

Nestlé India Limited

(CIN : L15202DL1959PLC003786)

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Website www.nestle.in



BM:PKR:09:22

17.02.2022

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

Scrip Code – 500790

Subject : Presentation of intimation of Earnings Call with Analysts / Investors on Financial Results for the Financial Year ended 31st December 2021

Dear Madam/ Sir,

Further to our letter BM:PKR:5:22 dated 2nd February 2022, intimating about Earnings Call with Analysts / Investors on Financial Results for the Year ended 31st December 2021 and in terms of the requirement of Regulation 30 read with Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the presentation to be made to the Analysts/ Investors at the meeting scheduled to be held today.

We will be uploading the presentation on the Company's website www.nestle.in.

Thanking you,

Yours truly,
NESTLÉ INDIA LIMITED

B. MURLI
GENERAL COUNSEL & COMPANY SECRETARY

Encl.: as above



Nestlé Good food, Good life

Determined to Keep Strong Nestlé India Full Year Earnings Call

17 February 2022



Disclaimers

- Except for the historical financial information contained herein, this presentation may contain statements which reflect Management's current views and estimates and could be construed as forward-looking statements. You are cautioned not to place undue reliance on these forward-looking statements, which holds only as of the date.
- The future involves uncertainties and risks that could cause actual results to differ materially from the current views being expressed.
- Potential uncertainties and risks include but are not limited to factors such as changes in general economic, political or market conditions, commodities and currency fluctuations, competitive product and pricing pressures, industrial relations and regulatory developments.
- Significant disruptions in the operations due to unforeseen events (including as a result of the spread of disease)
- Volume and Mix and Organic Growth (OG) are basis Nestlé Internal Reporting Standards.
- Figures are regrouped / reclassified to make them comparable.
- Calculations are based on non-rounded figures.
- 'Analytical data' are best estimates to facilitate understanding of business and NOT meant to reconcile reported figures.
- Answers to Questions may be given basis generally available information in public domain.
- No person is authorised to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or presentation must not be relied upon as having been authorised by or on behalf of Nestlé India Limited.



Agenda

16:00 - 16:20

Determined to Keep Strong
Suresh Narayanan

16:20 - 16:45

Q&A



Determined to Keep Strong

By
Suresh Narayanan

Nestle India Full Year Earnings Call, 17th Feb 2022



Image used as reference



Nestlé Good food, Good life

Key Takeaways Last Time



Unwavering
Commitment
to India



Leveraging the
RURBAN
opportunities



Strive to
continue robust
business model



Sustainability
across our
Operations



Caring for
Communities a
way of life



A Vibrant
Workplace fit
for the future

Insights into a dynamic and resilient organization



FY21 Results, Q421,
and Underlying
Performance



Reimagining
retirement benefits



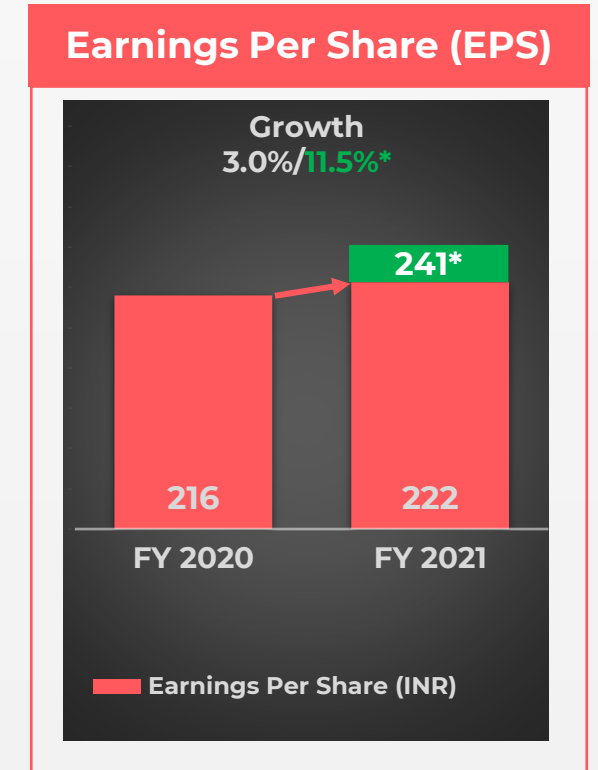
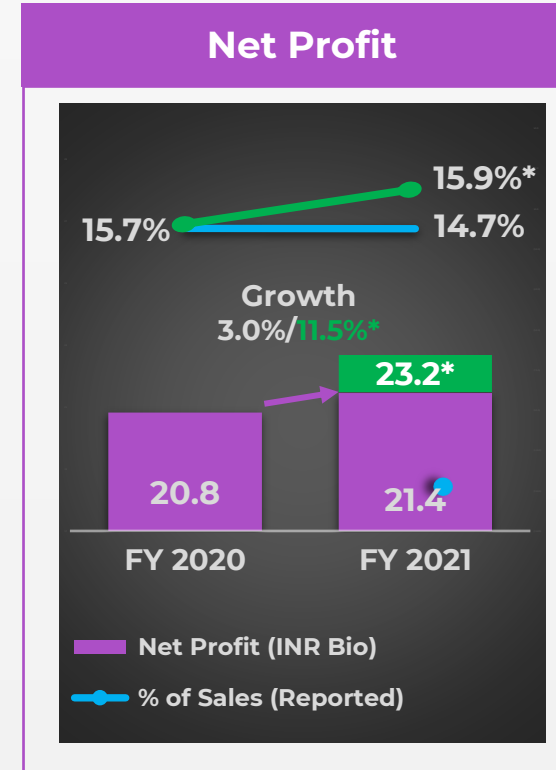
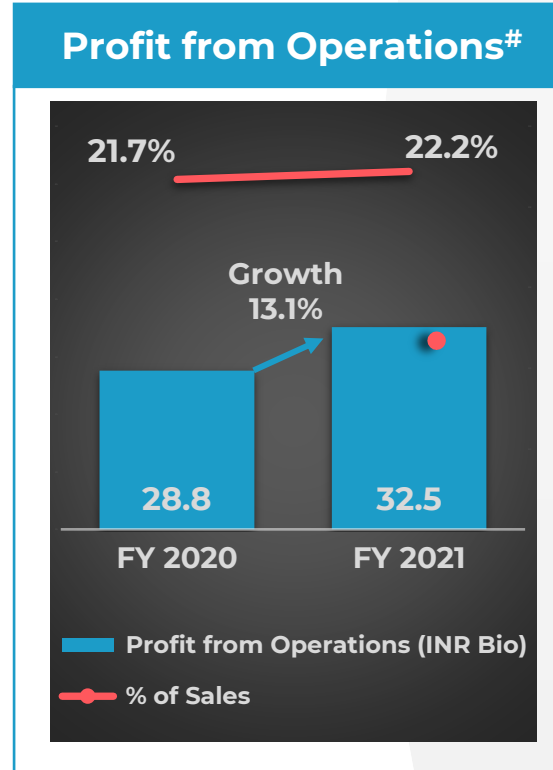
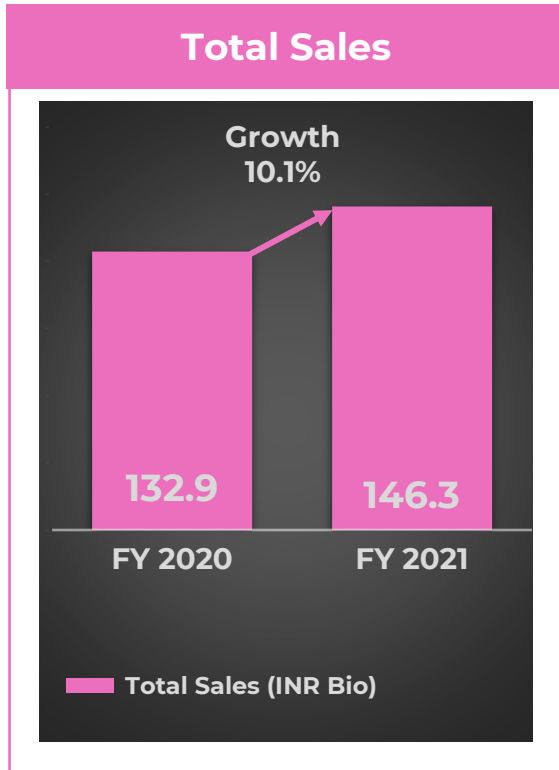
Digital and
Analytics Journey



