



Nestlé Good food, Good life

2022 baseline for new advertising and marketing expenses disclosure

On Tuesday 25th April, 2023, as part of the three-month sales call, Nestlé announced its decision to disclose Advertising and marketing expenses. Ahead of the publication of the Nestlé Group first half 2023 results, Nestlé is providing the 2022 baseline for the new advertising and marketing expenses disclosure.

Advertising and marketing expenses are a component of Marketing and administration expenses in the Group's Consolidated income statement. They represent the Nestlé Group Advertising and marketing investments behind its products and brands portfolio.

The main components of Advertising and marketing expenses are investments in media (digital and traditional), consumer activation expenses, advertising production costs and owned and earned channels expenses (e.g. Nestlé branded websites, consumer loyalty programs). Excluded are rebates, discounts and payments to customers recorded as a reduction of sales (see Note 3 of the Nestlé Group Consolidated Financial Statements for a description of the Revenue recognition and measurement accounting policy).

To facilitate comparison with the 2023 actuals, Nestlé is re-publishing the 2022 disclosure of Marketing and administration expenses as follows:

- 2022 half-year figures (Appendix 1)
- 2022 full-year figures (Appendix 1)

Nestlé Investor Relations

Appendix 1

Total Group	January–June 2022
Sales (in millions of CHF)	45 580
Marketing and administration expenses (in millions of CHF)	(8 465)
Marketing and administration expenses as a % of sales	- 18.6%
of which	
Advertising and marketing expenses (in millions of CHF)	(3 227)
Advertising and marketing expenses as a % of sales	- 7.1%

Total Group	January–December 2022
Sales (in millions of CHF)	94 424
Marketing and administration expenses (in millions of CHF)	(16 850)
Marketing and administration expenses as a % of sales	- 17.8%
of which	
Advertising and marketing expenses (in millions of CHF)	(6 474)
Advertising and marketing expenses as a % of sales	- 6.9%