



Annual report 2025



Fonds de Pensions
Nestlé



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In the event of any doubt or difference of interpretation, the French version shall prevail over the German and English versions.

Contact

Fonds de Pensions Nestlé

Avenue Nestlé 55

1800 Vevey (Switzerland)

Phone : +41 21 924 64 00

E-mail : fonds-de-pensions@nestle.com

www.fpn.ch

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Foreword

Message from Philippe Vossen, Chair of the Pension Board



Dear colleagues and Fund members,

2025 was a hectic year for the global economy. The return of US protectionism, the introduction of large tariffs and geopolitical tensions resulted in turbulent market conditions, particularly in the spring. Despite that, the global economy was resilient, supported by public-sector investment in Europe and ongoing strong momentum in the US tech sector. That resilience allowed markets to recover in the second half of the year.

Given the demanding conditions, I am pleased to report that our Pension Fund achieved a solid 4.2% return in 2025. Based on that performance and our financial position as at 31 December 2025, the Pension Board has decided to credit the retirement savings capital of the Fund's active members with total interest of 4%, i.e. 2.75 points more than the statutory minimum. On the same date, our funded status was 121.2%, reflecting the Fund's good health and stability.

As we do every three years, we carried out a mandatory actuarial valuation last year. The accredited pension actuary confirmed the Fund's financial strength and ability to fulfil its obligations over the long term, and confirmed that the benefits paid by the Fund and the way it is funded are fully compliant with legal requirements. You will find more details on this topic in the "Focus – Actuarial valuation report" section below.

Our rigorous and prudent management means that we have begun 2026 with confidence, although we remain vigilant. Geopolitical uncertainties require ongoing attention, and we are actively preparing to deal with events as they unfold. By taking this responsible approach, we are pursuing a single objective: to give you long-term security and peace of mind regarding your occupational benefits, whether you are still working or have already retired.

On behalf of the Pension Board, I would like to thank the Fund's managers and teams for the excellent work they do. On a personal note, it is an honour for me to take part in ensuring the sound management of your Fund, and I would also like to thank all members of the Pension Board and Investment Committee for their dedication to that task.



Philippe Vossen

Chair of the Pension Board

Actuarial valuation report

An actuarial valuation report is a document prepared by an accredited pension actuary in accordance with Article 52e LPP/BVG. The report assesses, in an independent and objective way, how strong a pension fund's financial position is; whether the tables it uses for actuarial calculations are appropriate; whether its regulations are compliant; and whether it can honour its long-term obligations. In the report, the accredited pension actuary confirms that they have complied with the professional standards laid down by the Swiss Chamber of Pension Actuaries and with the requirement of independence.

The main aim of the report, which must be prepared periodically but at least every three years, is to give the Pension Board an assessment of how robust the Fund is, identify any risks and confirm that insured benefits can be funded in accordance with statutory rules. In particular, it examines the Fund's actuarial tables, discount rate, funding of benefits, provisions, security measures and ability to make up any underfunding. The exercise is an essential governance and oversight tool.

The report then assesses in detail the Fund's financial position as at 31 December 2024. At that date, the Fund had a funded status of 119.4%, significantly higher than the year-earlier figure of 113.4%, and surplus assets of CHF 1.321 billion, allocated in full to the investment fluctuation reserve. That reserve equalled 97.1% of its target, which means that the Fund was well positioned to withstand market fluctuations. Available pension assets amounted to CHF 8.13 billion, while benefit obligations totalled CHF 6.81 billion.

The report also highlights the technical results for 2024. During that year, the Fund generated income of CHF 418.8 million. That was mainly due to the 9.0% investment return it achieved, which was much higher than the minimum return required (between 1.6% and 2.0%). There were some negative factors – such as the CHF 23.2 million loss on pensioner mortality – but they were comfortably offset by the Fund's excellent financial performance. The report also found that the Savings Plan's funding was balanced, with no structural deficit.

