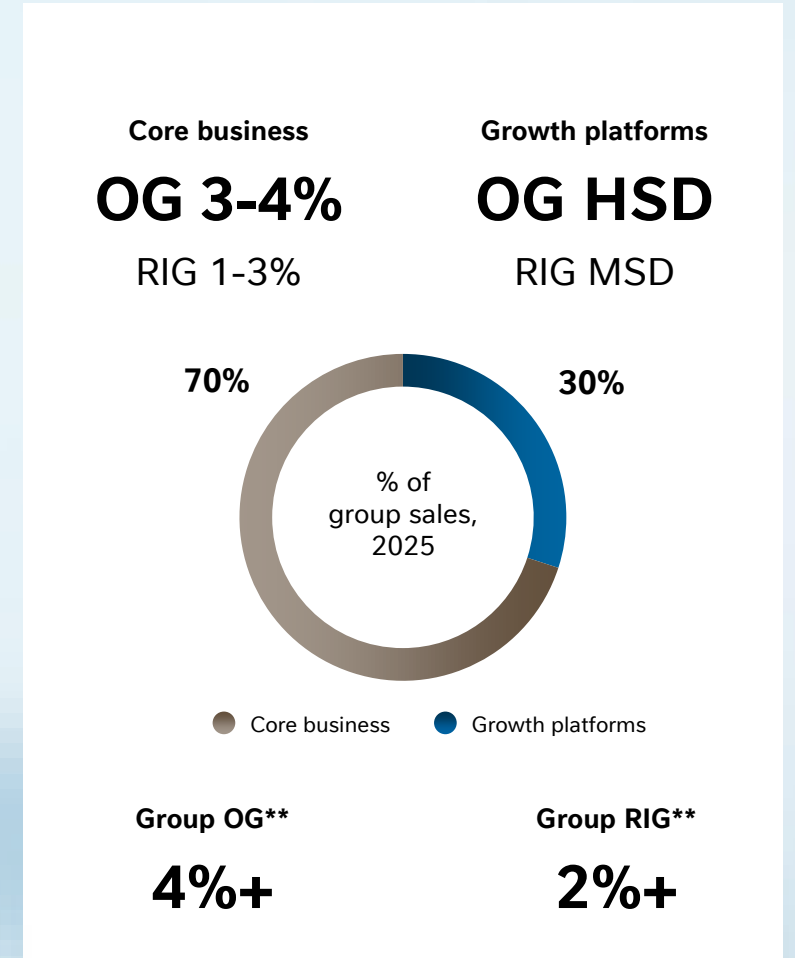


CHF x bn refers to 2025 sales  
x-x% CAGR refers to projected category CAGR 2025-2030 based on Euromonitor and internal data

# Expanding priority growth platforms and driving the core underpins 4%+ medium term OG



Coffee	Petcare	Nutrition	Food & Snacks
Category growth*	Category growth*	Category growth*	Category growth*
<b>3-4%</b>	<b>3-4%</b>	<b>3-5%</b>	<b>2-3%</b>
Growth platforms	Growth platforms	Growth platforms	Growth platforms
Nespresso NA	Wet cat	Medical nutrition	KitKat
Nescafé EM	Emerging markets	Adult nutrition	Noodles
Out of home	Therapeutics & supplements	Premium/specialist infant formula	Maggi cooking solutions
Cold coffee			



\*Euromonitor, 2024-2029 \*\*Medium-term growth  
HSD = high-single digit; MSD = mid-single digit

# Growth platforms – examples



	Cold coffee	Pet therapeutics	Medical nutrition	KitKat
<b>Drivers</b>	<ul style="list-style-type: none"> <li>• New need states: refreshment, functionality, indulgence</li> <li>• Convenience, experimentation</li> <li>• Low penetration</li> </ul>	<ul style="list-style-type: none"> <li>• Pet humanization accelerating premiumization</li> <li>• Preventive care now mainstream</li> </ul>	<ul style="list-style-type: none"> <li>• Ageing populations, chronic disease prevalence</li> <li>• Shift from hospital to outpatient and home care</li> </ul>	<ul style="list-style-type: none"> <li>• Continued growth in snacking culture</li> <li>• Consumers shifting towards lighter indulgent options</li> </ul>
<b>Competitive advantages &amp; opportunities</b>	<ul style="list-style-type: none"> <li>• Unmatched global coffee brand portfolio</li> <li>• Strong R&amp;D, technology and innovation capabilities</li> </ul>	<ul style="list-style-type: none"> <li>• Brand strength and scientific capability and credibility</li> <li>• Global reach, but below 'fair share' of market</li> </ul>	<ul style="list-style-type: none"> <li>• Clinical trust &amp; credibility, R&amp;D and manufacturing expertise</li> <li>• Strong market positions where present, but scope to expand</li> </ul>	<ul style="list-style-type: none"> <li>• Well-suited for innovation – formats, sizes, flavors, textures</li> <li>• Present in over 100 countries, with significant share potential</li> </ul>
<b>Actions to capture opportunity</b>	<ul style="list-style-type: none"> <li>• Expanding footprint, global rollouts in 2026 &amp; beyond</li> <li>• Multi-year innovation pipeline, including Starbucks refreshers</li> </ul>	<ul style="list-style-type: none"> <li>• Innovation on top conditions (GI, allergy, urinary, joint)</li> <li>• Increasing sales reps and investing in digital channels</li> </ul>	<ul style="list-style-type: none"> <li>• Strengthening and expanding geographic footprint</li> <li>• Scaling home-care, pharmacy and e-commerce</li> </ul>	<ul style="list-style-type: none"> <li>• New formats (tablets, balls, miniatures), seasonal ranges</li> <li>• Reach new consumers leveraging Formula 1 campaigns</li> </ul>

# Growth platforms – examples



## Cold coffee



## Pet therapeutics



## Medical nutrition



## KitKat



# Strategic priorities for 2026 and beyond



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**2** RIG-led growth

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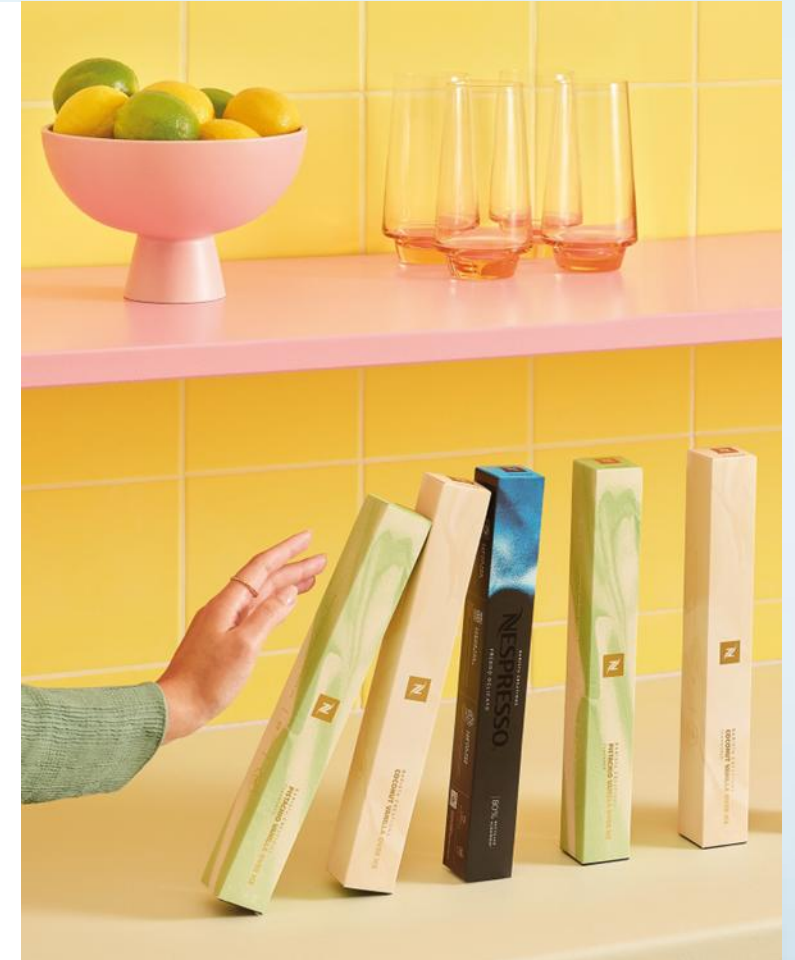
**3** Transformation and efficiency

