



**Nestlé** Good food, Good life

## Invitation to the Annual General Meeting 2023 of Nestlé S.A.

156th Annual General Meeting  
Thursday, April 20, 2023 at 2:30 p.m.  
SwissTech Convention Center EPFL  
Rue Louis-Favre 2  
1024 Ecublens / Lausanne, Switzerland



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# Letter from the Chairman

Dear Shareholder,

2022 was another turbulent year, yet Nestlé has once again proven to be consistent and dependable. We steadfastly pursued our strategic direction while adapting to external challenges as well as changing consumer demands. We continued supporting our brands, accelerating our focus on digital and sustainable business practices and leveraging our strong pipeline of innovations and renovations. Our Nutrition, Health and Wellness strategy – the “what” – and our Creating Shared Value approach to business – the “how” – continued to drive sustainable, long-term value. Our value creation model combining the balanced pursuit of top-line and bottom-line growth with resource efficiency again proved its resilience and enabled us to invest, renovate and grow.

We are proud to report that we are on track with our detailed Climate Roadmap to achieve zero net greenhouse gas emissions by 2050. We managed to keep our reduction targets even while our business has grown. You, our shareholders, strongly supported this ambition at our 2021 Annual General Meeting. We will once again provide an annual progress update at this year’s meeting. As from 2024 we will annually vote on our climate report as part of the comprehensive non-financial performance report required by Swiss law. Also, we will vote on our revised Articles of Association implementing the new Swiss company law at the upcoming meeting a year ahead of schedule.

We actively engage with our shareholders through roadshows, investor days and meetings, as well as our Chairman’s roundtables, which took place in Switzerland, Europe, the United Kingdom, the U.S. and Asia. These meetings allow us a permanent interaction with our shareholders throughout the year and help us refine our strategic priorities as well as our environmental, social and governance agenda.

We continuously renew our diverse Board of Directors with members who bring unique experience and expertise directly relevant to Nestlé’s success, including topics such as marketing, digital, agriculture and sustainability.

For the past three years, the pandemic forced us to make safety a priority for our Annual General Meetings. In line with applicable Swiss COVID-19 legislation, shareholders were able to exercise their voting rights through the Independent Representative. All questions were answered prior to the meeting. Major topics were addressed in the speeches by the Chairman and the CEO, which were webcast.

For the upcoming meeting, we will build on these learnings to allow shareholders to connect with us without being physically present. For the first time this year, shareholders will be able to follow the proceedings live through our electronic shareholder portal “GVMANAGER-Live” (using your personal access or QR code displayed in the Invitation Letter). You may also provide your voting instructions to the Independent Representative

electronically through this shareholder portal. And once again you may send us your questions ahead of the meeting by submitting them to our Share Transfer Office in Cham.

In this digital world it is no longer necessary to attend the Annual General Meeting in person. Rather, we encourage you to experience the full event on-line in the convenience of your home or from wherever you may be in the world. Accordingly, we have simplified our proceedings and adjusted them to the new format to provide the best possible experience. Therefore, we will newly host the meeting from the SwissTech Convention Center in Lausanne. Please note parking space is minimal there.

Our Board member Eva Cheng has decided not to stand for re-election for personal reasons. Eva joined the Board in 2013 and served on our Audit Committee from 2014 to 2022, our Nomination and Sustainability Committee from 2018 to 2021 and our Nomination Committee since 2021. In particular, she enriched the Board with her highly relevant expertise in fast moving consumer goods and was instrumental in developing our business in China.

The Board wishes to extend its sincere gratitude to Eva for her strong engagement and her highly relevant and valuable contributions.

We will propose the re-election of all other Board members and the Chairman for annual terms at the Annual General Meeting. Each candidate is presented on our website. If elected, I will be honored to continue to serve as the Chairman of the Board of Directors. If elected, our Vice Chairman, Henri de Castries will continue to perform the role of Lead Independent Director and chair the Board's Nomination Committee. Pablo Isla, if elected, will continue to chair the Compensation Committee.

Additionally, we will propose the election of two new members to the Board of Directors. Marie-Gabrielle Ineichen-Fleisch was the State Secretary and Director of the Swiss State Secretariat for Economic Affairs (SECO) from 2011 to 2022 and the Ambassador and Delegate for Trade Agreements and Chief Negotiator of Switzerland to the World Trade Organization (WTO) from 2007 to 2011. She brings deep expertise in international relations and a strong understanding of Switzerland in its global context. If elected, she will in particular contribute to the Board's geopolitical and trade expertise.