Sustainability

Key Highlights: Strong growth continues; Profit from operations improved

FY 2021

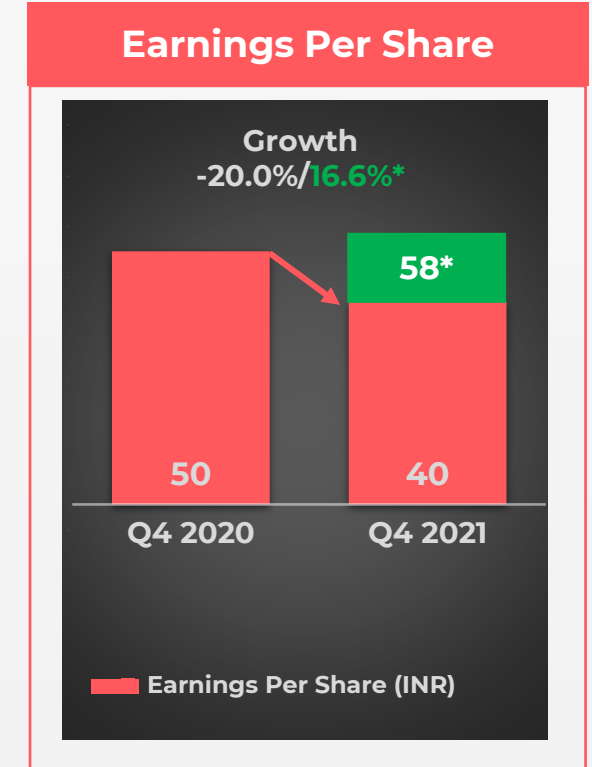
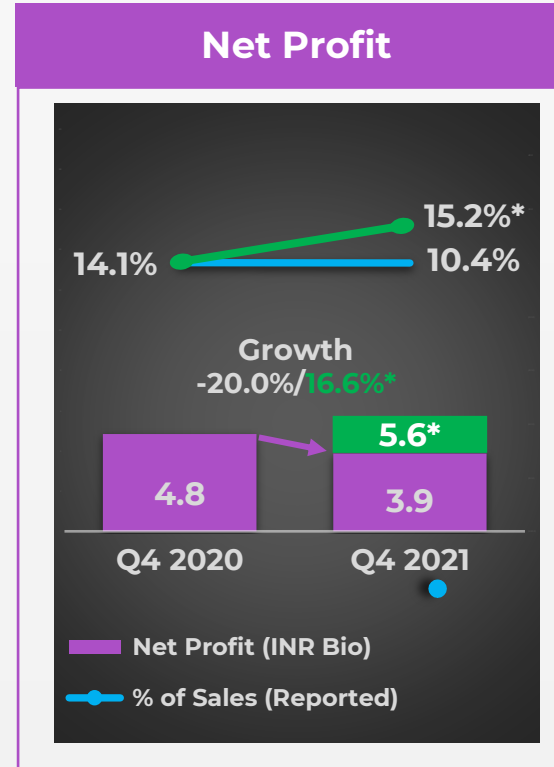
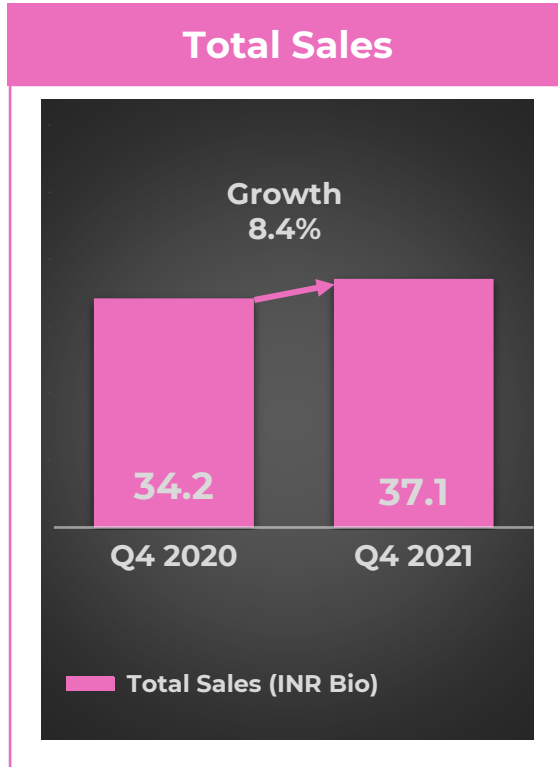


*Comparable values without the impact of Exceptional Item (Transition cost of Pension Plan)