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**4** Cash and capital allocation

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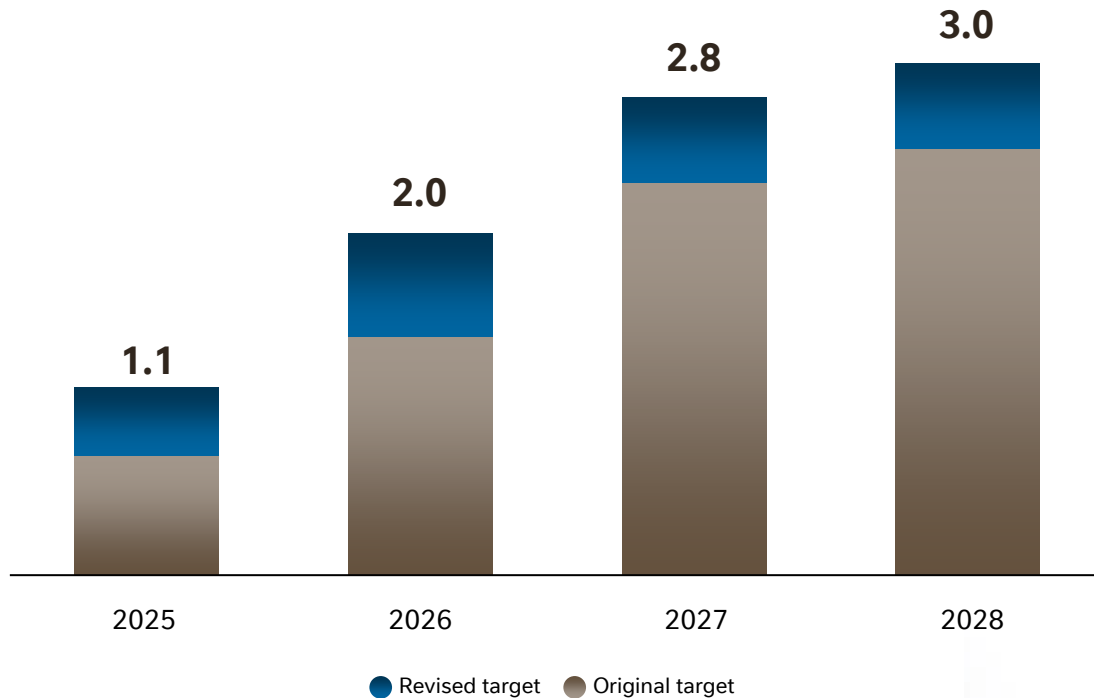
**5** Performance culture



# Increased pace of delivery of cost savings



## 'Fuel for growth' P&L impact, CHF billion



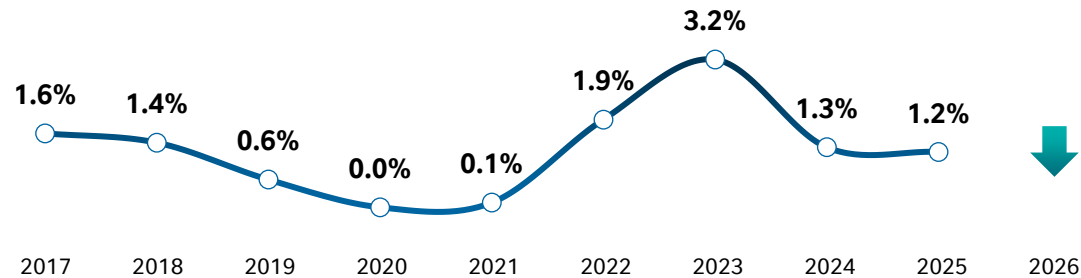
## 'Fuel for growth' key figures

- Fuel for growth cost savings target increased to CHF 3.0 billion in October 2025
- Accelerated delivery in 2025 with CHF 1.1 billion versus CHF 0.7 billion target
- Savings in 2026 now expected to be CHF 2.0 billion, up from CHF 1.4 billion previously

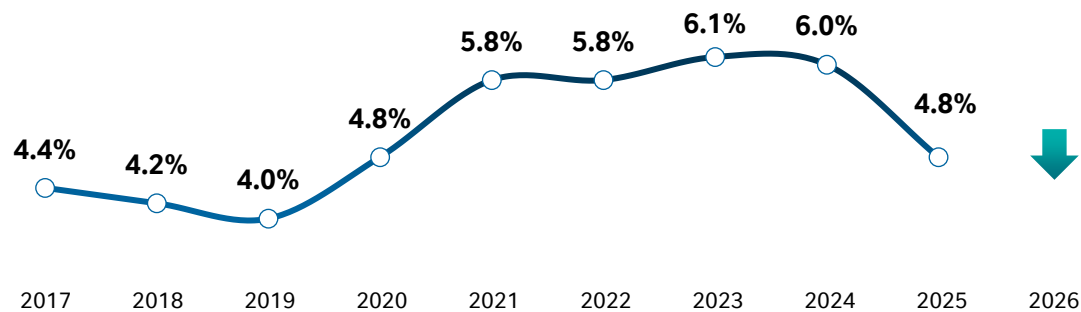
# Improving cash flow is a focus



## Working capital\*, % of sales



## Capex\*\*, % of sales



## Cash generation action plan

- Enhanced governance and accountability
- Data-led control
- Capex discipline tightened
- Safety and quality non-negotiable

\*Working capital calculated on a 5-quarter average \*\*Additions of owned PP&E

# Capital allocation priorities



## Growth

### Organic growth

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Targeted growth investments with rigor on returns

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High priority

### M&A

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Bolt-ons in areas with proven ability to win

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Low priority

## Shareholder returns

### Dividend

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Practice of year-on-year DPS increase in CHF

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High priority

### Share buyback

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Use of excess cash, when available

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Low priority

## Leverage

### Debt reduction

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Lower leverage, within target range of 2-3x net debt/EBITDA