Overall, the accredited pension actuary's assessment was good. All indicators were positive, with the exception of the Fund's ability to make up any underfunding, which the actuary found to be limited because of the Fund's demographic maturity. The Fund meets all statutory requirements, uses appropriate actuarial tables and is in a good financial position. The actuary made no urgent recommendations, although the Pension Board was invited to analyse the new LPP/BVG 2025 actuarial tables as soon as they are published.



Organisation (in 2025)

Pension Board

Employer representatives

Philippe Vossen, Chair	SPN SA, Vevey
Carole Marchaud	SPN SA, Vevey
Mathieu Rieder	SPN SA, Vevey
Sonia Studer	Nestlé Suisse SA, Vevey
Alessandra Gaspari	Nestlé Suisse SA, Vevey
Jonathan Zimmermann	Nestlé Nespresso SA, Vevey

Member representatives

Corinne Bonaccorsi	SPN SA, Vevey
Marc-André Zingre	SPN SA, Vevey
Oriane Seydoux	SPN SA, Vevey
Beat Hess	Nestlé Suisse SA, Vevey
Timo Stoyer	Nestlé Suisse SA, Vevey
Dominique Rovero	Nestlé Nespresso SA, Vevey

Pensioners' representative, in an advisory capacity

André Schumacher

Investment Committee

Employer representatives

Mathieu Rieder, Chair

SPN SA, Vevey

Alessandra Gaspari

Nestlé Suisse SA, Vevey

Member representatives

Oriane Seydoux

SPN SA, Vevey

Beat Hess

Nestlé Suisse SA, Vevey

Management

- **Christophe Sarrasin**, Director
- **Ines Tornay**, Administration
- **Christian von Roten**, Investments

Accredited pension actuary

- **Didier Sauter**, Aon Suisse SA, Nyon

Investment advisor

- **PPCmetrics SA**, Nyon

Auditors

- **Ernst & Young SA**, Lausanne

Resolutions of the Pension Board in 2025

In 2025, the Pension Board passed the following key resolutions :

- To grant additional interest of 2.75% on the retirement savings capital of active members, taking the total interest to 4% as at 31 December 2025 ;
- To set the interest rate on retirement savings capital at 1.25% for 2026, in line with the Federal Council decision on the minimum LPP/BVG interest rate ;
- To approve the new Fund Charter, the main aim of which is to change the arrangements for appointing employee representatives in order to strengthen the Fund's democratic principles, and to clarify the situation regarding the representation of pensioners on the Pension Board. The new Fund Charter was ratified by the regulatory authority (*Autorité de Surveillance LPP et des Fondations de Suisse Occidentale*) in early 2026 ;
- Adopt new Organisation Regulations that describe the new election process in accordance with the new Fund Charter.

The Pension Board also formally noted :

- The actuarial report as at 31 December 2024, prepared by Mr Didier Sauteur of Aon Suisse SA, the Fund's accredited pension actuary ;
- The appointment of Ms Ines Tornay as the Fund's new head of administration.