Key Highlights: Robust growth continues; Profit from operations improved

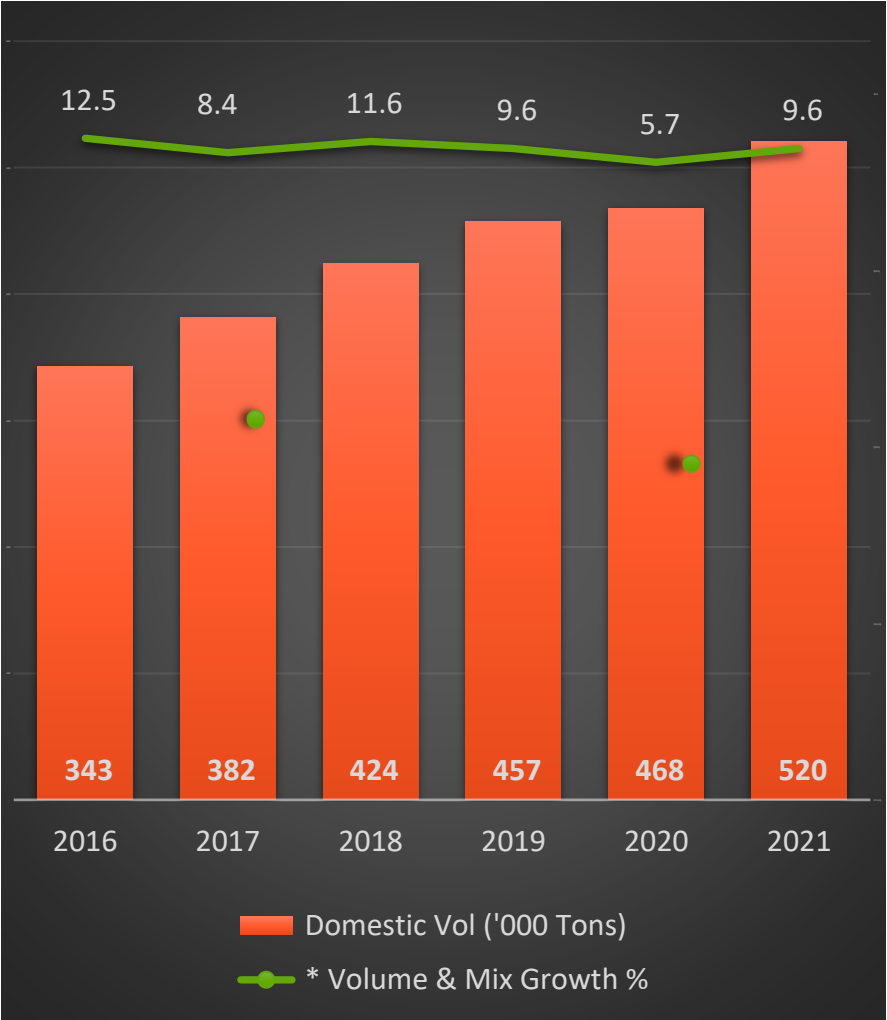
Q4 2021



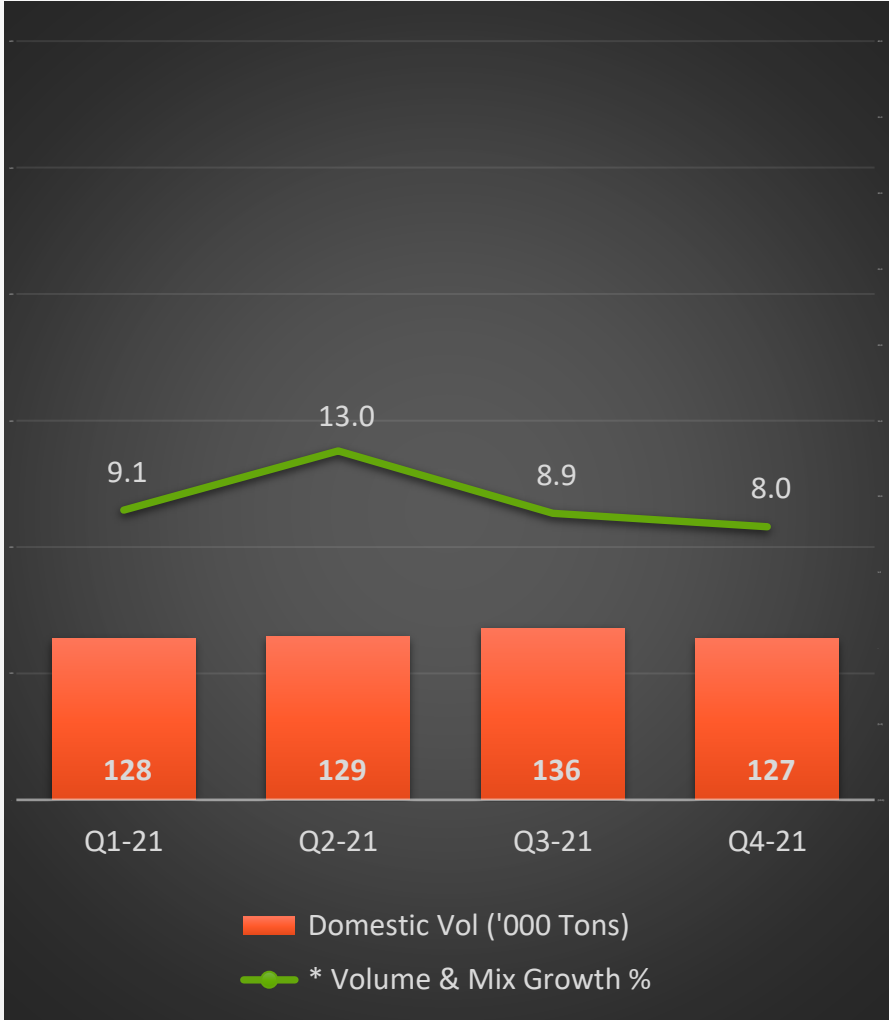
*Comparable values without the impact of Exceptional Item (Transition cost of Pension Plan)