Rainer Blair has been the President and Chief Executive Officer of Danaher Corporation since 2020. In addition to his strategic and operational expertise as a global CEO, he brings deep knowledge in science and technology. If elected, he will further enhance the Board's strategic and digital expertise.

On behalf of our Board of Directors, our Executive Board and our global Nestlé community, I would like to thank you, our shareholders, for your continued trust.

Yours sincerely,

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

Paul Bulcke  
Chairman of the Board of Directors



# Agenda and Proposals of the Board of Directors

## **1 Annual Report 2022**

### **1.1 Annual Review, financial statements of Nestlé S.A. and consolidated financial statements of the Nestlé Group for 2022**

#### *Proposal*

Approval of the Annual Review, the financial statements of Nestlé S.A. and the consolidated financial statements of the Nestlé Group for 2022

#### *Explanation*

As per Nestlé S.A.'s Articles of Association, the Board of Directors submits the Annual Review, the financial statements of Nestlé S.A. as well as the consolidated financial statements of the Nestlé Group for the financial year 2022 to the shareholders for approval. The Annual Review, the financial statements and the reports of the auditors are part of Nestlé's Annual Report and are available on the internet ([www.nestle.com/investors/publications](http://www.nestle.com/investors/publications)) or from the Share Transfer Office in Cham.

In their audit reports, Ernst & Young Ltd recommended to approve the financial statements of Nestlé S.A. and the consolidated financial statements of the Nestlé Group for 2022.

### **1.2 Advisory vote on the Compensation Report 2022**

#### *Proposal*

Acceptance of the Compensation Report 2022 (advisory vote)

#### *Explanation*

As per Nestlé S.A.'s Articles of Association, the Board of Directors submits the Compensation Report 2022 to an advisory vote of the shareholders. The Compensation Report is part of the Corporate Governance Report included in the Annual Report. It is available on the internet ([www.nestle.com/investors/publications](http://www.nestle.com/investors/publications)) or from the Share Transfer Office in Cham.

Ernst & Young Ltd have audited the Compensation Report as required by law and confirmed that the Compensation Report 2022 complies with Swiss law.

## **2 Discharge of the Board of Directors and of the Management**

#### *Proposal*

Discharge to the members of the Board of Directors and of the Management for the financial year 2022

#### *Explanation*

As per Nestlé S.A.'s Articles of Association, the Board of Directors proposes to the shareholders to grant discharge to the members of the Board of Directors and of the Management for 2022.

### 3 Appropriation of profit resulting from the balance sheet of Nestlé S.A.

#### *Proposal*

#### **Retained earnings**

Profit brought forward from 2021	CHF	22 553 014 974
Dividends on own shares not distributed <sup>(a)</sup>	CHF	263 816 717
Cancellation of 65 000 000 shares (share buyback)	CHF	(7 335 027 036)
Profit for the year 2022	CHF	8 835 205 673
	CHF	<u>24 317 010 328</u>

#### **Proposed appropriation**

Dividend for 2022, CHF 2.95 per share on 2 750 000 000 shares <sup>(b)</sup> (2021: CHF 2.80 on 2 815 000 000 shares)	CHF	<u>8 112 500 000</u>
Profit to be carried forward	CHF	<u>16 204 510 328</u>

#### *Explanation*

Pursuant to Nestlé S.A.'s Articles of Association, the Board of Directors proposes to the shareholders to approve the dividend of CHF 2.95 per share. In their audit report, Ernst & Young Ltd confirmed that the proposed appropriation of available earnings complies with Swiss law and the Articles of Association.

Provided that the proposal of the Board of Directors is approved, the gross dividend will amount to CHF 2.95 per share, representing a net amount of CHF 1.9175 per share after payment of the Swiss withholding tax of 35%.

The last trading day with entitlement to receive the dividend is April 21, 2023. The shares will be traded ex-dividend as of April 24, 2023. The net dividend will be payable as from April 26, 2023.

### 4 Elections

#### 4.1 Re-elections of the Chair and of the members of the Board of Directors

#### *Proposal*

Individual re-election of Paul Bulcke as member and as Chairman of the Board of Directors, and of Ulf Mark Schneider, Henri de Castries, Renato Fassbind, Pablo Isla, Patrick Aebischer, Kimberly A. Ross, Dick Boer, Dinesh Paliwal, Hanne Jimenez de Mora, Lindiwe Majele Sibanda, Chris Leong as well as Luca Maestri as members of the Board of Directors (each for a term of office until the end of the next Annual General Meeting)

<sup>(a)</sup> The amount of CHF 7 882 000 000 proposed to be distributed as dividend for 2021 was reduced by CHF 263 816 717 due to 94 220 256 treasury shares held by the Nestlé Group at the dividend payment date.