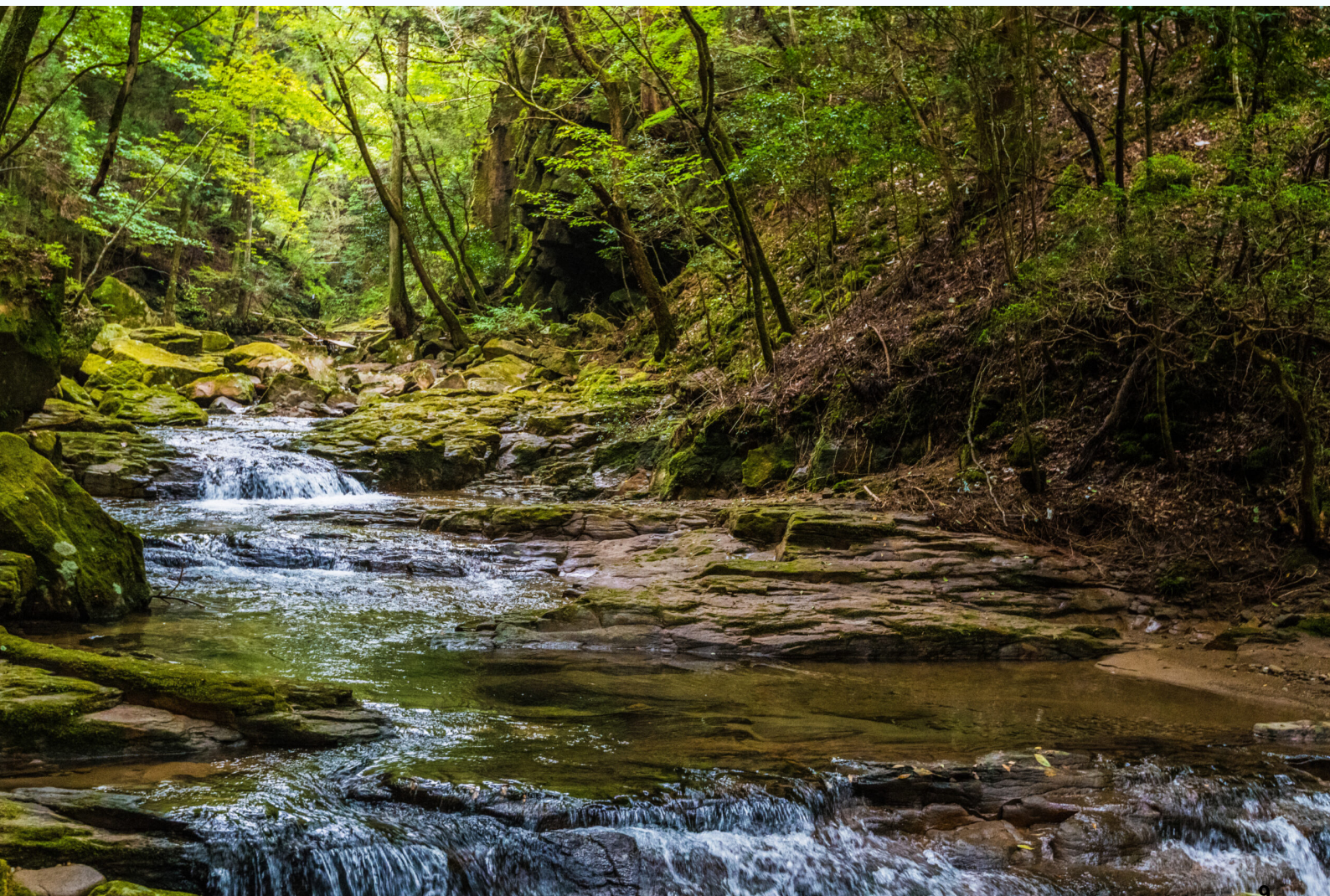


2025 – Economic review

The resurgence of American protectionism was in the news regularly last year. The United States increased tariffs to levels not seen for almost a century. That decision revived fears of a slowdown in global trade and caused equity markets to fall in early April. The uncertainty then continued as Washington negotiated with the United States' trading partners. Switzerland was particularly badly affected: Swiss exports to the US were hit with a 39% tariff in August, before an agreement was reached in November reducing it to 15%. Higher tariffs affect the entire Swiss export sector and small and medium-sized businesses in particular, with the notable exception of the pharmaceutical industry.

Despite these tensions, economic growth and corporate earnings remained solid overall in many countries, showing surprising resilience in the face of US protectionism. That resilience can be explained by several factors that boosted economic activity in 2025. In Europe, the possibility that the US will no longer help ensure security prompted governments to increase their defence budgets sharply. At the same time, Germany allocated more resources to upgrading various aspects of the country's infrastructure. In the US, large-scale investments in artificial intelligence boosted economic growth, for example through the construction of datacenters. The US economy was also supported by tax cuts introduced by the Trump administration. Finally, global economic growth was stimulated by monetary policy in most countries, with Europe and Switzerland in particular cutting rates at the start of the year and the United States at its end.