Sustained Volume & Mix Led Growth

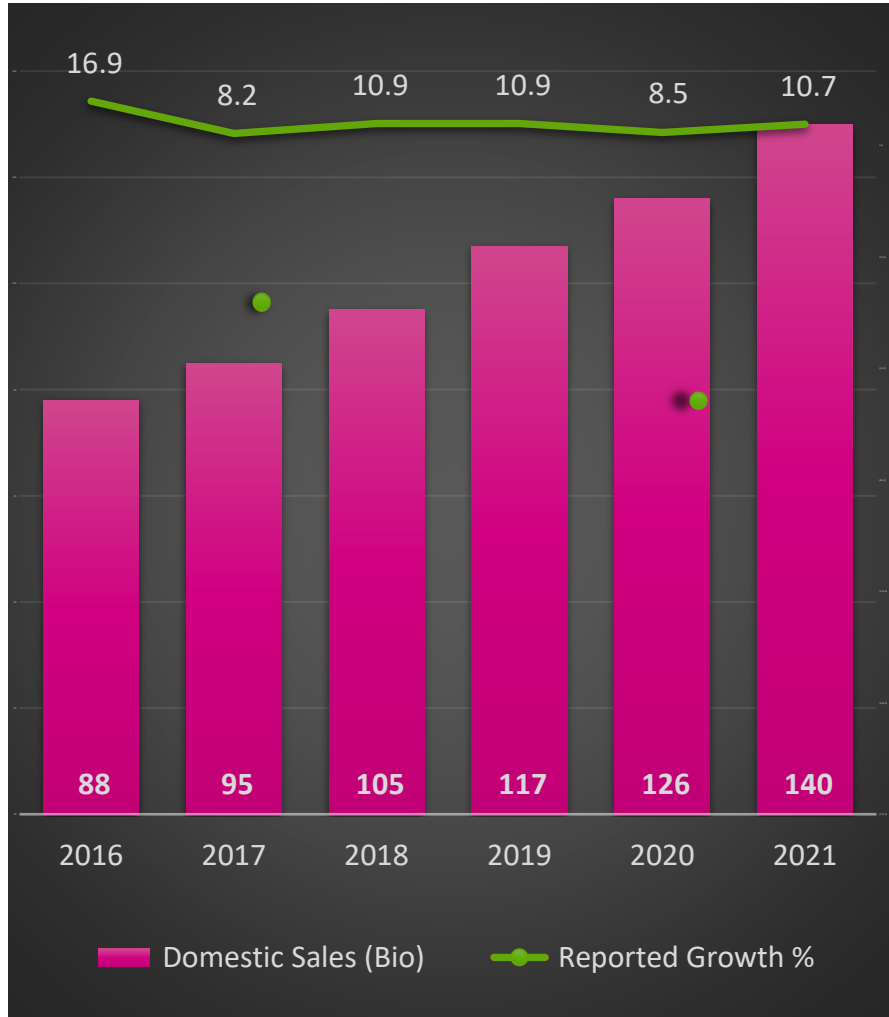


CAGR
2016-21
10.5%

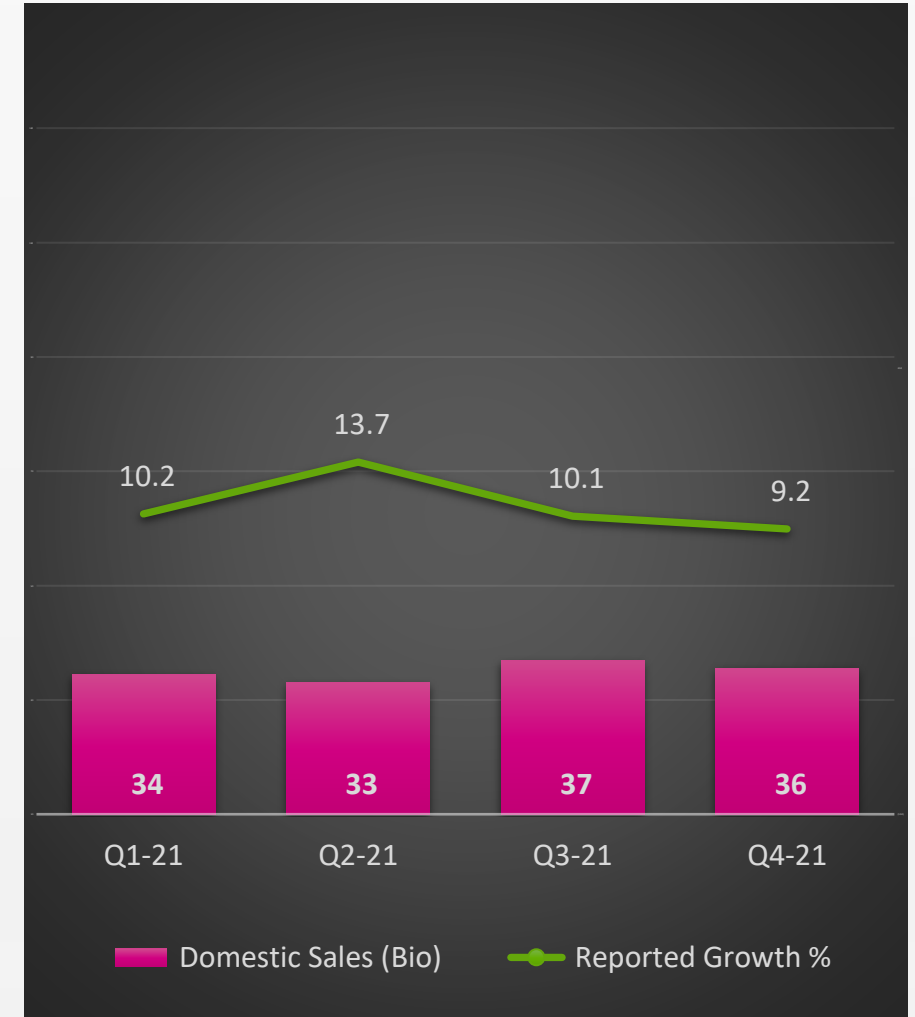


* Volume and Mix Growth computed as per Internal reporting standards

Leading to Strong Value Growth

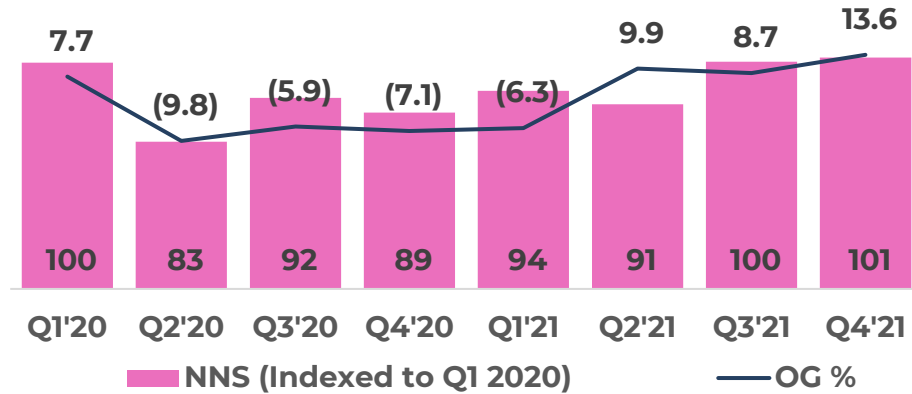


CAGR
2016-21
10.4%

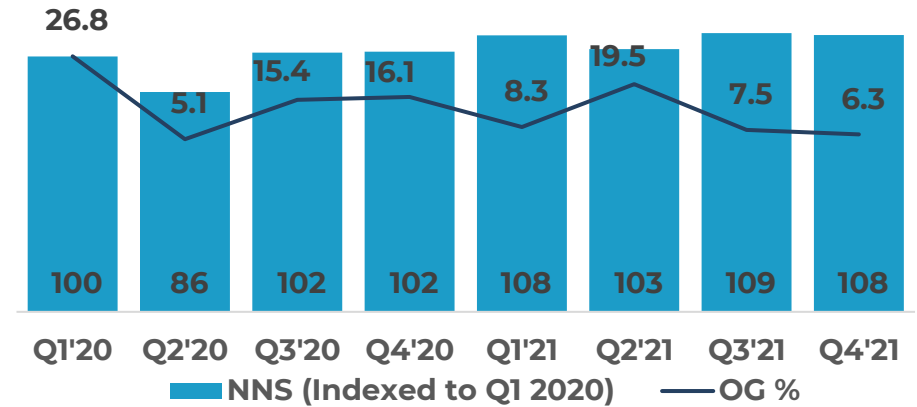