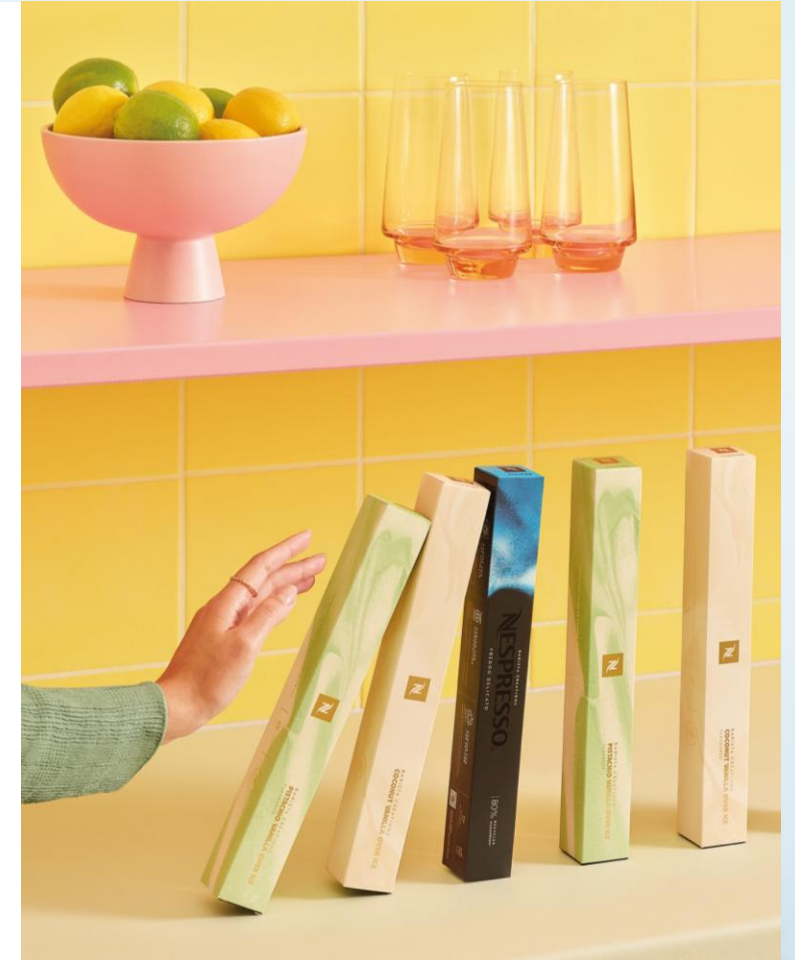
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High priority

# Strategic priorities for 2026 and beyond



- 1 Winning portfolio
- 2 RIG-led growth
- 3 Transformation and efficiency
- 4 Cash and capital allocation
- 5 Performance culture**



# Organization to promote accountability and leverage scale



## Local execution at market level

- Consumer insights and customer relationships
- Commercial execution and prioritization
- Local brand activation
- Deploying and scaling innovation pipelines
- Responsibility for operational P&L

## Strategic above-market activities

- Multi-year category strategy
- Global brand stewardship
- Science-based global innovation
- Functional expertise, standardized processes



# Incentives adjusted to support priorities and reward performance



## Annual bonus metrics evolution, 2026 vs 2024

	Growth	Profitability	Personal goals
<b>2024</b>	60% OG	40% UTOP margin	Often subjective and project-based
<b>2026</b>	50% OG with RIG 'gatekeeper'	30% UTOP margin with PFME 'gatekeeper'	Objective and consistent
	10% market share	10% structural cost reduction	

'Gatekeeper' is minimum threshold level for achievement of this component of the bonus

## Key changes in 2026 vs 2024

- RIG 'gatekeeper' introduced
- Personal goals linked to standard KPIs
- Replacement of functional objectives with Group objectives
- New performance review framework

# Reinforced governance through Board of Directors



## Continued practice of regular Board refreshment

- Two new Directors proposed for election in April 2026
  - Fama Francisco - CEO Global Baby, Feminine and Family Care at Procter & Gamble
  - Thomas Jordan – former Chairman of the Governing Board at the Swiss National Bank
- Adds deep expertise in FMCG and global finance

## Revised committee structures and responsibilities

- Reinforced governance with new committee scope, including Science, Technology & Sustainability Committee
- Broader Director participation across committees