Those developments were positive for equity markets, which saw share prices rise between April and December, resulting in gains of between 14% and 18% for the main indices in local-currency terms in 2025. However, there was a slight decline for government bonds – with the global index down as much as 1% – because of the prospect of higher government debt levels in many countries. The US dollar fell sharply against the Swiss franc, losing 12.6% as the market priced in the risks for the US economy arising from higher tariffs. It is best to take a cautious approach to this new environment, which includes a resilient but slowing economy that remains vulnerable to inflation, ongoing geopolitical tensions and a correction in AI-related share prices if revenue expectations fail to materialise.



The Fund's performance

Like most occupational benefits institutions in Switzerland, the Fund benefited from the strong rally in equity markets last year, posting a gain of 4.2% in 2025 while its strategic benchmark rose by 5.4%. The Fund therefore underperformed its benchmark by 1.2 points. This was due to the Fund's illiquid investments, particularly those in unlisted equities (also known as private-equity investments), which did not perform as well as expected in 2025. However, over the long term, returns from the Fund's investments in unlisted equities, net of fees, have exceeded their targets, and so their inclusion in our investment strategy is justified.

In assessing the Fund's performance relative to its peers – i.e. other occupational benefits institutions in Switzerland – we use several indices including the peer-group index put together by our investment consultant PPCmetrics: for more information, please see the definitions in the notes to the table below. The Fund underperformed the median return in this peer group by 1.7 points in 2025, mainly because of two asset categories. Firstly, most foreign currencies, and the US dollar in particular, lost ground against the Swiss franc last year. Secondly, private equity produced limited returns, particularly compared with listed equities. Since the Fund's exposure to these two categories is greater than that of the peer group, this caused the Fund to underperform it last year. Over the last 10 years, however, the Fund has beaten the peer group's median return. For institutional investors such as the Fund, it is these long-term comparisons which are most relevant.

Performance in %	1 year	3 years ¹	5 years ¹	10 years ¹
Fund	4.2	6.2	2.7	4.3
Strategic Benchmark ²	5.4	7.6	3.2	4.7
PPCmetrics peer group - Median Performance ³	5.9	6.7	3.2	3.9
PPCmetrics peer group - Fund's ranking (out of 100) ³	89	71	72	24

1) Annualised.

2) This is the only index for which we quote returns before the deduction of fees.

3) The PPCmetrics peer group consists of over 100 occupational benefits funds monitored by our consultant PPCmetrics. The standardised ranking out of 100 compares the Fund's performance with that of its peers. A ranking of 1 would mean that the Fund is the best performer in its peer group, a ranking of 100 would mean that the Fund is the worst performer, and a ranking of 30 would mean that 29 peers have performed better than the Fund while 70 have performed worse.

Asset allocation

The table below shows the actual allocation of the Fund's financial assets as at 31 December 2025 compared with the strategic allocation. Investments are rebalanced every month in order to remain close to the strategic allocation. Variances are, however, inevitable due to natural fluctuations in financial markets.

<i>Allocation in %</i>	<i>Actual allocation</i>	<i>Strategic allocation</i>
Cash and short-term investments	2.7	2.0
Equities	27.8	28.0
Private-equity investments	10.8	7.0
Bonds	37.5	40.0
Swiss real estate	16.8	16.0
International real estate	2.2	3.0
Infrastructure	2.0	4.0
Hedge funds*	0.2	0.0
Total	100.0	100.0

* This percentage corresponds to residual investments in hedge funds that cannot be liquidated quickly.

Responsible investing

Since 2018, a responsible investing policy has been an integral part of the Fund's Investment Regulations. The aim of that policy is for the Fund to take into account environmental, social and governance (ESG) factors when devising its investment strategy and managing its assets, so as to favour investments in asset classes and companies that have adopted good practices regarding sustainability-related topics.