Growth by Town Class: Strong and Sustained

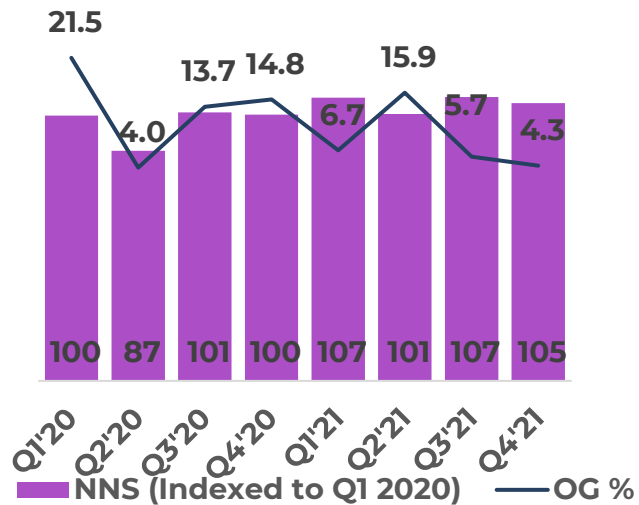
Mega City



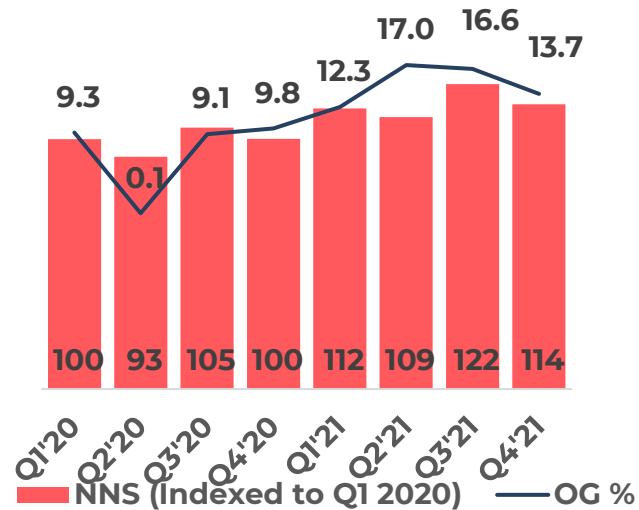
Metro



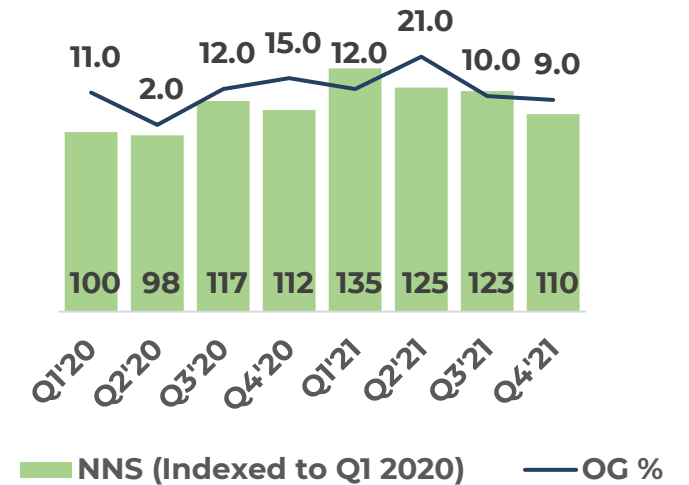
TC 1



TC 2-6



Villages

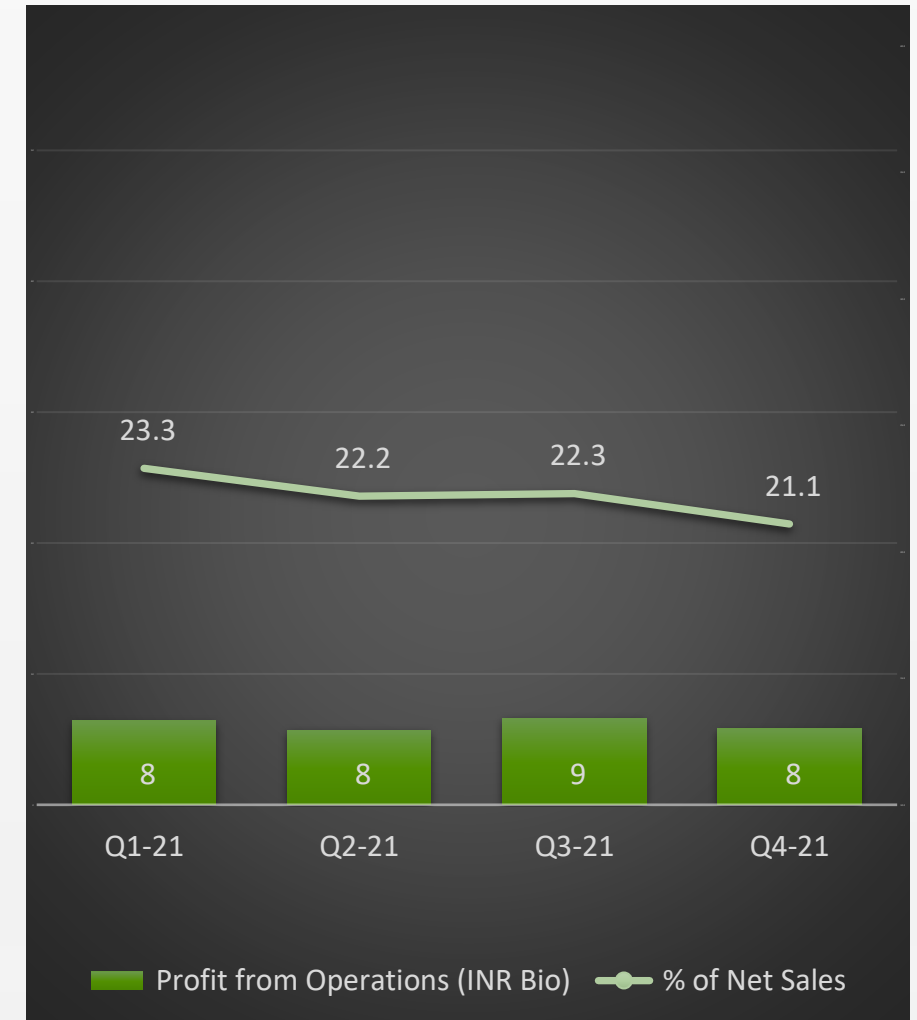


Town Class based on population
 Mega City > 40L Metro >=10L & <40L
 TC 1 >=1L & <10L TC 2-6 >=1L
 Rural 25 to 10000 +