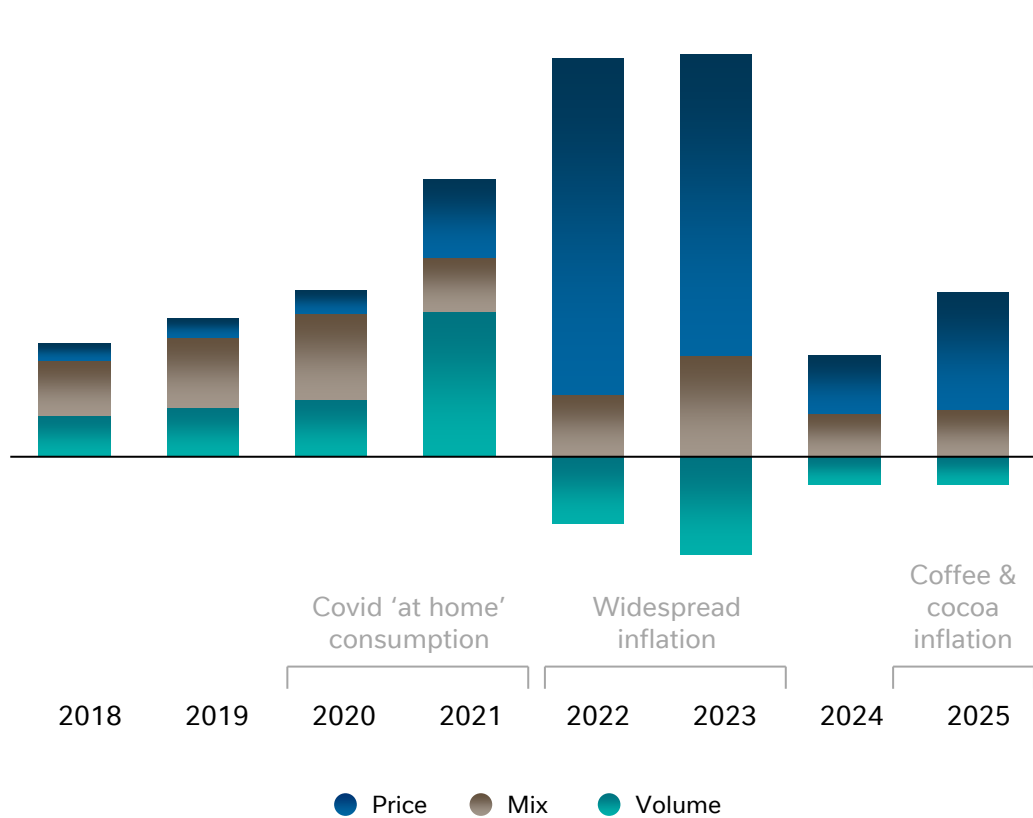
# 2025 Results



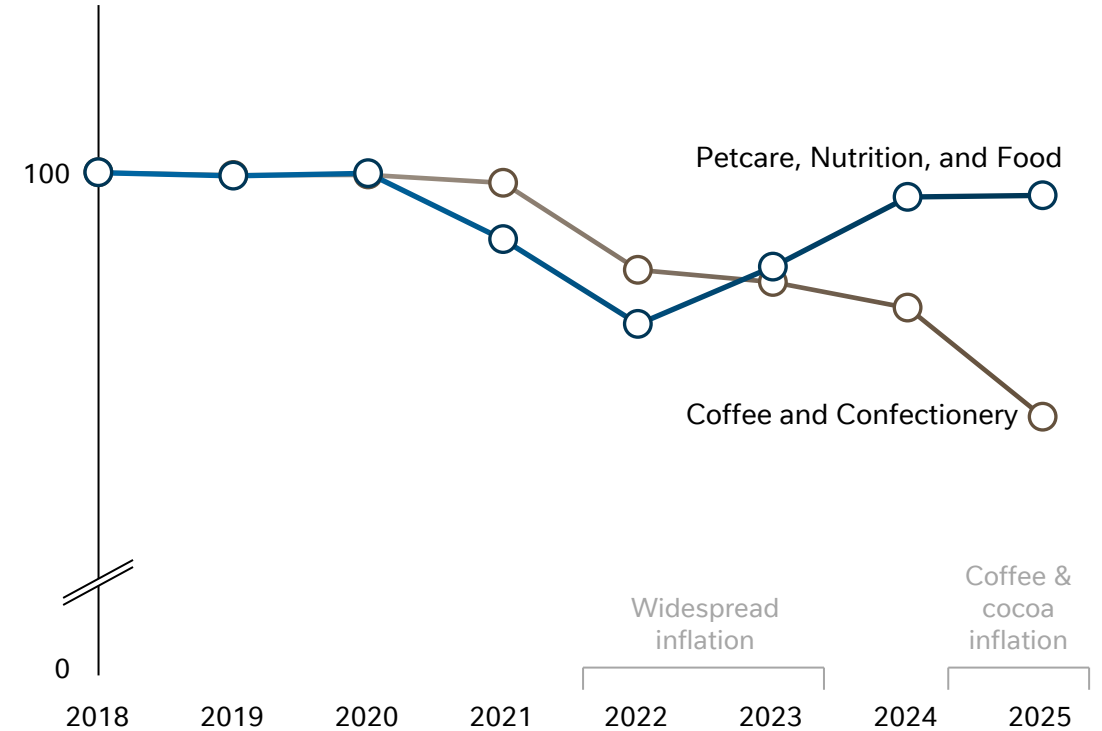
# External factors significant in recent years



## Organic growth - volume, mix & price, %



## Gross profit margin, indexed to 100

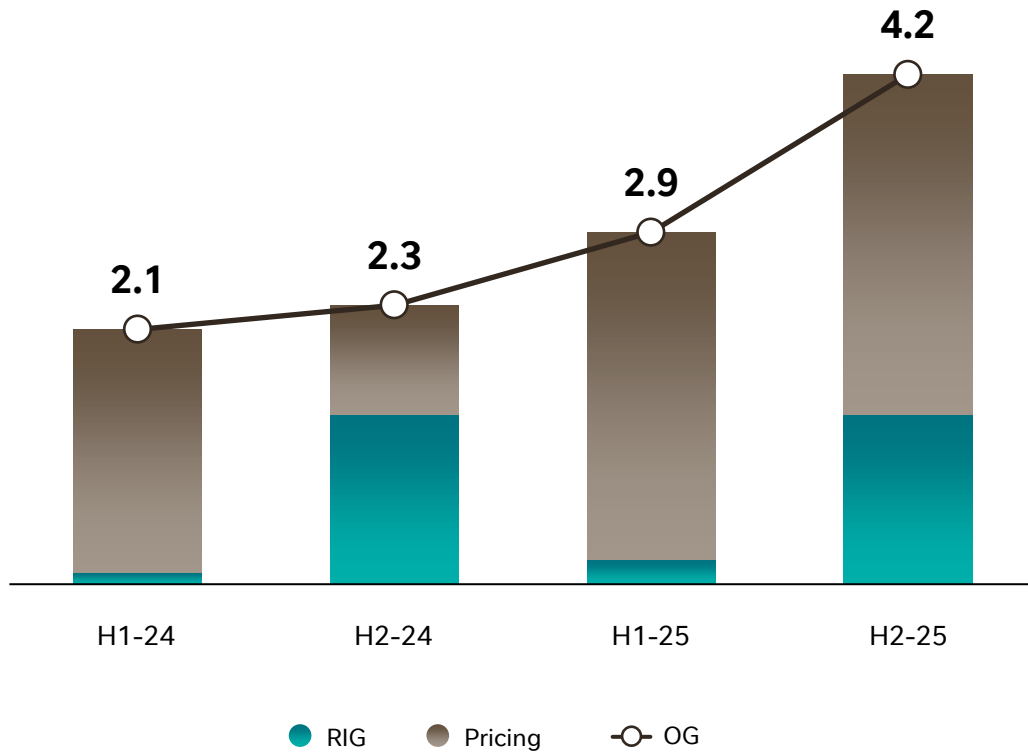


Notes: Excludes Water, Nestlé Health Science; volume and mix together comprise RIG

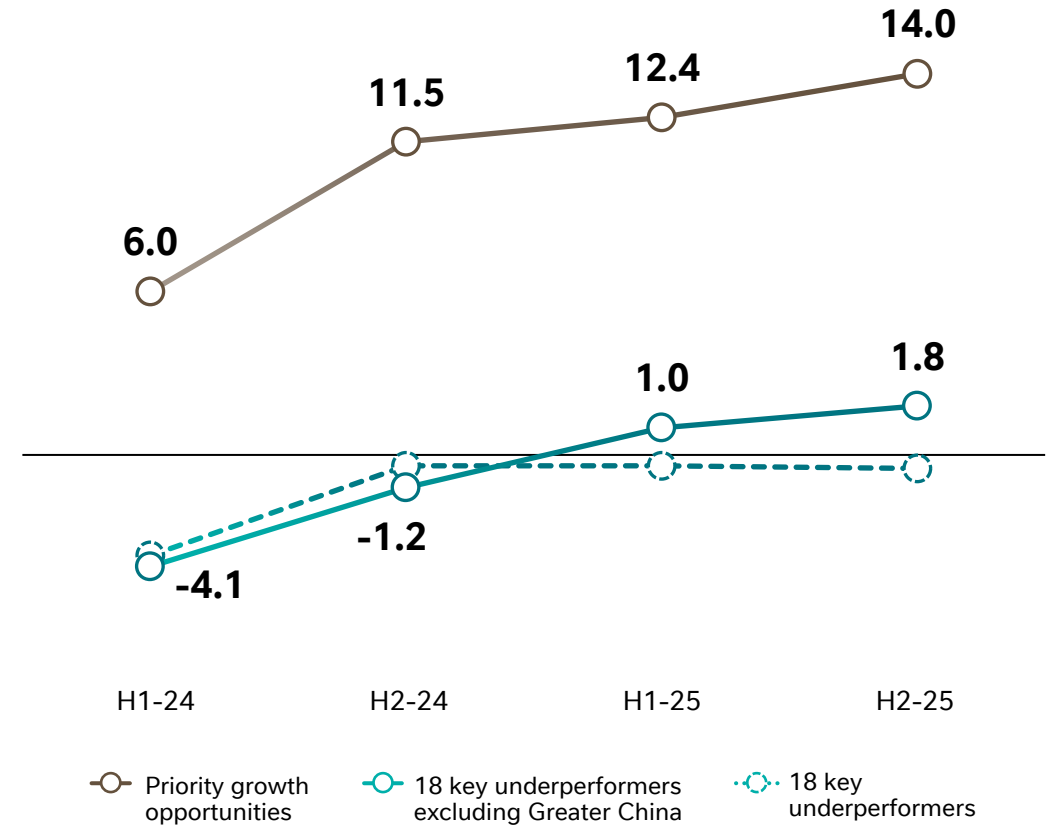
# Organic growth accelerated over the last two years