In 2023, that policy was supplemented by a climate policy intended to set out formally the Fund's commitment, through its investments, to the Paris Agreement .

These two policies, developed in collaboration with the Nestlé Group, ensure that the Fund is aligned with Nestlé's ESG values and climate commitments.

In 2025, the Fund continued its ESG monitoring of investments according to established practices, and the main points to note are set out below.

1. ESG assessment of asset managers tasked with managing the Fund's investments

We found that all asset managers are aligned with the Fund's responsible investing policy. The assessment looked at how asset managers incorporate ESG criteria explicitly into their investment processes, including their performance regarding shareholder engagement, voting in annual general meetings and the human and material resources they devote to these topics.

2. Assessment of ESG risks in the Fund's investment portfolio

To assess the investment portfolio's ESG risks, we compile a list of companies which are particularly exposed to ESG risks and in which the Fund's asset managers have invested as part of their equity and bond investment mandates, with reference to the topics covered by the Fund's responsible investing policy. Those topics are based on the 10 principles of the United Nations Global Compact, of which the Nestlé Group has been a signatory since 2001, together with a further two topics relating to climate change and corporate governance. A company whose practices are deemed to show a low level of compliance in relation to any of these topics will feature on the list.

The analysis showed that the Fund has limited exposure to companies that are subject to ESG risks.

3. Monitoring of climate commitments in relation to the Fund's investments

The Fund's climate policy establishes a framework and measurable targets for managing the climate impact of the Fund's investments.

In 2025, the measurable climate targets set by the Fund were achieved for all asset classes assessed (corporate bonds, listed equities, Swiss real estate and infrastructure). These results need to be confirmed over the long term, and in particular until end 2027.

4. Quantification of climate risk

In 2025, a new analysis of the financial impact that climate change could have on the Fund's investment portfolio was carried out using the model and related assumptions of an external consultant specialising in this field.

The analysis assessed the financial impact on the Fund of an extreme "High Warming" climate scenario in which temperatures increase by 20C relative to pre-industrial levels by 2050, and by 3.70C by 2100, resulting in large physical climate risks for the economy. This scenario reflects the current situation, with no additional measures taken to limit climate change.

The main conclusion of the analysis is that the financial losses which the Fund can expect to arise from such an extreme climate scenario would be bearable. However, it is important to note that a scenario involving a transition to a net-zero economy in which the Paris Agreement targets are hit would be financially more beneficial for the Fund. Accordingly, the climate commitments for investments defined in the Fund's climate policy remain crucial in order to reduce the probability of a "High Warming" scenario.

Conclusion

The analysis and assessments carried out in 2025 in relation to responsible investing show positive results for the Fund's investment portfolio. However, the Fund will continue its efforts to engage with asset managers so that these good results are maintained with respect to the companies, real-estate and infrastructure assets in which it invests.

[1] *The aim of the Paris Agreement (COP 21) is to limit global warming to 2°C (and to 1.5°C if possible) compared with pre-industrial temperatures by reducing greenhouse gas emissions. To achieve that target, the world needs to achieve net zero greenhouse gas emissions by 2050.*

[2] <https://www.globalcompact.ch/focus-areas/the-ten-principles>



Funded status and actuarial situation

Actuarial situation

<i>In millions of CHF</i>	31.12.2025	31.12.2024
Total assets	8'522.6	8'248.3
- Liabilities, accrued liabilities and deferred income, other	-81.1	-45.0
- Employers' contribution reserve	-152.2	-71.7
Available assets	8'289.3	8'131.6
Pension liabilities		
- Active members	2'950.3	2'844.7
- Pensioners	3'801.2	3'891.1
Actuarial provisions		
- Provision for longevity	60.8	46.7
- Provision for death and disability risks	24.9	27.3
Total liabilities	6'837.2	6'809.8
Technical surplus / deficit	1'452.1	1'321.9
- of which investment fluctuation reserve	1'367.4	1'321.9
- in % of liabilities	20.0%	19.4%
- of which non-committed funds / deficit	84.6	0.0
- in % of liabilities	1.2%	0.0%
Funded status under the OPP2 / BVV2	121.2%	119.4%

Available assets

The available assets used to calculate the funded status are obtained by subtracting debts, accrued liabilities and deferred income, together with the employer contribution reserve, from total assets.