<sup>(b)</sup> Depending on the number of shares issued as of the last trading day with entitlement to receive the dividend (April 21, 2023). No dividend is paid on treasury shares held by the Nestlé Group.



### *Explanation*

At the Annual General Meeting 2022, the shareholders elected the Chairman and all members of the Board of Directors for a term of office of one year in accordance with the Articles of Association. Their mandates will expire at the end of the Annual General Meeting of April 20, 2023.

Eva Cheng has decided not to stand for re-election for personal reasons. She joined the Board of Directors in 2013 and served on the Audit Committee from 2014 to 2022, the Nomination and Sustainability Committee from 2018 to 2021 and the Nomination Committee since 2021. The Board of Directors wishes to extend its sincere gratitude to Eva Cheng for her strong engagement and her highly relevant and valuable contributions.

Pursuant to Nestlé S.A.'s Articles of Association, the Board of Directors proposes the individual re-election of each of the following Directors, who have provided most valuable services to the Company as members of the Board of Directors:

- 4.1.1 Paul Bulcke, Belgian/Swiss, born 1954, Chairman of the Board of Directors, Chair of the Chair's and Corporate Governance Committee and member of the Nomination Committee. Paul Bulcke was the CEO (administrateur délégué) of Nestlé S.A. from 2008 to 2016. As a Nestlé S.A. representative, he serves as Vice Chairman of L'Oréal S.A., France. The Board of Directors proposes to re-elect Paul Bulcke as a member and also as Chairman of the Board of Directors in a single vote.
- 4.1.2 Ulf Mark Schneider, German/American, born 1965, CEO (administrateur délégué) of Nestlé S.A., member of the Chair's and Corporate Governance Committee. U. Mark Schneider was the CEO of Fresenius Group, Germany, from 2003 until June 2016. He serves as member of the Board of Directors of Roche Holding Ltd, Switzerland.
- 4.1.3 Henri de Castries, French, born 1954, Vice Chairman and Lead Independent Director, Chair of the Nomination Committee, member of the Chair's and Corporate Governance Committee and of the Audit Committee. Henri de Castries was Chairman and CEO of AXA, France, until 2016. He serves as a Board member of Stellantis N.V., Netherlands.
- 4.1.4 Renato Fassbind, Swiss, born 1955, Chair of the Audit Committee and member of the Chair's and Corporate Governance Committee. Renato Fassbind serves as Vice Chairman of the Board of Directors of Swiss Re AG and is a Board member of Kühne + Nagel International AG (until May 9, 2023), both in Switzerland.

- 4.1.5 Pablo Isla, Spanish, born 1964, Chair of the Compensation Committee and member of the Chair's and Corporate Governance Committee. Pablo Isla was the Executive Chairman of Inditex, Spain, one of the world's largest fashion retailers holding brands such as Zara. He is the former Co-Executive Chairman of Altadis, and was the General Secretary and an Executive Member of Banco Popular, both in Spain.
- 4.1.6 Patrick Aebischer, Swiss, born 1954, member of the Compensation Committee. He is the President Emeritus of the Swiss Federal Institute of Technology Lausanne (EPFL). Patrick Aebischer serves as a member of the Board of Directors of Logitech International S.A. and of PolyPeptide Group AG and is Chairman of Novartis Venture Funds, all in Switzerland.
- 4.1.7 Kimberly A. Ross, American, born 1965, member of the Audit Committee. She held the position of CFO at WeWork, USA, from March 2020 until October 2020. She also served as CFO of Baker Hughes, USA, from 2014 to 2017 and was the CFO of Avon Products, USA, from 2011 to 2014, and of Royal Ahold, Netherlands, from 2007 to 2011. Previously, Kimberly A. Ross held various senior management roles at Ernst & Young Global Limited and Joseph E. Seagram & Sons Inc., both in the USA. She serves as a non-executive member of the Board of The Cigna Group, USA.
- 4.1.8 Dick Boer, Dutch, born 1957, member of the Compensation Committee and of the Sustainability Committee, was President and CEO of Ahold Delhaize N.V., Netherlands, until 2018. Prior to the merger of Ahold and Delhaize in 2016, he served as President and CEO of Ahold N.V., Netherlands. Dick Boer is member of the Board of Shell plc, United Kingdom. He is also Chairman of the Advisory Board of G-Star RAW CV and of the Rijksmuseum Fonds and serves as Chairman of the Supervisory Board of the Royal Concertgebouw N.V. as well as a non-executive Board member of SHV Holdings N.V., all in the Netherlands. Dick Boer is also the Chairman of the Supervisory Board of Just Eat Takeaway.com, Netherlands.
- 4.1.9 Dinesh Paliwal, American/Indian Overseas Citizenship, born 1957, member of the Compensation Committee and of the Nomination Committee, was Senior Advisor to the Harman International Industries Inc./Samsung Board and CEO until December 2020, after having been the CEO of Harman from 2007 to April 2020. Dinesh Paliwal serves as Lead Independent Director on the Board of Raytheon Technologies Corporation and is a partner of KKR & Co. Inc., both in the USA. He also serves as Executive Chairman of Marelli, a company of KKR,