Group OG and drivers, %



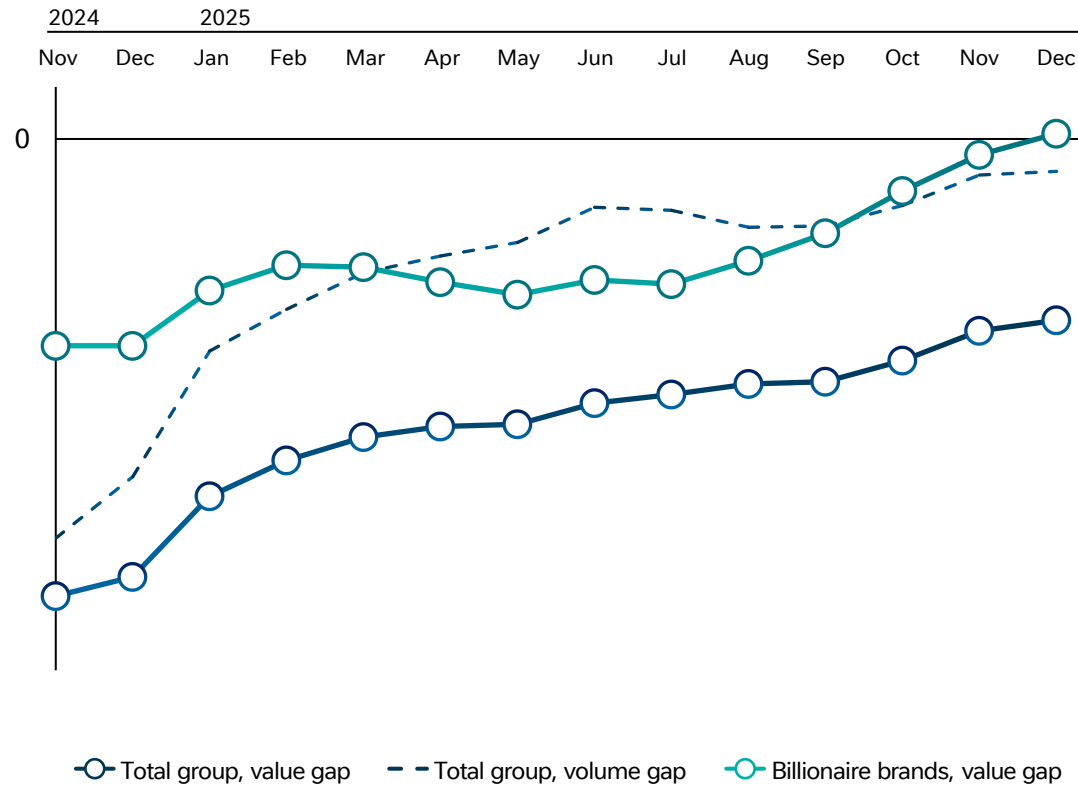
Organic growth, %



# Market share trends improved in 2025, but more to do



## Value and volume growth gap to market reducing



Moving annual total – 12 month rolling data trend

## Drivers of market share turnaround

### Total group

- Value share gap cut by ~60%
- Volume share is broadly flat – positive lead indicator

### Billionaire brands

- Closed to gap to market - the best for over a decade

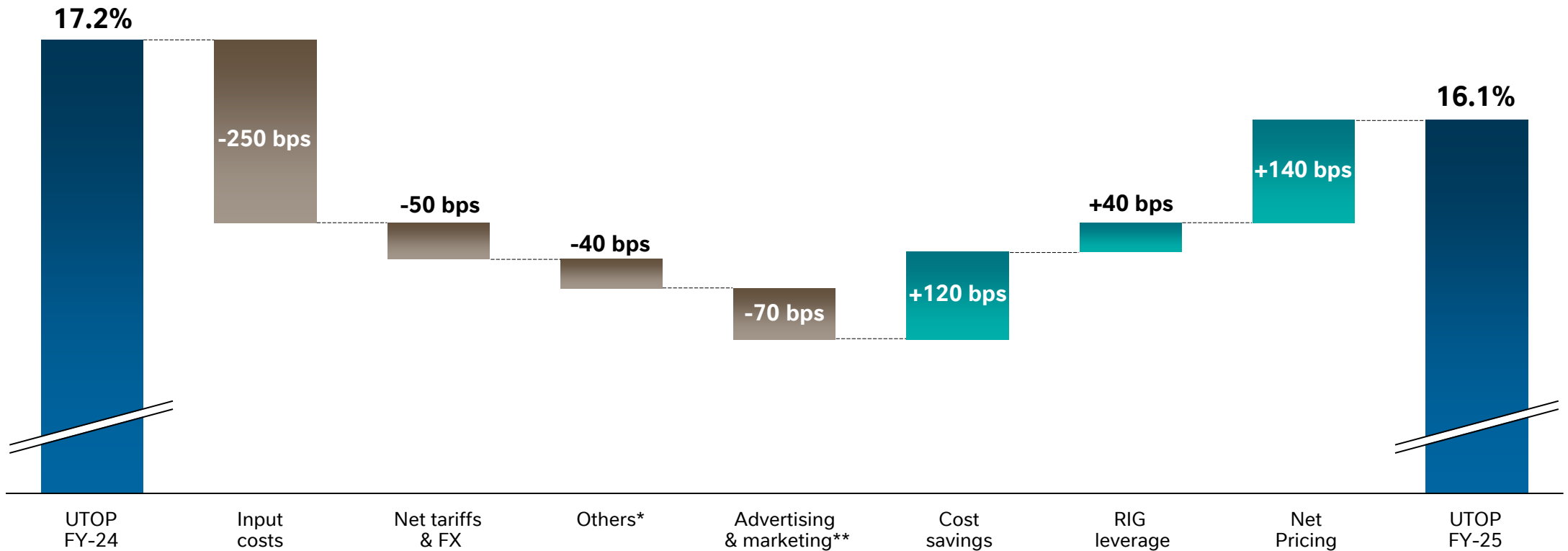
### 18 key underperformers

- Improved throughout 2025

# Strong action on costs and pricing to mitigate headwinds



## Underlying trading operating profit margin, %



\* Others: primarily depreciation and impact of infant formula recall

\*\* Before cost savings

# Financial impact of infant formula recall



	Drivers	2025	2026
<b>Impact on OG and sales:</b>	<ul style="list-style-type: none"> <li>• Sales returns</li> <li>• Stock shortages</li> <li>• Potential consumer impact</li> </ul>	<ul style="list-style-type: none"> <li>• Zero</li> </ul>	<ul style="list-style-type: none"> <li>• Sales returns and stock shortages in Q1 of CHF c.200 million (= c.90 bps in Q1)</li> <li>• Potential consumer impact uncertain</li> </ul>
<b>Impact on gross profit and UTOP:</b>	<ul style="list-style-type: none"> <li>• Gross profit effect from sales impact</li> </ul>	<ul style="list-style-type: none"> <li>• CHF (75) million from estimated sales returns</li> </ul>	<ul style="list-style-type: none"> <li>• Impact of stock shortages and potential consumer impact</li> </ul>
<b>Impact on Other operating expenses:</b>	<ul style="list-style-type: none"> <li>• Write-off of inventory (sales returns and unsold)</li> </ul>	<ul style="list-style-type: none"> <li>• CHF (110) million from estimated inventory write-offs</li> </ul>	<ul style="list-style-type: none"> <li>• Not significant</li> </ul>