Liabilities

The Fund's liabilities are made up of :

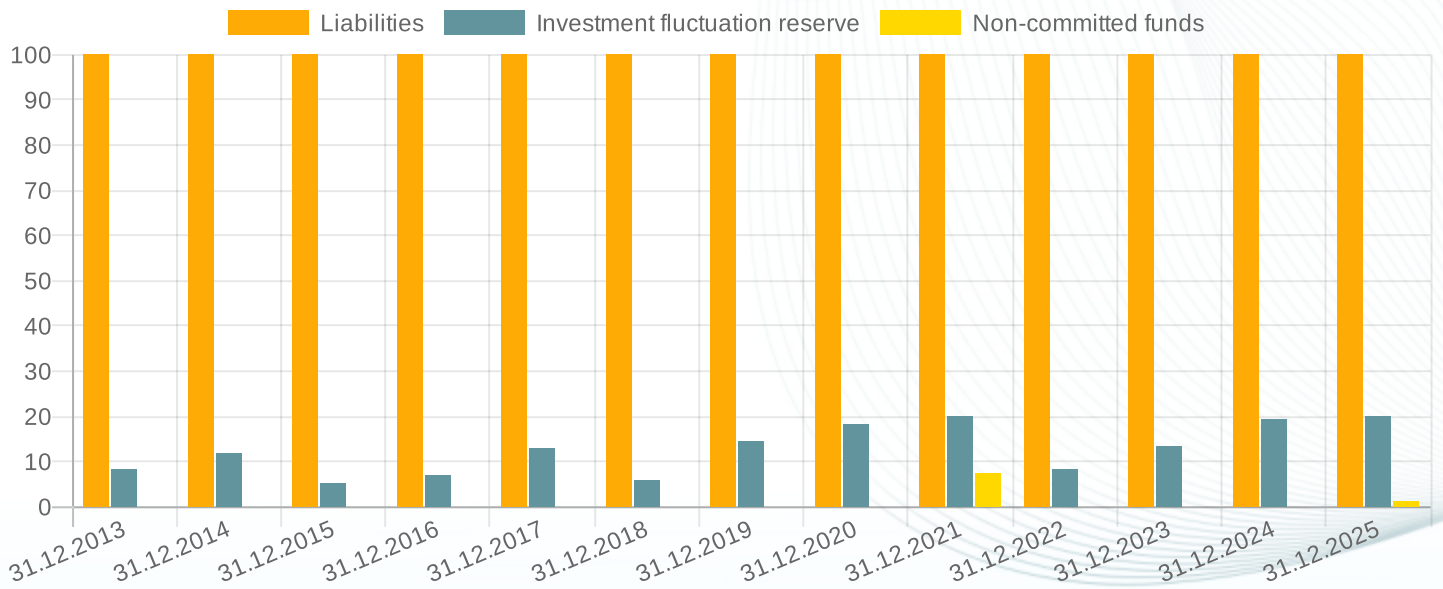
- **pension liabilities of active members**, which correspond to the sum of their retirement savings accounts;
- **pension liabilities of pensioners**, which correspond to the total mathematical reserves required to guarantee the payment of pensions. Since 31 December 2021, these reserves have been calculated using the 2020 LPP/BVG actuarial tables and a discount rate of 2%;
- the **provision for longevity**, which is intended to cover probable costs related to the increase in the life expectancy of pensioners when new actuarial tables are introduced. This provision amounted to CHF 60.8 million on 31 December 2025, or 1.6% of pension liabilities;
- the **provision for death and disability risks**, which is intended to smooth fluctuations between the actual cost of death and disability claims recorded during the reporting year and their expected average cost. This provision stood at CHF 24.9 million on 31 December 2025.