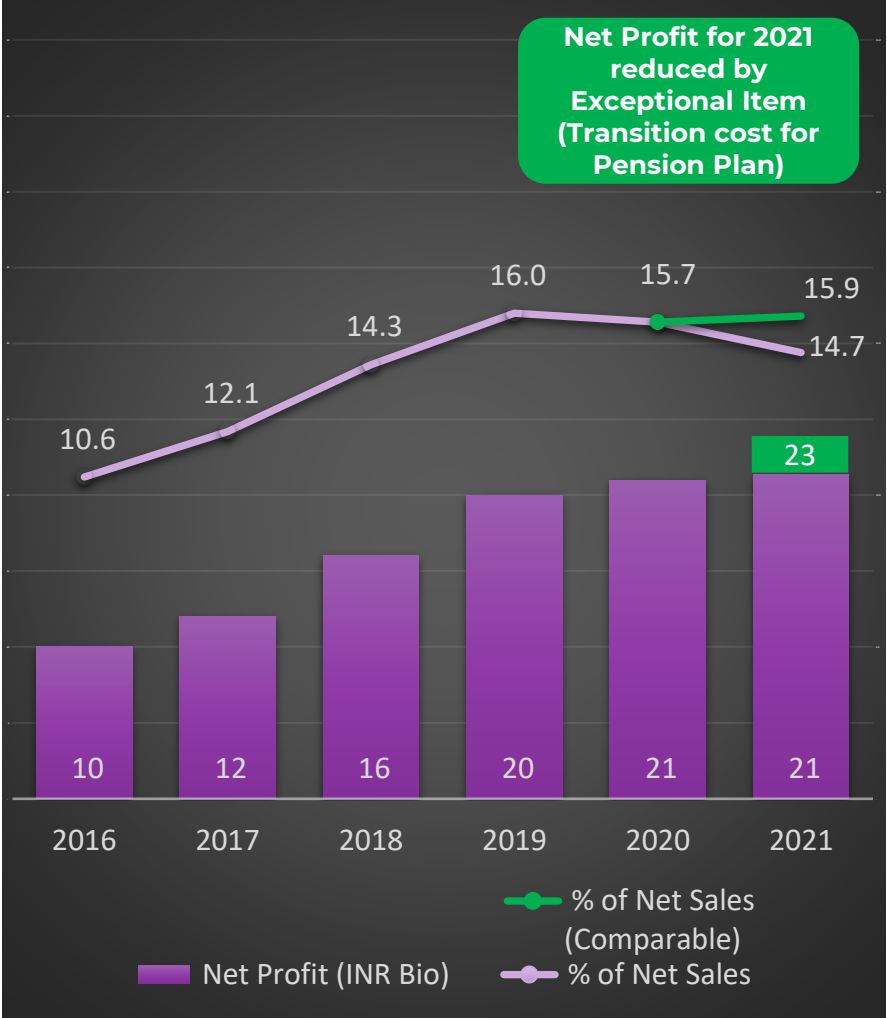
Accelerated Profit from Operations



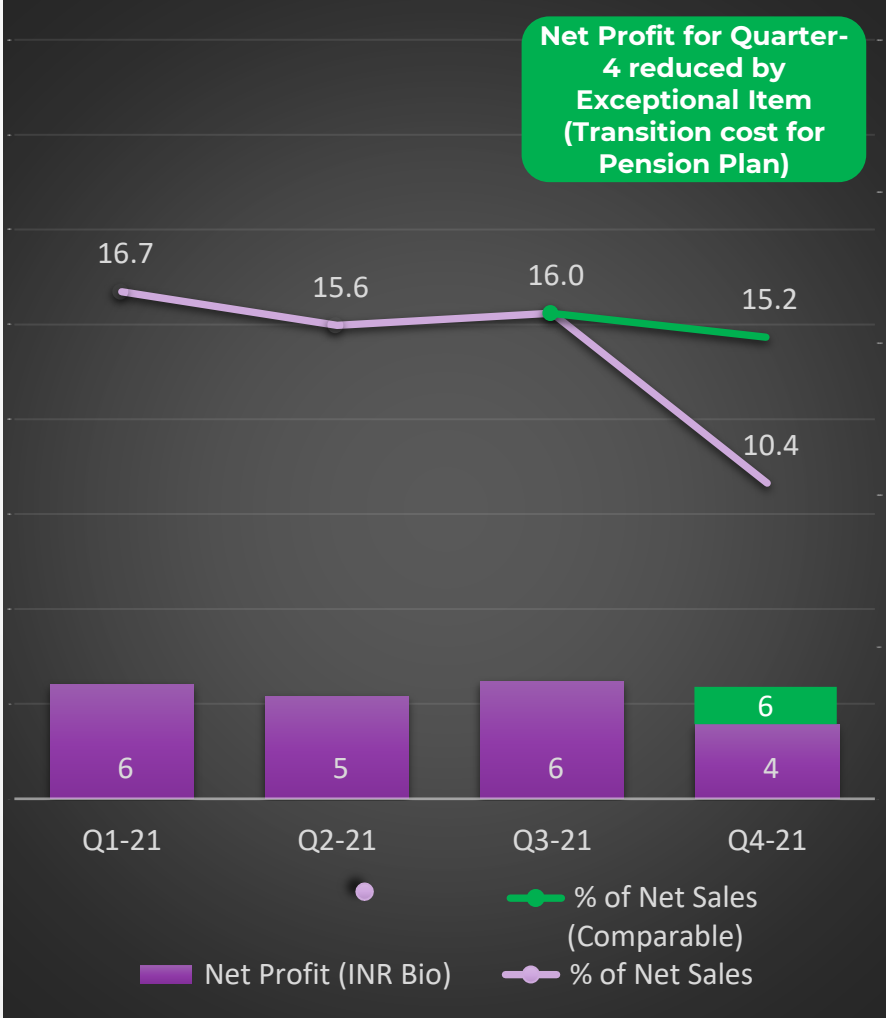
CAGR
2016-21
16.0%



And Accelerated Net Profit



CAGR 2016-21
25.0%



Domestic Sales: Broad Based Performance Across All Product Groups

FY
2021

Milk Products and Nutrition



42.4%

Contribution

2.6%*

Growth

Prepared dishes and cooking aids



31.8%

Contribution

16.7%

Growth

Confectionery



14.8%

Contribution

20.4%

Growth

Powdered and liquid beverages



11.0%

Contribution

16.1%

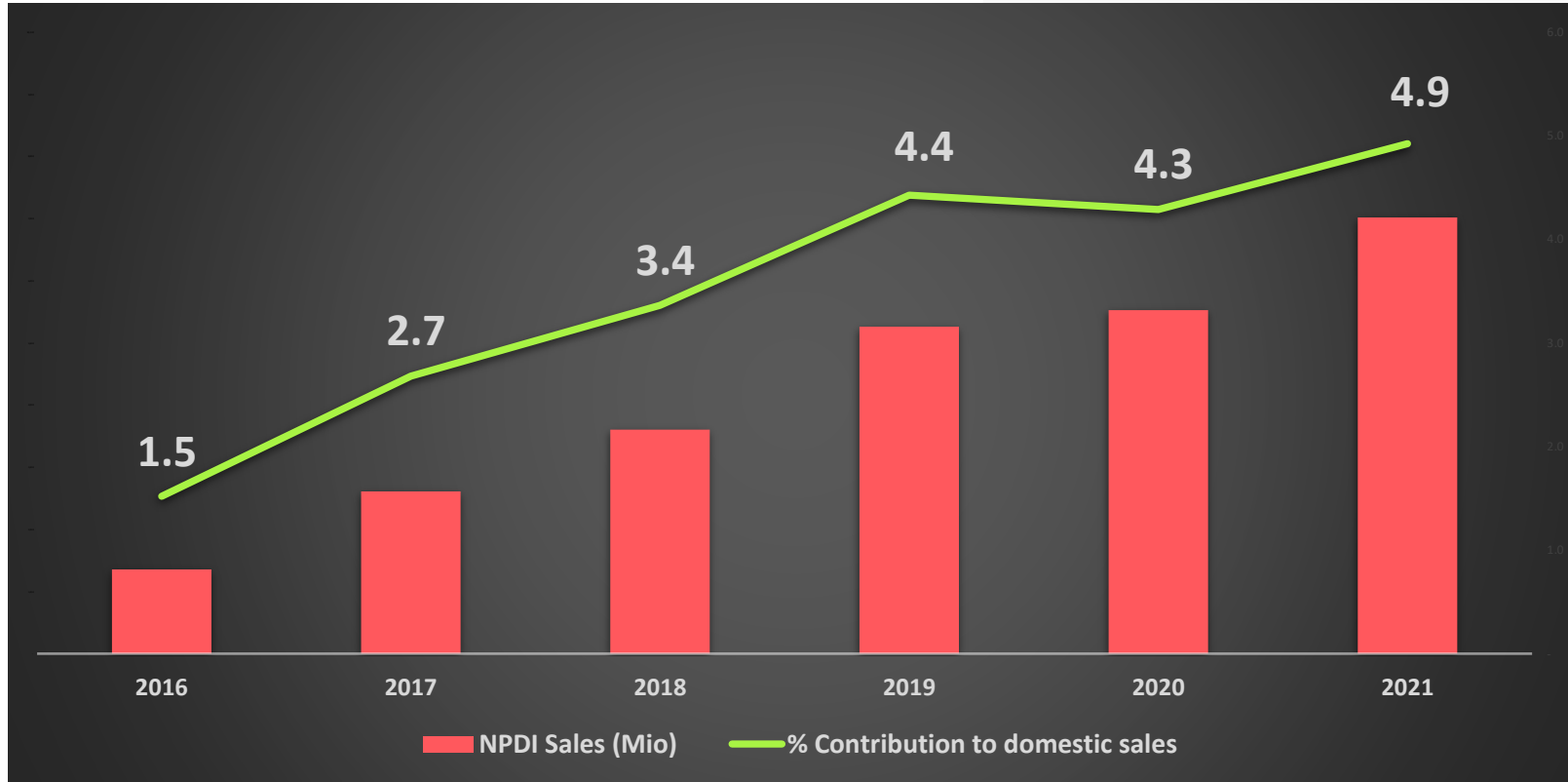
Growth

*High base effect

Data represents Jan-Dec 2021

10.7% Domestic Sales Growth

Innovation Continues as a Priority



Over 100
new
products
in last 5
years

~ 20 new Projects in Pipeline

New Categories being considered

Thereby, Creating Significant Value for Investors

Total Shareholders Return

3,638%

Annualized Return

19.8%

Market Capitalization

Up 38.2 times vs.
FMCG Benchmark
Index 14.7 times

INR 50 Bn

2001

USD 1.1 Bn
(1 USD= INR 47.2)

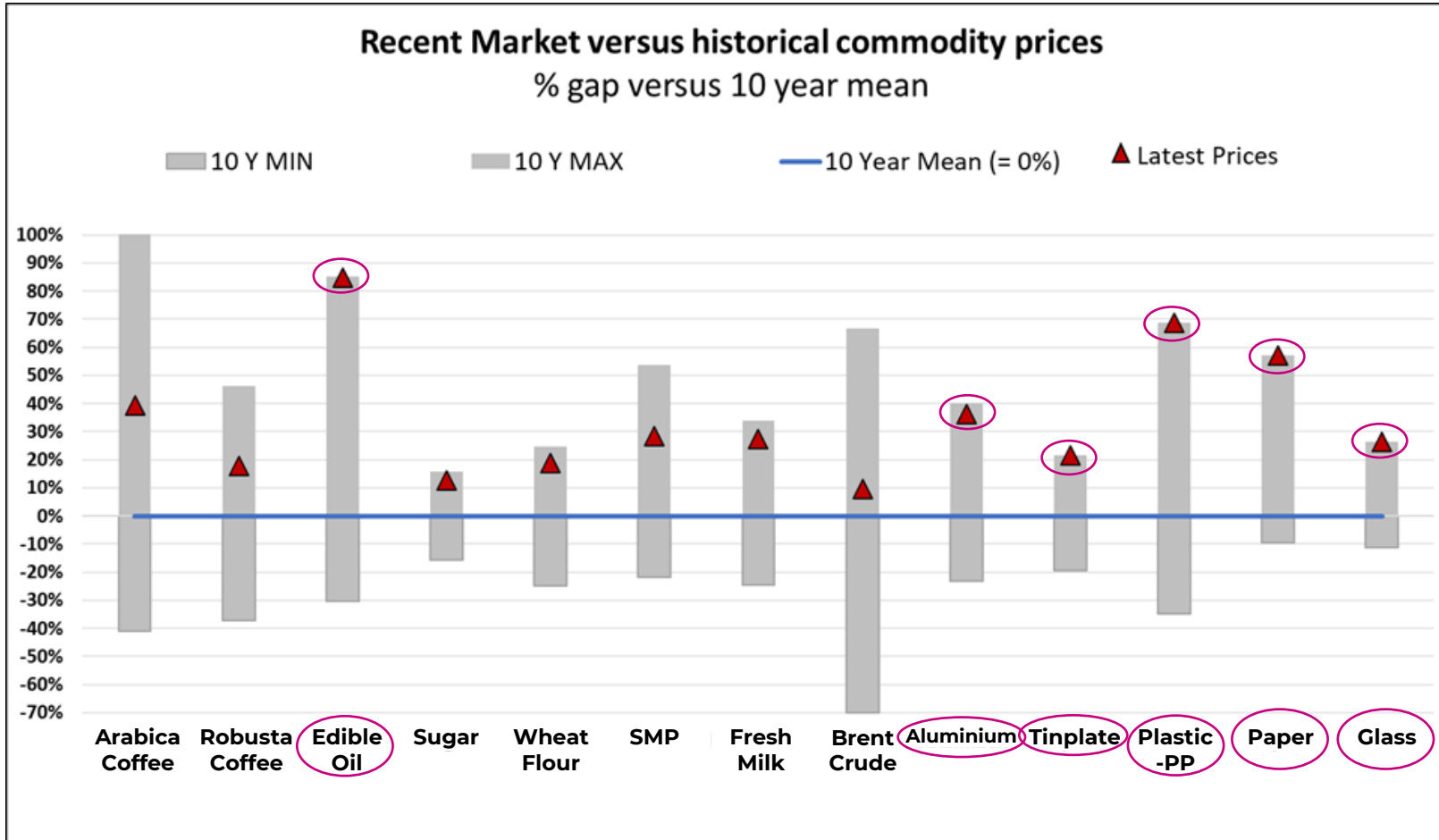


2021*

USD 25.6 Bn
(1 USD= INR 74.3)

*As at 31st Dec 2021
INR Billion is INR 100 crore.
Source: Bombay Stock Exchange.