# 2026 and medium-term financial guidance



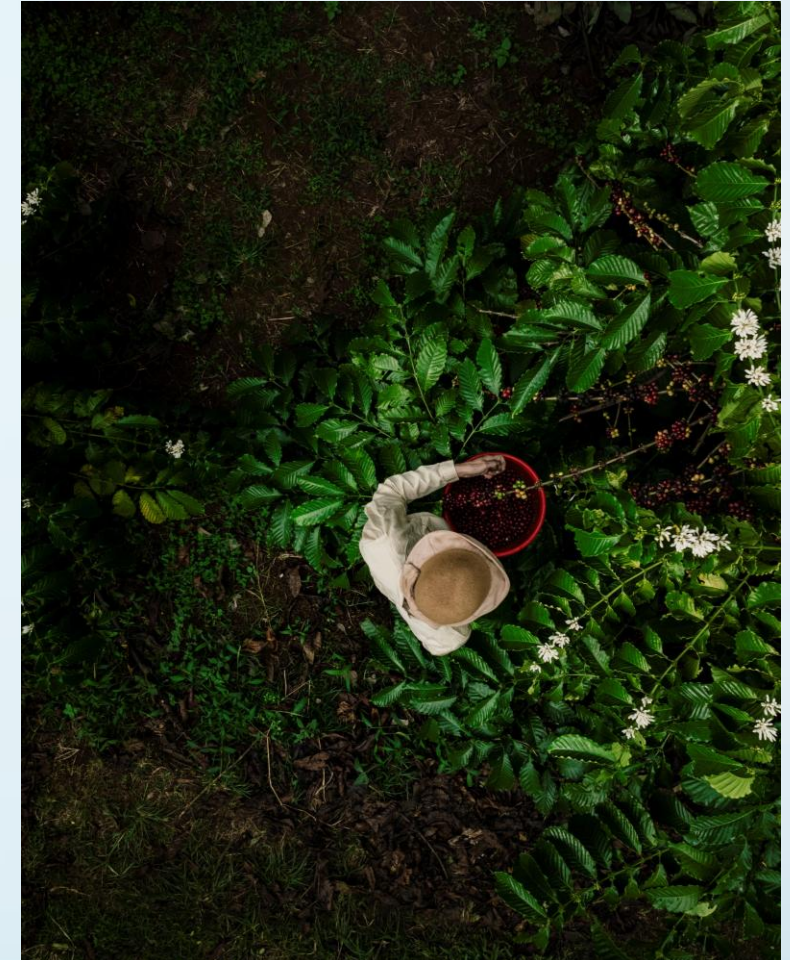
	<b>2026</b>	<b>Medium-term</b>
<b>Organic growth</b>	<b>Range from around 3% up to 4%</b> <ul style="list-style-type: none"><li>• RIG accelerating versus 2025</li><li>• Range includes expected c.-20 bps impact of sales returns &amp; stock shortages from infant formula recall</li><li>• Additional impact is uncertain and could drive OG towards the lower end of the range</li></ul>	<b>4%+</b> in normal market conditions
<b>UTOP margin</b>	<b>Improving vs 2025</b> <ul style="list-style-type: none"><li>• Strengthening in second half of year</li></ul>	<b>17.0%+</b>
<b>Free cash flow</b>	<b>Above CHF 9 bn</b>	

# Creating shared value in 2025



Category	Action	
Climate	Reduction of greenhouse gas emissions	24.5% net reduction*
Packaging	Reduction in virgin plastic use	28% reduction*
Regenerative agriculture	Sourcing from regenerative agriculture	27.6% of ingredients
Nutrition	Micronutrient fortified food & beverages	~ 135 bn servings
Diversity	Females in mid-senior management roles	48%

\*Versus 2018 baseline



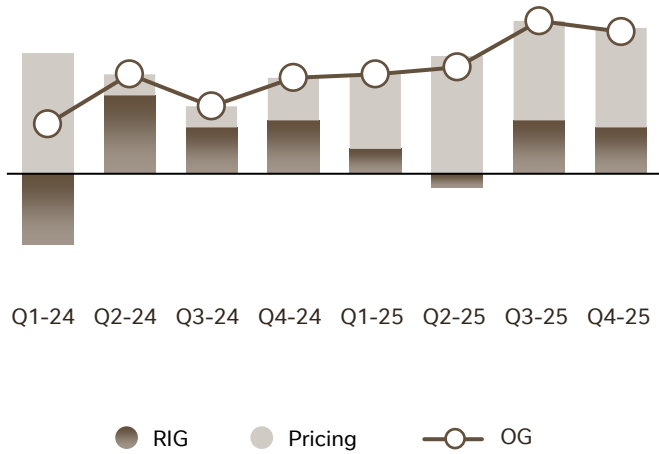
# Appendix



# Organic growth by quarter

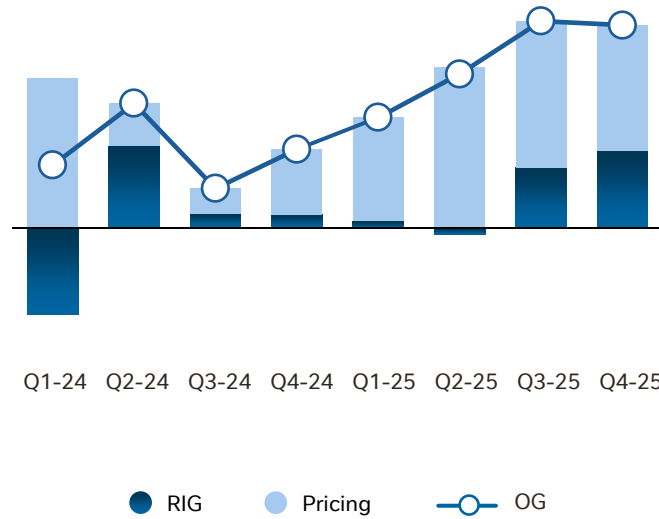


## Group



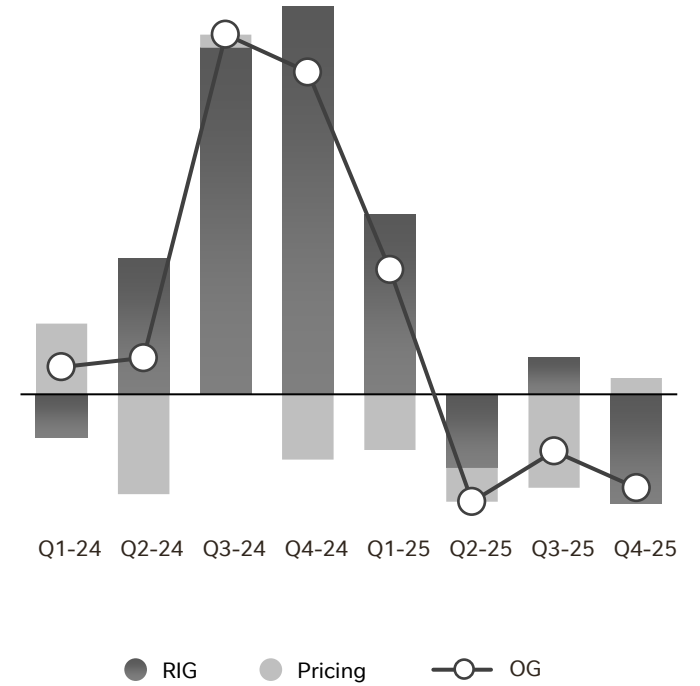
## Group excluding Greater China & NHSc

88% of sales (FY-25)