Provisions are made in accordance with the regulations on technical provisions and investment fluctuation reserves.

Funded status

As at 31 December 2025, the funded status of the Fund was **121.2%**, up from 119.4% as at 31 December 2024. It corresponds to the ratio of the Fund's available pension assets to its pension liabilities. The latter consists of active members' and pensioners' liabilities, and technical provisions.

Funded Status



Investment fluctuation reserve

The investment fluctuation reserve is intended to smooth fluctuations in the Fund's investment performance. As at 31 December 2025, it amounted to CHF 1,367.4 million. At that date, therefore, it had reached its target level of 20% of the Fund's pension liabilities (19.4% as at 31 December 2024).

Non-committed funds

As the investment fluctuation reserve was at its target level, the Fund had non-committed funds of CHF 84.6 million as at 31 December 2025.

Interest rates and pension adjustments

Interest on the retirement savings capital of active members

The Pension Board has decided to grant additional interest of 2.75% on top of the minimum interest rate of 1.25%. This additional interest has been credited to the retirement savings capital of all active members insured with the Fund as at 31 December 2025. Total interest was therefore 4% for 2025.

Total interest on retirement savings capital has averaged 3.69% over the last five years and 2.69% over the last ten years. This remains higher than the average annual LPP/BVG minimum rate of 1.10% over 5 years and 1.07% over 10 years

Pension adjustments

The Pension Board is required by law and regulations to decide each year whether to adjust pensions currently being paid. The Fund's Regulations do not provide for any automatic link between pensions and the cost of living, as measured by the consumer price index or the inflation rate. This is also the case for almost all Swiss pension funds, in which only the minimum pensions provided for by the LPP/BVG and paid in the event of disability or death are periodically adjusted in accordance with Federal Council requirements. In its deliberations, the Board takes several parameters into account, such as the Fund's performance during the year, its financial health as evidenced by its funded status, and the equitable treatment of active members and pensioners. Although the Fund had a funded status of 121.2% as at 31 December 2025 and non-committed funds were available, the Pension Board took the view that it would not be appropriate to adjust the benefits of pensioners. In an uncertain economic context, the Pension Board therefore preferred to take a cautious approach, while also taking into account historic retirement conditions (adjustments to conversion rates in 2018 and associated transitional measures).



2025 key figures



8'289.3

Available assets (in millions of CHF)



121.2%

Funded Status



+4.2%

Investment performance



4.0%

Interest rate on retirement savings accounts

	31.12.2025	31.12.2024
Funded status	121.2%	119.4%
Available assets (in mio of CHF)	8'289.3	8'131.6
Liabilities (in mio of CHF)	6'837.2	6'809.8
– Active members' liabilities	2'950.3	2'844.7
– Pensioners' liabilities	3'801.2	3'891.1
– Actuarial provisions	85.7	74.0
Investment fluctuation reserve (in mio of CHF)	1'367.4	1'321.9
Non-committed funds (in mio of CHF)	84.6	0
Investment performance (net of costs)	4.2%	9.0%
Asset management fees	0.56%	0.61%
Asset allocation		
– Cash and cash equivalents	2.7%	1.1%
– Bonds	37.5%	38.6%
– Equities	27.8%	27.6%
– Real Estate	19.0%	18.6%
– Infrastructure	2.0%	1.8%
– Alternative investments	11.0%	12.2%
Interest rate on retirement savings accounts	4%	5%
Discount rate	2%	2%
Actuarial tables	LPP 2020	LPP 2020
Headcount	14'088	14'197
– Of which active members	8'177	8'266
– Of which pensioners	5'911	5'931