Storm Clouds on the Horizon – Global Commodity Prices



Reimagining Retirement Benefits



The Future Ready Plan

Earlier Pension Plan

- ✓ **Defined Benefit Pension Plan** was unfunded
- ✓ No portability
- ✓ Pension eligibility only at retirement

'Future Ready Plan'

- ✓ Aligned to market practice and is **fully funded**
- ✓ A combination of **Frozen Defined Benefits** for past services and **Defined Contribution** for future services

Benefits to Employees

- ✓ **Security:** fully funded plan managed by financial experts
- ✓ **Portability:** fully portable benefits irrespective of age and service
- ✓ **Flexibility:** choice of annuity products basis financial needs

Benefits to Investors

- ✓ Embedded risk of a **Defined Benefit Plan** mitigated bringing future cost certainty
- ✓ Favorable impact in the future

Financial Impact

- ✓ **Approximate Two thirds** of the Defined Benefit Pension Liability covered
- ✓ One-time, **Exceptional cost** of INR 2.4 Billion [*EPS lower by ~ INR 18.*]
- ✓ Investment of INR 13.7 Billion covering the obligation under the plan



Image used as reference



Transforming ourselves with Digital and Analytics



FINISHED? Be a force for good.
Now give us your used carton to make a desk.



A unique program to convert used milk and other beverage cartons into school desks for less privileged children, in partnership with

Join us to make 100+ desks
Program partners with Tetra Pak, Amul, ru, and Nestlé.

MILO INDIAAA! WINDIAAA!
READY WITH YOUR #WINNINGENERGY?

ONE MORE STEP...
to build a cleaner India.
MILO® and NESCAFÉ® Ready to Drink beverages now come with paper straws.

30% less plastic
100% recyclable

NESCAFÉ GOLD

CELEBRATE THE BONDS THAT MATTER

RAKHI SPECIAL PACK

COFFEE AT ITS BEST

KitKat It's the season to unwrap a *Dessert Break*

DESSERT BREAK

KitKat DESSERT BREAK Tantalizing Truffle

Maggi

Love in a bowl ft.

MAGGI®

#PerfectPartner



KitKat ENJOY AN EXCITED KitKat® BREAK NOW!

EXCITED BREAK MILD PEACH FLAVOUR


Multi-Intelligent Data Analytics System - Data-Fed, Analytics-Led, Future Ready Platform for Business Interventions



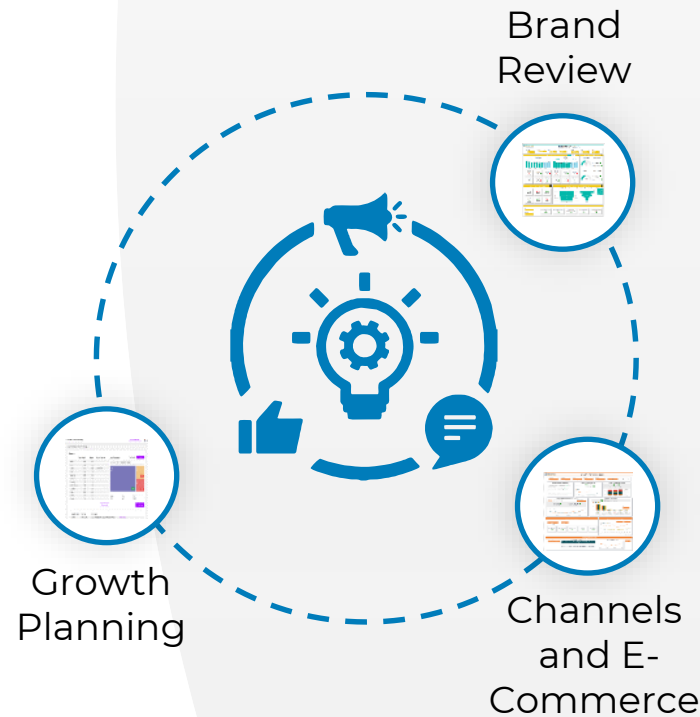
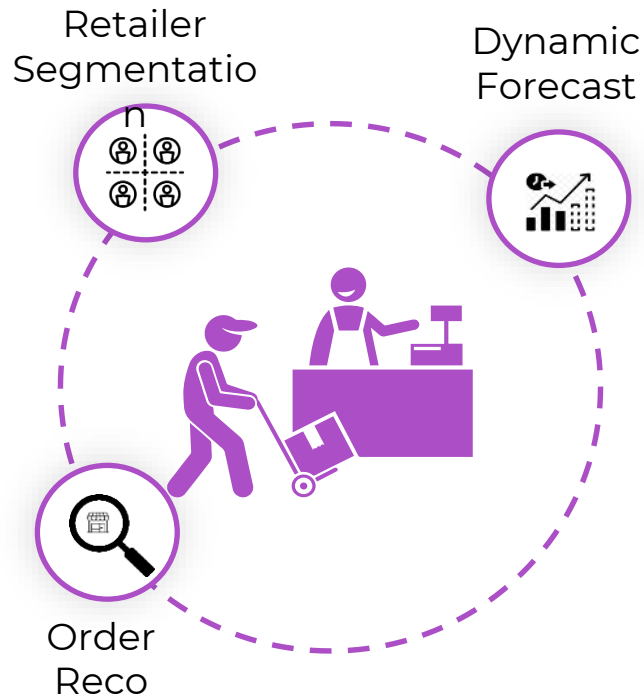
Enterprise-wide Data warehouse



