



Good food, Good life

## Press Release

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### **Nestlé publishes 2020 Annual Report, spotlights sustainability at the Annual General Meeting**

Nestlé today published its 2020 Annual Report. The report highlights the company's financial and non-financial performance for the year and gives an update on strategy, innovation, digitalization and sustainability.

Nestlé has also sent the Annual General Meeting (AGM) invitation and agenda to shareholders.

#### **2020 Annual Report**

Despite the challenges of COVID-19 in 2020, Nestlé delivered strong results, achieving improvements in organic sales growth, profitability and capital efficiency for the third year in a row. Nestlé also continued to make progress on its portfolio transformation through targeted acquisitions and divestments that focus on attractive, high-growth businesses.

A key contributor to Nestlé's growth is its consumer-driven innovation that also strives to reduce the company's environmental footprint. Some examples highlighted in the report include the launch of *Sensational Vuna*, a plant-based tuna alternative, and the increased use of paper packaging for brands such as *Maggi*. The company further reduced the average time to market of such innovative products by another 10% and increased the number of multi-market launches by 23%.

Nestlé's continued digital transformation enabled it to accelerate growth and better engage with consumers in a year that saw a surge in online shopping. Nestlé's e-commerce sales grew by 48.4% and accounted for 12.8% of total Group sales in 2020. Additionally, more than 60% of all of the company's digital media campaigns used a data-driven, audience-first approach to personalize messaging to consumers.

In the Creating Shared Value (CSV) section of the report, Nestlé highlights that it has fully achieved 28 of the 36 commitments it had previously defined to support the United Nations' Sustainable Development Goals. Those commitments focus on promoting healthier lives, improving livelihoods and protecting and restoring the environment. The full *CSV and Sustainability Report* will be published on March 23.

The full Annual Report contains Nestlé's Annual Review as well as the Corporate Governance & Compensation Reports and the Financial Statements, which were published on February 18, 2021.

Read about these topics and more in the [Annual Report](#)

### **Annual General Meeting and Sustainability**

In addition to the traditional AGM agenda items, Nestlé will ask its shareholders to support its recently published climate roadmap in an advisory vote at this year's meeting. In December 2020, the company published its detailed, time-bound plan for cutting greenhouse gas (GHG) emissions in half by 2030 and for achieving net zero emissions by 2050. The reporting of non-financial performance is becoming increasingly important, and [as previously announced](#), the company believes that shareholders should have a say on Environmental, Social and Governance (ESG) matters. Nestlé welcomes upcoming changes to Swiss legislation in this area. In the interim, the Board of Directors is seeking the support from shareholders on its climate roadmap.

Each year at the AGM, shareholders have the opportunity to vote on the total compensation of Nestlé's Board of Directors and Executive Board. This year, Nestlé is changing the structure of Executive Board members' short-term bonus. Fifteen percent of that bonus will now be linked to the achievement of ESG-related objectives. The Nestlé Board of Directors sets those objectives at the beginning of each year, in line with the company's strategy.

[As already communicated](#), Nestlé is also splitting the existing Nomination and Sustainability Committee into a separate Nomination Committee and a focused Sustainability Committee. This reflects the importance of sustainability in Nestlé's corporate governance and allows Board members to dedicate more time, focus and action on each of these important topics.

Ahead of the upcoming AGM on April 15, Nestlé will also publish its first *Task Force on Climate-Related Financial Disclosures (TCFD) Report*. The TCFD report assesses the strength and resilience of the company's strategy and business model under different climate scenarios.

### **Read the:**

[Annual Review](#)  
[Corporate Governance Report](#)  
[Financial Statements](#)

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