Balance sheet

<i>In millions of CHF</i>	2025	2024
Investments	8'489.7	8'199.1
Cash and short-term investments	229.4	91.9
Bonds	3'180.2	3'166.1
Equities	2'359.7	2'264.6
Swiss Real Estate	1'419.4	1'327.2
International Real Estate	190.5	196.6
Infrastructure	173.5	151.7
Private equity	920.6	982.9
Hedge funds	16.4	18.1
Receivables and prepaid expenses	32.9	49.3
Assets and receivables	30.6	29.1
Employer participation	2.1	19.6
Prepayments and accrued income	0.2	0.5
Total assets	8'522.6	8'248.3

<i>In millions of CHF</i>	2025	2024
Liabilities and accrued expenses	81.1	45.0
Vested termination benefits and pensions	78.0	29.0
Other payables	1.5	1.6
Accrued liabilities and deferred income	1.5	14.3
Employers' contribution reserve	152.2	71.7
Pension liabilities and actuarial provisions	6'837.2	6'809.8
Active members' liabilities	2'950.3	2'844.7
Pensioners' liabilities	3'801.2	3'891.1
Provision for longevity	60.8	46.7
Provision for death and disability risks	24.9	27.3
Investment fluctuation reserve	1'367.4	1'321.9
Non-committed funds	84.6	0
Total liabilities	8'522.6	8'248.3

Operating account

<i>In millions of CHF</i>	2025	2024
Ordinary and other contributions	391.7	324.5
Employers' contributions	155.6	151.9
Withdrawal from the employer contribution reserve	-49.1	-3.7
Additional employer contributions	8.0	12.3
Members' contributions	89.1	86.8
One-time payments and purchases	65.6	67.0
Inflow to the employer contribution reserve	120.0	10.2
Allocation in the event of members' transfer	2.4	0.0
Payments from the LPP / BVG Security Fund	0.0	0.0
Entry lump-sum transfers	27.1	34.0
Entry lump-sum transfers	22.8	28.3
Reimbursements of withdrawals for home ownership and divorce	4.0	5.1
Transfer of reserves from other Pension Funds	0.3	0.6
Inflow from contributions and entry lump-sum transfers	418.7	358.4

<i>In millions of CHF</i>	2025	2024
Regulatory benefits	-382.0	-343.8
Pensions	-299.3	-301.6
Lump-sum payments and one-time allocations	-82.7	-42.2
Non-regulatory benefits	-0.1	-12.8
Voluntary pensions – extra-mandatory	-0.1	-12.8
Termination benefits and withdrawals	-137.3	-164.3
Termination benefits for leavers	-120.3	-145.5
Withdrawals for home ownership and divorce	-14.7	-18.8
Transfer of additional funds upon liquidation	-2.3	0.0
Outflow for benefits and withdrawals	-519.4	-520.9

<i>In millions of CHF</i>	2025	2024
Decrease / (increase) in pension liabilities, actuarial provisions, and contribution reserve	-108.3	-99.0
Active members' liabilities	0.5	8.8
Pensioners' liabilities	89.9	44.0
Provision for longevity	-14.1	-15.2
Provision for death and disability risks	2.4	2.6
Remuneration of retirement savings capital	-106.1	-125.3
Employer contribution reserve	-80.9	-13.9
Insurance cost – Contributions to the LPP / BVG Security Fund	-0.7	-0.7
Net result of insurance activities	-209.7	-262.1

<i>In millions of CHF</i>	2025	2024
Net return on investments	342.5	683.6
Gross return on investments	388.4	732.6
Asset management fees	-45.9	-49.0
Other income	0.1	0.0
Other expenses	-0.0	-0.3
Administration expenses	-2.7	-2.4
Income surplus / (expense surplus) before adding to / (releasing from) investment fluctuation reserve	130.1	418.8
Decrease / (increase) in investment fluctuation reserve	-45.5	-
Income surplus / (expense surplus)	84.6	0.0