## Greater China and NHSc

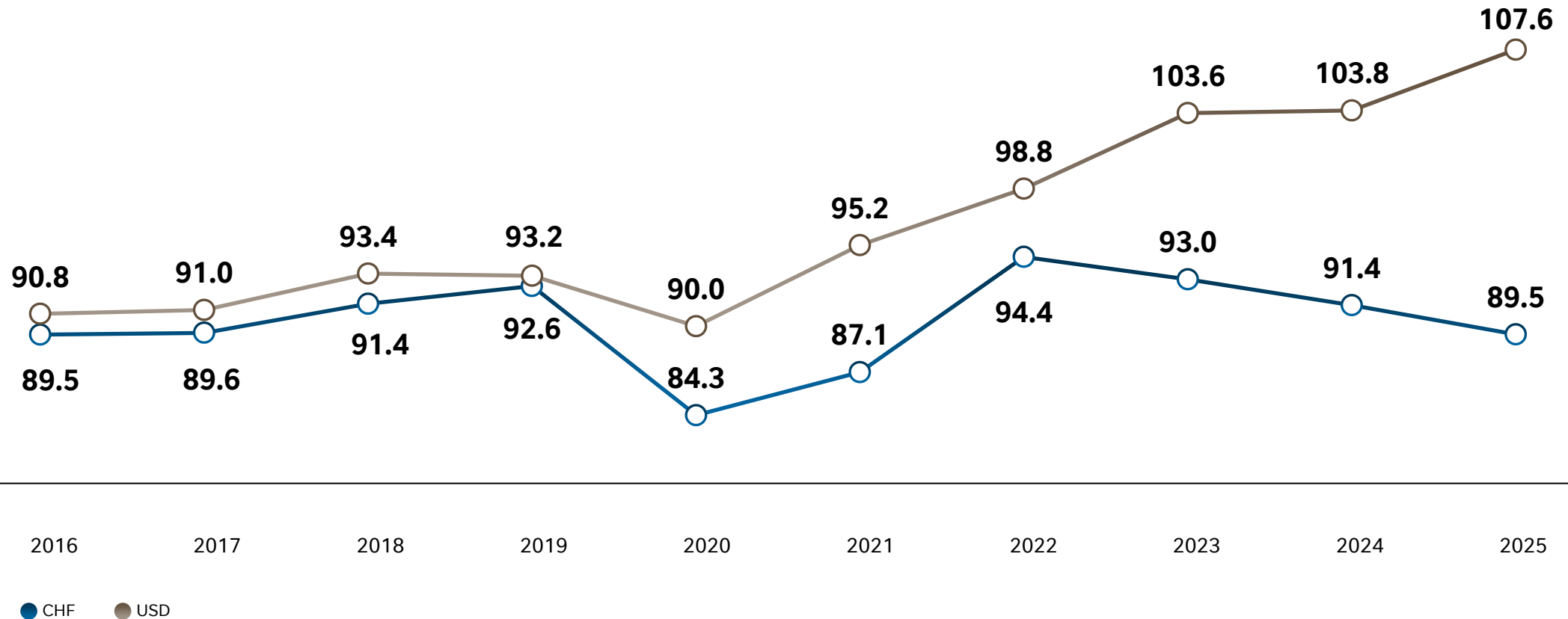
12% of sales (FY-25)



# Sales in CHF and USD



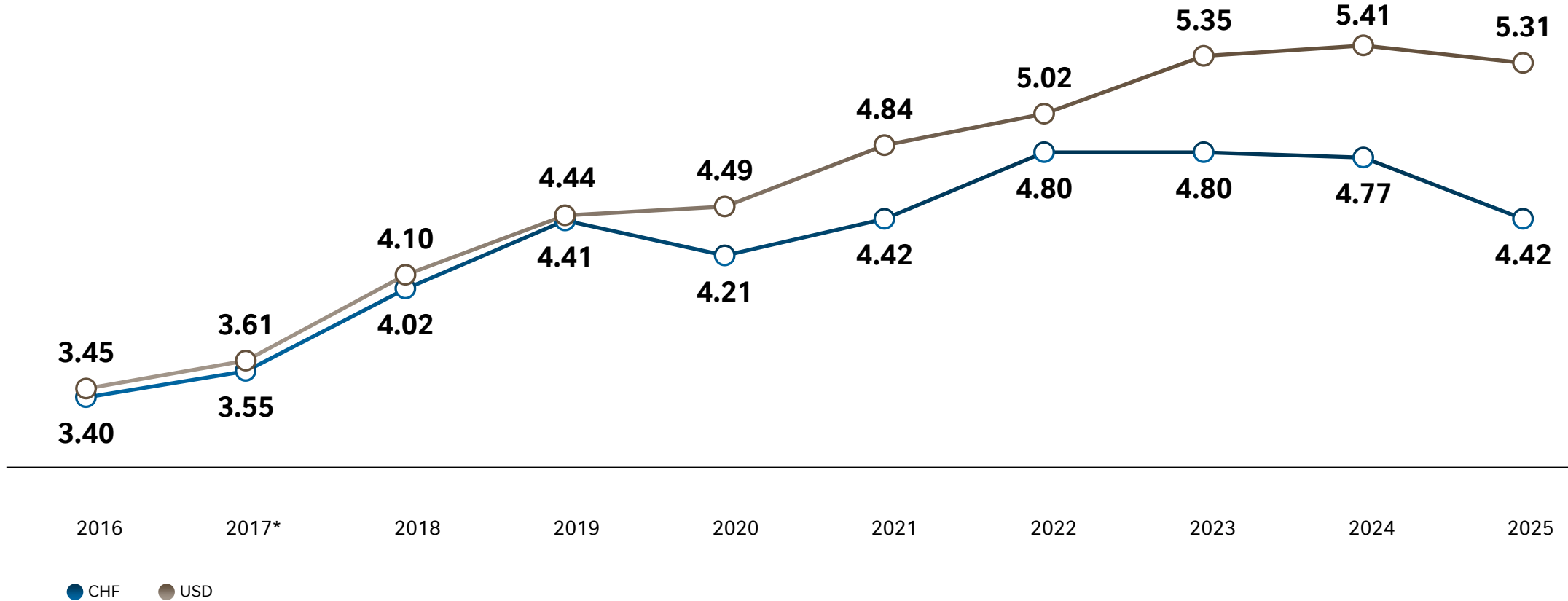
Sales, CHF billion and USD billion



# UEPS in CHF and USD



UEPS, CHF and USD



\*Restated to reflect implementation of IFRS 15 and IFRS 16 in 2017

# Key financial guidance for 2026



Item	2025 actual	2026 guidance
Organic growth	3.5%	In the range of around 3% up to 4%, with RIG accelerating versus 2025
FX effect on sales	-5.7%	Approx. -6%, assuming current FX spot rates for remainder of the year
Gross profit margin	45.6%	Improving versus 2025
UTOP margin	16.1%	Improving versus 2025, strengthening in H2-26
'Fuel for growth' savings	CHF 1.1 billion	Incremental savings of CHF 0.9 billion, to reach CHF 2.0 billion p.a. in total
Net financial expense	CHF 1.5 billion	Approx. CHF 1.5 billion
Underlying tax rate	22.1%	Approx. 22%
Working capital*	1.2% of sales	Reducing versus 2025
Capex**	4.8% of sales	Reducing versus 2025
Free cash flow	CHF 9.2 billion	Above CHF 9.0 billion
Infant formula recall	<i>See separate slide</i>	

\* Working capital calculated on a 5-quarter average; \*\* Additions of owned PP&E