Japan. Prior to 2007, Dinesh Paliwal held various leadership roles with ABB in several countries, including President of ABB Ltd., Switzerland.

- 4.1.10 Hanne Jimenez de Mora, Swiss, born 1960, Chair of the Sustainability Committee and member of the Chair's and Corporate Governance Committee, is co-founder of a-connect (group) ag, a management consultant firm based in Switzerland, which she founded in 2002. Hanne Jimenez de Mora was partner at McKinsey and is a member of the Board of AB Volvo (until April 4, 2023), Sweden, and the Chairperson of Microcaps AG, Switzerland. She serves also as Vice Chair and as member of the Supervisory and Foundation Boards of IMD Business School, Switzerland.
- 4.1.11 Lindiwe Majele Sibanda, Zimbabwean, born 1963, member of the Sustainability Committee, is Professor Extraordinary at the University of Pretoria, South Africa. Lindiwe Majele Sibanda is the Managing Director of Linds Agriculture Services Pvt Ltd., Harare, Zimbabwe and serves as Chairwoman of the Consultative Group of International Agricultural Research Centres (CGIAR) System Board.
- 4.1.12 Chris Leong, Malaysian, born 1967, member of the Sustainability Committee, is Chief Marketing Officer and member of the Executive Committee of Schneider Electric SE, France. Before joining Schneider Electric in 2012, she led Nokia's Greater China, Korea and Japan region. Previously, Chris Leong was with WPP plc, United Kingdom, including managing its advertising agencies based in Asia.
- 4.1.13 Luca Maestri, Italian/American, born 1963, member of the Audit Committee, is Apple Inc.'s Senior Vice President and CFO since 2014. Prior to joining Apple, Luca Maestri was CFO at Xerox Corporation, USA, from 2011 to 2013, and at Nokia Siemens Networks, Germany, from 2008 to 2011. He started his career at General Motors Europe, Switzerland.

For further details on the nominees as well as their qualifications, see biographies in the Corporate Governance Report 2022 or on the internet ([www.nestle.com/investors/corporate-governance/management/boardofdirectors](http://www.nestle.com/investors/corporate-governance/management/boardofdirectors)).

## 4.2 Elections to the Board of Directors

### *Proposal*

Individual election of Rainer Blair and Marie-Gabrielle Ineichen-Fleisch as members of the Board of Directors (each for a term of office until the end of the next Annual General Meeting)

### *Explanation*

The Board of Directors proposes to elect the following candidates as members of the Board of Directors:

4.2.1 Rainer Blair, an American citizen born in Germany in 1964, is the President and CEO of Danaher Corporation, a global science and technology company, since 2020. The company is active in the fields of diagnostics, life sciences and environmental and applied solutions in the food, pharmaceutical and consumer goods area. He joined Danaher in 2010 and held leadership roles across several of its operating companies before being appointed Executive Vice President of Danaher's Life Sciences in 2017. Prior to Danaher, Rainer Blair was President and CEO of MAPEI Americas, a global construction chemical corporation. He spent 15 years with BASF Group in various leadership roles on three continents.

Rainer Blair was Chairman of the Board of the Analytical Life Science and Diagnostics Association, USA, and continues to serve as an active Board member. He holds a Master in Science from Boston University and a Bachelor of Arts from the University of Massachusetts.

The Board believes that with his 30 years of operational and diverse industry experience in addition to his extensive strategic and operational expertise as a global CEO, he will contribute to the Board's expertise in science and technology.

4.2.2 Marie-Gabrielle Ineichen-Fleisch, Swiss citizen, born 1961, was the State Secretary and Director of the Swiss State Secretariat for Economic Affairs (SECO) from 2011 to 2022. From 2007 to 2011, she was the Swiss Ambassador and Delegate for Trade Agreements and Switzerland's Chief Negotiator to the World Trade Organization (WTO) as well as Head of the World Trade Division and member of the Executive Management of SECO. Previously, she held various positions at the SECO, the Swiss Federal Office of Foreign Economic Affairs (BAWI), the World Bank in the USA and at McKinsey & Company in Switzerland. Marie-Gabrielle Ineichen-Fleisch holds an MBA from INSEAD and is an attorney-at-law with a law degree from the University of Berne Law School.