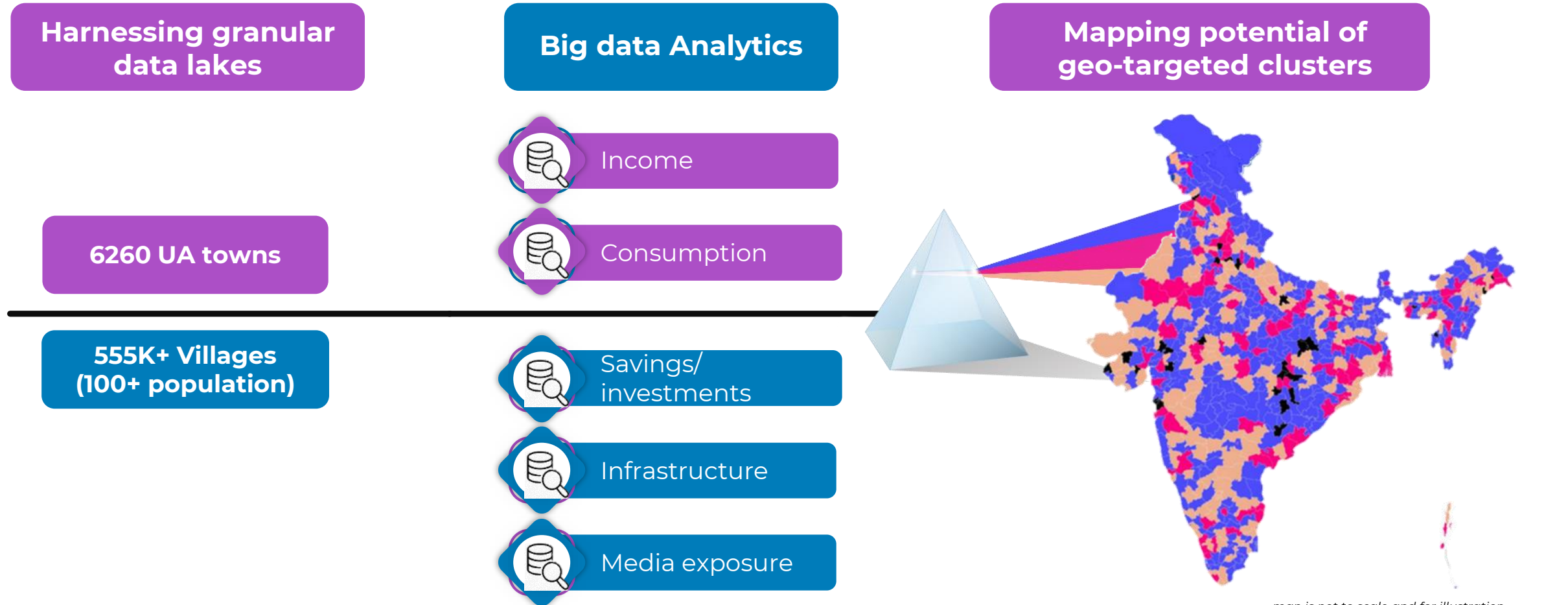
Cockpits for Business Management



Advanced Analytical Models



Granular Clusters – Leveraging the geographic dispersion within India



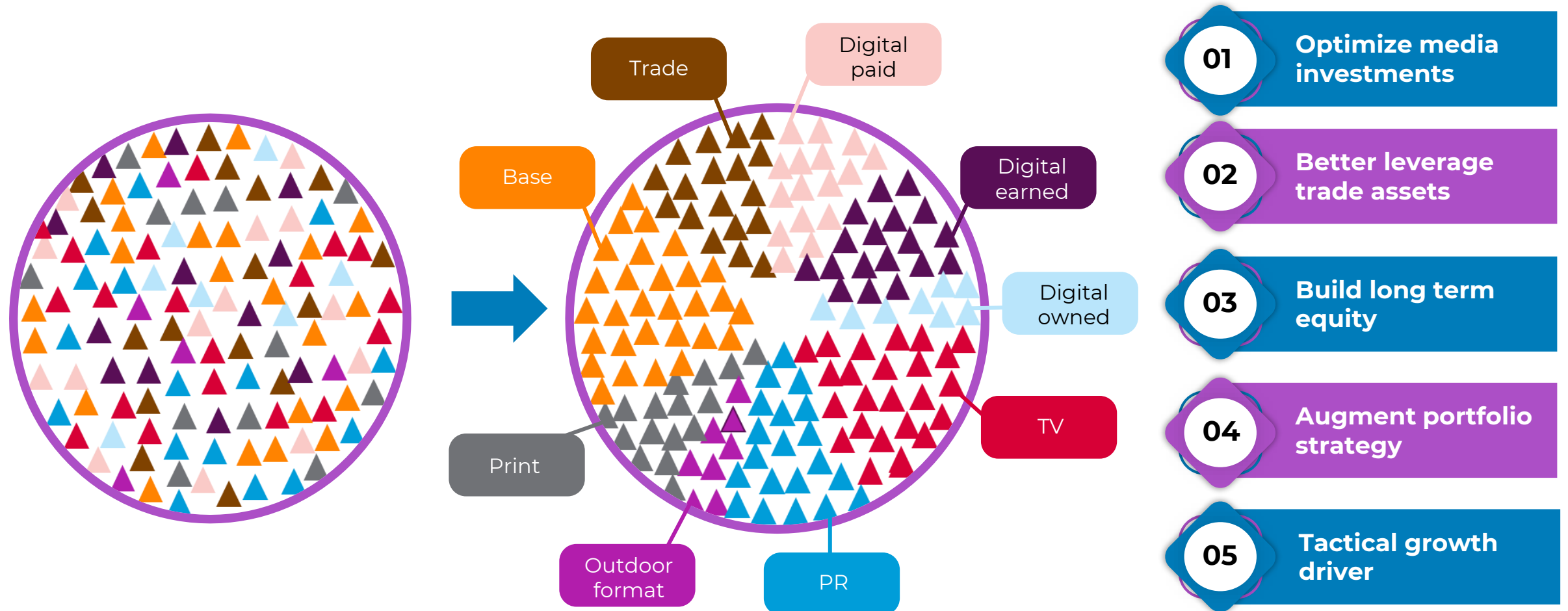
Sources: Reserve Bank of India, Census of India, Economic Census Survey – Urban and Rural Sector, IRS Indian Readership & Other Media Data, Agriculture Prices in India, Fertiliser and Agriculture Statistics, Indiastat.com

map is not to scale and for illustration purposes only



Nestlé Good food, Good life

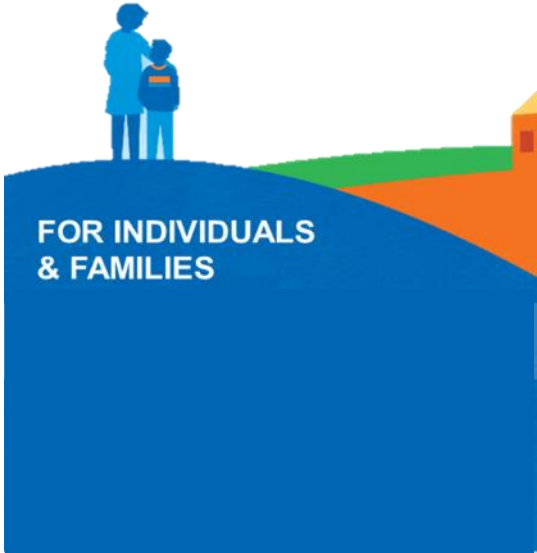
Market Mix Modelling: Tangled web of marketing activity data unraveled



You Can Always Ask Nestlé



Brought alive Nestlé corporates trust credentials via a service ecosystem



Authentic, Relevant, Applicable Tools & Trackers and Regional Content



Built positive inclination towards brands and stronger business connect with focus on first party data for a cookie less future



2021 Key Figures

4.8 Mio Visits

23% Repeats

48 Sec Average Time on site

61.7% Bounce Rate

9.3 K Registrations



OUR SUSTAINABILITY JOURNEY

TEN YEARS OF THE NESCAFE PLAN



NESCAFE®

pictures taken pre-pandemic

NESCAFÉ Plan – 3 Pillars

Launched in 2012 with a demo farm and training center at Kushalnagar



Farmers

To exert a positive and sustainable change in the **livelihood of coffee** farmers, their families and farm workers



Community

The resilience and prosperity of **farming communities** and the stakeholders across our value chain



Planet

The sustainable management of **landscapes** linked to our value chain



Monitoring and Evaluation (M&E) of the progress is assessed by a third party every year

The NESCAFÉ Plan



Improving livelihoods

- ✓ Better varieties – Trials under Coffee board
- ✓ Yield improvement through the training by our Agronomists



Responsible Sourcing

- ✓ Traceability and the transparency - Where is it coming from and how is it produced
- ✓ Sustainability 4C Certification of farms



Environmental Impact

- ✓ Soil test and fertilizer recommendation according to the plant requirement and protecting soil
- ✓ Reduced water usage for the irrigation

Sustainability in Coffee Procurement



THE LAUNCH OF THE NESCAFÉ PLAN MARKED THE BEGINNING OF A STRONGER SUSTAINABILITY STRATEGY

2012

NESCAFÉ Plan Launched

3

States covered

4400

Farmers connect

30%+

of coffee sourced sustainably

18%

Yield increase in farms

23%

Water savings on farm

2500

Soil samples tested

251

Villages

INR 3.5/Kilo

premium for sustainably sourced coffee

7000 tonnes

of sustainable coffee purchased by us last year

POURING RESPECT FOR PEOPLE AND THE PLANET INTO YOUR CUP.

THAT'S THE QUALITY COFFEE THAT COMES FROM THE NESCAFÉ PLAN.

Key Takeaways This Time



Sustainable Volume Led Growth



Strong Value Growth across Rural and Urban India



Sustainable performance



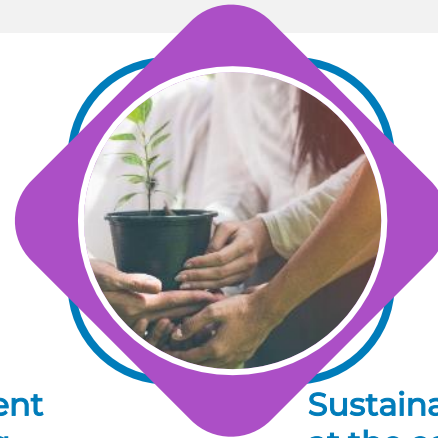
Innovation continues to be an engine of growth



Implemented future ready plans for our people



Strong commitment to transform using data and analytics



Sustainable initiatives at the core of being a force for good



Immediate concerns on inflation, while the road looks promising



Determined in Adversity,
Inspired to Grow.