# 2025 sales by geographic area and average currency rate



By principal markets	FY-2025 (CHF m)	FY-2025 (%)	Average rate					
				FY-2024	FY-2025	Variation (%)		
<b>AMS</b>	<b>42 958</b>	<b>48.0</b>	US Dollar	1	USD	0.880	0.831	-5.6%
United States	28 605	32.0	Euro	1	EUR	0.952	0.937	-1.6%
Brazil	3 983	4.5	Chinese Yuan Renminbi	100	CNY	12.234	11.562	-5.5%
Mexico	3 576	4.0	Brazilian Real	100	BRL	16.351	14.869	-9.1%
Other markets of geographic area	6 794	7.5	UK Pound Sterling	1	GBP	1.125	1.094	-2.7%
<b>AOA</b>	<b>23 989</b>	<b>26.8</b>	Philippine Peso	100	PHP	1.537	1.446	-5.9%
Greater China	4 876	5.4	Mexican Peso	100	MXN	4.804	4.324	-10.0%
Philippines	2 608	2.9	Canadian Dollar	1	CAD	0.643	0.594	-7.5%
India	2 007	2.2	Japanese Yen	100	JPY	0.581	0.556	-4.4%
Other markets of geographic area	14 498	16.3	Australian Dollar	1	AUD	0.581	0.536	-7.8%
<b>EUR</b>	<b>22 543</b>	<b>25.2</b>	Indian Rupee	100	INR	1.052	0.955	-9.3%
United Kingdom	3 598	4.0						
France	3 398	3.8						
Germany	1 921	2.1						
Other markets of geographic area of which Switzerland	13 626 1 020	15.3 1.1						
<b>Total</b>	<b>89 490</b>	<b>100.0</b>						

# FY-2025 Operating segments including AMS & AOA breakdown (1 of 2)



	2025 Performance								
	Q1-25			Q2-25			H1-25		
	RIG %	Pricing %	OG %	RIG %	Pricing %	OG %	RIG %	Pricing %	OG %
<b>Zone AMS</b>	<b>0.1</b>	<b>1.7</b>	<b>1.9</b>	<b>-1.2</b>	<b>3.5</b>	<b>2.3</b>	<b>-0.5</b>	<b>2.7</b>	<b>2.1</b>
North America	1.1	-1.0	0.1	0.2	0.4	0.5	0.6	-0.3	0.3
Latin America	-1.6	6.7	5.1	-3.9	9.8	5.9	-2.7	8.3	5.5
<b>Zone AOA</b>	<b>0.7</b>	<b>2.4</b>	<b>3.1</b>	<b>-1.2</b>	<b>2.9</b>	<b>1.7</b>	<b>-0.3</b>	<b>2.6</b>	<b>2.4</b>
AOA excluding Greater China	-0.3	3.8	3.5	0.5	4.7	5.2	0.1	4.2	4.3
Greater China	4.0	-2.3	1.7	-7.1	-3.1	-10.2	-1.5	-2.7	-4.2
<b>Zone EUR</b>	<b>-0.6</b>	<b>3.0</b>	<b>2.4</b>	<b>0.2</b>	<b>4.5</b>	<b>4.7</b>	<b>-0.2</b>	<b>3.7</b>	<b>3.5</b>
<b>Nestlé Health Science</b>	<b>4.8</b>	<b>-0.7</b>	<b>4.2</b>	<b>1.9</b>	<b>0.8</b>	<b>2.7</b>	<b>3.3</b>	<b>0.1</b>	<b>3.4</b>
<b>Nespresso</b>	<b>2.6</b>	<b>3.2</b>	<b>5.7</b>	<b>1.4</b>	<b>4.4</b>	<b>5.8</b>	<b>2.0</b>	<b>3.8</b>	<b>5.8</b>
<b>Nestlé Waters &amp; Premium Beverages</b>	<b>1.6</b>	<b>2.0</b>	<b>3.6</b>	<b>2.9</b>	<b>2.7</b>	<b>5.6</b>	<b>2.3</b>	<b>2.4</b>	<b>4.7</b>
<b>Other Businesses</b>	<b>3.9</b>	<b>2.5</b>	<b>6.4</b>	<b>-2.1</b>	<b>2.5</b>	<b>0.3</b>	<b>0.7</b>	<b>2.5</b>	<b>3.2</b>
<b>Total Group</b>	<b>0.7</b>	<b>2.1</b>	<b>2.8</b>	<b>-0.4</b>	<b>3.3</b>	<b>3.0</b>	<b>0.2</b>	<b>2.7</b>	<b>2.9</b>

# FY-2025 Operating segments including AMS & AOA breakdown (2 of 2)



## 2025 Performance (continued)

	Q3-25			Q4-25			FY-25		
	RIG %	Pricing %	OG %	RIG %	Pricing %	OG %	RIG %	Pricing %	OG %
<b>Zone AMS</b>	<b>0.0</b>	<b>3.4</b>	<b>3.4</b>	<b>1.3</b>	<b>2.4</b>	<b>3.7</b>	<b>0.1</b>	<b>2.8</b>	<b>2.8</b>
North America	-0.6	1.1	0.5	2.4	0.1	2.5	0.8	0.2	1.0
Latin America	1.5	8.3	9.9	-1.1	7.3	6.2	-1.4	8.0	6.7
<b>Zone AOA</b>	<b>1.5</b>	<b>1.9</b>	<b>3.5</b>	<b>2.0</b>	<b>2.6</b>	<b>4.6</b>	<b>0.8</b>	<b>2.5</b>	<b>3.2</b>
AOA excluding Greater China	3.7	3.7	7.3	5.5	3.0	8.6	2.3	3.8	6.1
Greater China	-6.1	-4.4	-10.4	-8.3	1.3	-7.0	-4.5	-1.9	-6.4
<b>Zone EUR</b>	<b>2.0</b>	<b>3.8</b>	<b>5.8</b>	<b>0.2</b>	<b>4.2</b>	<b>4.4</b>	<b>0.4</b>	<b>3.9</b>	<b>4.3</b>
<b>Nestlé Health Science</b>	<b>5.6</b>	<b>-1.0</b>	<b>4.6</b>	<b>1.9</b>	<b>-0.4</b>	<b>1.5</b>	<b>3.5</b>	<b>-0.3</b>	<b>3.2</b>
<b>Nespresso</b>	<b>3.3</b>	<b>5.3</b>	<b>8.5</b>	<b>-0.6</b>	<b>4.8</b>	<b>4.2</b>	<b>1.6</b>	<b>4.4</b>	<b>6.0</b>
<b>Nestlé Waters &amp; Premium Beverages</b>	<b>1.4</b>	<b>2.4</b>	<b>3.8</b>	<b>4.5</b>	<b>3.8</b>	<b>8.3</b>	<b>2.6</b>	<b>2.7</b>	<b>5.3</b>
<b>Other Businesses</b>	<b>5.1</b>	<b>0.0</b>	<b>5.1</b>	<b>5.4</b>	<b>0.4</b>	<b>5.8</b>	<b>3.0</b>	<b>1.3</b>	<b>4.3</b>
<b>Total Group</b>	<b>1.5</b>	<b>2.8</b>	<b>4.3</b>	<b>1.3</b>	<b>2.8</b>	<b>4.0</b>	<b>0.8</b>	<b>2.8</b>	<b>3.5</b>

# 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, tariffs, commodities prices, competitive product and pricing pressures and regulatory developments.