With her long experience in international relations and a strong understanding of Switzerland in the global context, she will significantly contribute to the Board's geopolitical and trade expertise.

For further details on the nominees as well as their qualifications and current mandates, see biographies on the internet ([www.nestle.com/investors/corporate-governance/annualgeneralmeeting](http://www.nestle.com/investors/corporate-governance/annualgeneralmeeting)).

### **4.3 Elections of the members of the Compensation Committee**

#### *Proposal*

Individual election of Pablo Isla, Patrick Aebischer, Dick Boer and Dinesh Paliwal as members of the Compensation Committee (each for a term of office until the end of the next Annual General Meeting)

#### *Explanation*

The Board of Directors proposes the individual election of the following candidates, for a term of office until the end of the next Annual General Meeting. If elected, Pablo Isla will be appointed Chair of the Compensation Committee.

4.3.1 Pablo Isla

4.3.2 Patrick Aebischer

4.3.3 Dick Boer

4.3.4 Dinesh Paliwal

### **4.4 Election of the statutory auditors**

(Financial statements of Nestlé S.A. and consolidated financial statements of the Nestlé Group 2023)

#### *Proposal*

Re-election of Ernst & Young Ltd, Lausanne branch, as statutory auditors for the financial year 2023

#### *Explanation*

As per Nestlé S.A.'s Articles of Association, the Board of Directors proposes to the shareholders to elect Ernst & Young Ltd, Lausanne branch, as auditors for the financial year 2023.

#### **4.5 Election of the Independent Representative**

##### *Proposal*

Re-election of Hartmann Dreyer, Attorneys-at-law, P.O. Box, 1701 Fribourg, Switzerland, as Independent Representative (for a term of office until the end of the next Annual General Meeting)

##### *Explanation*

In accordance with Nestlé S.A.'s Articles of Association, the Board of Directors proposes to the shareholders to re-elect Hartmann Dreyer, Attorneys-at-law, as Independent Representative for a term of office until the end of the next Annual General Meeting.

#### **5 Compensation of the Board of Directors and of the Executive Board**

Pursuant to Nestlé S.A.'s Articles of Association, the Board of Directors submits the compensation of the Board of Directors and of the Executive Board for approval by the shareholders.

##### **5.1 Compensation of the Board of Directors**

###### *Proposal*

Approval, prospectively, for the period from the Annual General Meeting 2023 to the Annual General Meeting 2024, of a total compensation for the 14 non-executive members of the Board of Directors (including the Chairman, but excluding the CEO) of CHF 10.5 million, including approximately CHF 3.5 million in cash remuneration, CHF 6.5 million in Nestlé S.A. shares (blocked for a 3-year period) and CHF 0.5 million for social security contributions and other fees

###### *Explanation*

Please refer to the Report of the Board of Directors on the Proposals for the Compensation of the Board of Directors and of the Executive Board which is available on the internet ([www.nestle.com/investors/corporate-governance/annualgeneralmeeting](http://www.nestle.com/investors/corporate-governance/annualgeneralmeeting)).

##### **5.2 Compensation of the Executive Board**

###### *Proposal*

Approval, prospectively, for the period from January 1, 2024 to December 31, 2024, of a total maximum amount of compensation for the 16 members of the Executive Board, including the CEO, of CHF 72 million, including approximately CHF 18 million for base salary, CHF 23.5 million for short-term bonus (based on maximum target achievement), CHF 19.5 million for long-term incentive plans (based on market value at grant), CHF 5.0 million for contributions for future pension benefits and

CHF 6.0 million for social security contributions, other benefits and unforeseen expenses

*Explanation*

Please refer to the Report of the Board of Directors on the Proposals for the Compensation of the Board of Directors and of the Executive Board which is available on the internet ([www.nestle.com/investors/corporate-governance/annualgeneralmeeting](http://www.nestle.com/investors/corporate-governance/annualgeneralmeeting)).

## **6 Capital reduction**

*Proposal*

- Reduction of the share capital of CHF 275 000 000 by CHF 8 000 000 to CHF 267 000 000;
- Execution of the capital reduction by cancellation of 80 000 000 own shares which were repurchased under the ongoing share buyback program;
- Allocation of the amount of the capital reduction to reduce correspondingly the position of own shares in the balance sheet

*Explanation*

The Board of Directors proposes that the shareholders approve the cancellation of 80 000 000 own shares which were repurchased under Nestlé S.A.'s ongoing share buyback program of up to CHF 20 billion launched on January 3, 2022 on a second trading line of SIX Swiss Exchange.

The capital reduction by cancellation of shares requires a notice to the creditors which was published in the Swiss Official Gazette of Commerce on February 20, 2023 and a Report by the auditors Ernst & Young Ltd pursuant to art. 653m of the Swiss Code of Obligations confirming that the claims of the creditors are fully covered even after the capital reduction. The Report by the auditors to the Board of Directors will be based on the results of the notice to the creditors and on the financial statements 2022 of Nestlé S.A. The Board of Directors will inform the Annual General Meeting on the results of the Report.

The amount of the capital reduction will be allocated to reduce correspondingly the position of own shares in the balance sheet of Nestlé S.A. (art. 659a para. 4 and art. 959a para. 2 clause 3 lit. e of the Swiss Code of Obligations).

Provided that the proposal is approved, the Board of Directors will execute the capital reduction by cancellation of own shares, amend the Articles of Association and record the capital reduction in the Commercial Register.

## **7 Revision of the Articles of Association**

Based on the enactment of the new Swiss company law on January 1, 2023, the Board of Directors proposes the following amendments of the Articles of Association to ensure alignment with the new legal provisions (only amended provisions are mentioned below).

### **7.1 Amendments of Provisions Pertaining to the General Meeting**

#### *Proposal*

The Board of Directors proposes to amend articles 6, 8, 9, 10 and 13 of Nestlé S.A.'s Articles of Association as follows:

#### **Article 6 Powers of the General Meeting**

...

<sup>2</sup> The following non-transferable powers shall be vested in the General Meeting:

...

e) to approve the annual review and the consolidated financial statements;

...

g) to resolve on interim dividends and to approve the interim financial statements required for this purpose;

h) to resolve on the repayment of the statutory capital reserve;

i) to approve the compensation of the Board of Directors and of the Executive Board pursuant to art. 21<sup>bis</sup>;

j) to approve the compensation report and the report on non-financial matters;

k) to grant discharge to the members of the Board of Directors and the persons entrusted with management;

l) to resolve on the delisting of Nestlé's shares; and

m) to take all decisions which by law or under these Articles of Association are within the powers of the General Meeting.

#### **Article 8 Extraordinary General Meeting**

...

<sup>2</sup> The Board of Directors shall, if so requested by a General Meeting or at the request in writing, specifying the items and proposals to appear on the agenda, of one or more shareholders with voting rights whose combined holdings represent at least 5% of the share capital as recorded in the commercial register or the votes, convene an Extraordinary General Meeting. The Extraordinary General Meeting shall be held as promptly as practicable following such request.

#### **Article 9 Notice of General Meetings; Agenda; Venue**

<sup>1</sup> Annual or Extraordinary General Meetings shall be convened by way of a single announcement pursuant to art. 25 not less than twenty days before the date fixed



for the meeting. Shareholders may in addition be informed by ordinary mail or electronically.

<sup>2</sup> The notice of a meeting shall state the date, beginning, mode and venue of the General Meeting; the items on the agenda; the proposals of the Board of Directors together with a brief statement of the reasons; the proposals of the shareholders, together with a brief statement of the reasons, if any; and the name and address of the Independent Representative.

<sup>3</sup> One or more shareholders with voting rights whose combined holdings represent at least 0.15% of the share capital of Nestlé as recorded in the commercial register or the votes may request that an item, or a proposal relating to an item, be included in the agenda of a General Meeting. Such a request must be made in writing to the Board of Directors at the latest 45 days before the meeting and shall specify the agenda items and the proposals made.

<sup>4</sup> No resolution shall be passed at a General Meeting on matters which do not appear on the agenda except for:

- a) a resolution convening an Extraordinary General Meeting; or
- b) the setting up of a special investigation.

<sup>5</sup> The Board of Directors shall determine the venue of the General Meeting.

<sup>6</sup> The Board of Directors can determine that the General Meeting be held simultaneously at different locations, provided that the contributions of the participants are transmitted directly in video and audio to all venues, or that shareholders who are not present at one of the venues of the General Meeting may exercise their rights by electronic means.

<sup>7</sup> Alternatively, the Board of Directors may provide that the General Meeting will be held by electronic means without a venue.

## **Article 10 Presiding officer; Minutes**

...

<sup>3</sup> The resolutions and election results shall be made available electronically within 15 days after the General Meeting, stating the exact proportion of votes. Any shareholder may request that the minutes be made available to him within 30 days after the General Meeting.

## **Article 13 Special quorum**

The approval of at least two thirds of the shares represented and the absolute majority of the nominal value represented at a General Meeting shall be required for resolutions with respect to:

...

- d) the introduction of a conditional share capital or the introduction of a capital range;
- e) an increase in share capital through the conversion of capital surplus, through a contribution in kind or by set-off against a claim, or a grant of special benefits upon a capital increase;

- ...
- k) the change of the corporate name of Nestlé;
  - l) the combination of shares;
  - m) the delisting of Nestlé's shares; and
  - n) other matters as provided by statutory law.

*Explanation*

Please refer to the Report of the Board of Directors on the Proposed Revision of the Articles of Association which is available on the internet ([www.nestle.com/investors/corporate-governance/annualgeneralmeeting](http://www.nestle.com/investors/corporate-governance/annualgeneralmeeting)).

## 7.2 **Amendments of Provisions Pertaining to the Board of Directors, Compensation, Contracts and Mandates and Miscellaneous Provisions in Parts II., III.D., IV. and V. of the Articles of Association**

*Proposal*

The Board of Directors proposes to amend articles 4, 5, 16, 17, 18, 19, 20, 21<sup>ter</sup>, 21<sup>quinquies</sup>, 21<sup>sexies</sup>, 23 and 25 of Nestlé S.A.'s Articles of Association as follows:

### **Article 4 Share certificates; Intermediated securities**

<sup>1</sup> Nestlé may issue its registered shares in the form of single certificates, global certificates, as uncertificated securities or as intermediated securities. Under the conditions set forth by statutory law, Nestlé may convert its registered shares from one form into another form at any time and without the approval of the shareholders. Nestlé shall bear the cost of any such conversion.

...

<sup>3</sup> The shareholder has no right to demand a conversion of the form of the registered shares. In particular, the shareholder has no claim to the certification of the membership in a security. Each shareholder may, however, at any time request a written confirmation from Nestlé of the registered shares held by such shareholder, as reflected in the share register.

...

### **Article 5 Share register**

<sup>1</sup> Nestlé shall maintain a share register showing the name and contact information of the holders or usufructuaries. Any change of contact information must be reported to Nestlé. Communications from Nestlé shall be deemed to have been validly made if sent to the contact information last registered in the share register.

...

### **Article 16 Organisation of the Board**

...

<sup>2</sup> The Board of Directors shall, within the limits of the law and the Articles of

Association, define its organisation and the assignment of responsibilities in the Board regulations or by Board resolutions pursuant to art. 19 para. 2.

### **Article 17 Powers of the Board in general**

The Board of Directors shall conduct all the business of Nestlé to the extent that it is not within the powers of the General Meeting or not delegated pursuant to the Board regulations or Board resolutions as set forth in art. 19 para. 2.

### **Article 18 Specific powers of the Board**

The Board of Directors has the following non-transferable and inalienable duties:

...

b) the determination of the organisation in the Board regulations or by Board resolutions pursuant to art. 19 para. 2;

...

f) the preparation of the annual report, the compensation report, the report on non-financial matters and other reports in accordance with the provisions of the law;

...

i) the opening and closing of branch offices;

j) the filing of an application for a debt restructuring moratorium and the notification of the court in case of overindebtedness; and

k) other powers and duties reserved to the Board of Directors by the law or the Articles of Association.

### **Article 19 Delegation of powers**

...

<sup>2</sup> Unless otherwise provided by law, the Board of Directors may in accordance with the Board regulations or by Board resolutions delegate all or part of the management to one or more of its members, to one or more board committees, or to third parties.

### **Article 20 Number of Auditors; Term of office**

The General Meeting shall appoint, for a term of office of one financial year, one or more Auditors of the annual financial statements of Nestlé and the consolidated financial statements of the Group, which shall be independent from Nestlé and meet the special professional standards required by law. Their term of office ends with the approval of the annual financial statements of the respective financial year by the General Meeting. The Auditors of Nestlé may be re-elected.

### **Article 21<sup>ter</sup> Supplementary amount for changes on the Executive Board**

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 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 to 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.

#### **Article 21<sup>quinquies</sup> Basic principles**

...

<sup>3</sup> Contracts of employment with members of the Executive Board may contain a prohibition of competition for the time after the end of employment for a duration of up to 2 years. The total consideration for such prohibition shall not exceed the average of the compensation of the last three financial years.

...

#### **Article 21<sup>sexies</sup> Mandates outside Nestlé**

...

<sup>4</sup> Mandates shall mean mandates in comparable functions at other enterprises with an economic purpose. Mandates in different legal entities which are under joint control are deemed one mandate.

...

#### **Article 23 Annual report**

For every financial year, the Board of Directors shall prepare an annual report consisting of the annual financial statements of Nestlé, of the annual review and the consolidated financial statements.

#### **Article 25 Communications**

All notices and communications to be made by Nestlé shall be considered duly made if, at the election of the Board of Directors, published in the "Swiss Official Gazette of Commerce" or communicated in a form that allows proof by text.

#### *Explanation*

Please refer to the Report of the Board of Directors on the Proposed Revision of the Articles of Association which is available on the internet ([www.nestle.com/investors/corporate-governance/annualgeneralmeeting](http://www.nestle.com/investors/corporate-governance/annualgeneralmeeting)).

# General Information

## Invitation, Voting rights

Only shareholders who are on record in the share register with voting rights on April 13, 2023 at 12:00 noon (CEST) are entitled to exercise their voting rights. The registration of shares for voting purposes does not affect the tradability of such shares.

Shareholders registered with voting rights on March 30, 2023 will automatically receive an invitation to the Annual General Meeting.

Shareholders whose registration in the share register with voting rights is made as from March 31, 2023 and who wish to attend the Annual General Meeting or grant a proxy to the Independent Representative are asked to contact the Share Transfer Office.

Only shareholders or their duly appointed representatives will be entitled to participate in person in the Annual General Meeting.

## Livestream

As a shareholder, you have the possibility to follow the Annual General Meeting in full via livestream by accessing the electronic shareholder portal "GVMANAGER-Live" on [www.gvmanager-live.ch/nestle](http://www.gvmanager-live.ch/nestle) (using your personal access or QR code displayed in the Invitation Letter).

## Questions

Shareholders can send their questions ahead of the Annual General Meeting to the Share Transfer Office of Nestlé S.A., P.O. Box, 6330 Cham, Switzerland, or e-mail them to [shareregister@nestle.com](mailto:shareregister@nestle.com).

## Proxy to the Independent Representative

If you wish your voting rights to be exercised by the Independent Representative, Hartmann Dreyer, Attorneys-at-law, P.O. Box, 1701 Fribourg, Switzerland, please provide your voting instructions electronically by accessing the shareholder portal "GVMANAGER-Live" via [www.gvmanager-live.ch/nestle](http://www.gvmanager-live.ch/nestle) (using your personal access or QR code displayed in the Invitation Letter) or by using the reverse side of the Proxy and Voting Instructions form, which should be sent to the Independent Representative in the enclosed envelope, by April 13, 2023.

## Admission card

You can order an admission card for yourself or for a personal representative by accessing the electronic shareholder portal "GVMANAGER-Live" via [www.gvmanager-live.ch/nestle](http://www.gvmanager-live.ch/nestle) (using your personal access or QR code displayed in the Invitation Letter) or by using the Admission Card Request, which should be returned to the Share Transfer Office by April 13, 2023 in the enclosed envelope.

Depending on the development of the Coronavirus pandemic and regulations in force at the date of the Annual General Meeting, safety measures (such as mandatory vaccination certificates, wearing masks or others) may have to be implemented at the venue of the Annual General Meeting.

## **Documentation**

Please find enclosed the summary of the Annual Report 2022 with an overview of the financial results of Nestlé S.A. and of the Nestlé Group for the business year 2022. For more detailed information on the financial results and an insight into our different areas of activity, we invite you to consult our full Annual Report 2022 (which includes the Corporate Governance and Compensation Reports 2022) on our website ([www.nestle.com/investors/publications](http://www.nestle.com/investors/publications)). On the same website, you will also find the Creating Shared Value and Sustainability Report as well as Nestlé's 2022 Climate Risk and Impact Report.

A printed copy of the full Annual Report 2022 can be ordered by ticking the corresponding box on the Admission Card Request. Using the same document, you can also pre-order a printed copy of the Half-Year Report January - June 2023 which will be published in July 2023 and also be available on our website.

Please address all correspondence regarding the Annual General Meeting to the Share Transfer Office of Nestlé S.A., P.O. Box, 6330 Cham, Switzerland, telephone +41 41 785 20 20 or e-mail [shareregister@nestle.com](mailto:shareregister@nestle.com).

## **Information**

All shareholder information is available at [www.nestle.com/investors](http://www.nestle.com/investors).

Nestlé S.A.  
Board of Directors  
Cham and Vevey (Switzerland), March 21, 2023





**Nestlé**

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