



NVIDIA CORPORATION

2023 ANNUAL MEETING OF STOCKHOLDERS QUESTIONS & ANSWERS

Below are questions we received prior to and during the NVIDIA Corporation 2023 Annual Meeting of Stockholders held on June 22, 2023, including those we were not able to cover during the Q&A session due to time constraints. We have consolidated multiple questions and comments on the same or similar topic and provided a summary response, and we have limited each stockholder to one question. We have also removed questions and comments that presented general, economic, political or other views that were not directly related to our business or the business of the meeting, or that were matters of individual concern.

All responses, including any forward-looking statements, are made as of June 22, 2023, unless otherwise noted. We do not undertake, and expressly disclaim any duty or obligation, to update these responses whether as a result of new information, new developments or otherwise, except to the extent that disclosure may be required by law. Forward-looking statements are subject to many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in these forward-looking statements, as discussed in NVIDIA's SEC filings. Investors should review our most recent reports on Forms 8-K, 10-K and 10-Q on the SEC's website at www.sec.gov for information regarding our business and factors affecting our business since June 22, 2023.

Thank you for your questions and comments and for your ongoing support of NVIDIA Corporation.

Q: How does NVIDIA approach ESG matters, including diversity and inclusion, and balance ESG with creating shareholder value?

A: Our response to this question appeared at 20:28 in the [2023 Annual Meeting webcast](#).

Q: How does NVIDIA approach possible artificial intelligence regulation, including how it respects the power of artificial intelligence and how it will be involved in future AI guidelines?

A: Our response to this question appeared at 23:07 in the [2023 Annual Meeting webcast](#).

Q: How does NVIDIA select the product markets it targets, the types of products it sells, and its competitive advantage?

A: Our response to this question appeared at 24:58 in the [2023 Annual Meeting webcast](#).

Q: Will you increase dividend or split the stock again?

A: Our response to this question appeared at 26:13 in the [2023 Annual Meeting webcast](#).

Q: Does NVIDIA have any acquisition plans for the future?

A: Our response to this question appeared at 27:31 in the [2023 Annual Meeting webcast](#).

Q: What is NVIDIA's compensation philosophy with respect to cash, equity and benefits? How did NVIDIA determine its equity granting guidelines for employees, executives and directors? Is the company focused on stock repurchases to offset employee equity issuances?

A: Our response to this question appeared at 28:40 in the [2023 Annual Meeting webcast](#).

Q: How do you think about board composition and the nomination process?

A: Our response to this question appeared at 30:35 in the [2023 Annual Meeting webcast](#).

Q: What is NVIDIA doing to prevent or minimize the possible theft of company ideas, strategies and intellectual property?

A: Our response to this question appeared at 33:00 in the [2023 Annual Meeting webcast](#).

Q: Can you provide an update on the release of the Genius GI system and NVIDIA's collaboration with Medtronic?

A: Healthcare is an important market for us. We recently announced our partnership with Medtronic to build an AI platform for software-defined medical devices. The partnership will include

a range of applications from surgical navigation to robotic-assisted surgery. NVIDIA Holoscan is our computing platform for building AI-enabled, software defined medical devices.

Medtronic will build its GI Genius intelligent endoscopy module on NVIDIA Holoscan. This tool can help with early detection of colorectal cancer, the second most common cause of cancer deaths in the U.S. The first GI Genius systems built with NVIDIA technology will be available later this year.

Q: When will the source code for NVIDIA GPU drivers be released under an open source license? This would greatly improve maintainability on Linux distributions, and opening the source for review would demonstrate that NVIDIA chips are free of back-doors and thus secure to use. These two issues are increasingly important given the company's strategic position in machine learning.

A: NVIDIA supports the open source community. In May 2022, we started publishing the source code for our Linux kernel mode driver as Open GPU kernel modules with dual GNU General Public (GPL)/Massachusetts Institute of Technology (MIT) license. We continue to evaluate our open source portfolio as we seek to balance our support of the open source community with the need to manage the direction and velocity of our technologies.

Q: Do you have an update on the outlook for the next quarter or year?

A: Please refer to the CFO commentary on First Quarter Fiscal 2024 Results where we outlined outlook for the second quarter of fiscal 2024. You may find this on our Investor Relations website at <https://investor.nvidia.com/>.

Q: What is your strategy for supply chain diversification? How does it affect your projected production?

A: We aim for redundancy and resiliency in our supply chain and employ a multi partner strategy for technology development. We have sourced foundry services from TSMC and Samsung, utilizing their foundries in multiple locations. To address our growth and necessary geographical resiliency, we have expanded our partnerships to include a majority of the top 10 global contract manufacturers and expect to expand production with them to Vietnam and Mexico next year. We will continue to evaluate opportunities that increase the geographic diversity of our supply chain, such as chip manufacturing in the United States.

Q: How do you plan to increase revenue, including recurring revenue, and promote growth, including in the inference and edge computing sector?

A: We will make the necessary investments to drive long term growth. This includes investing in R&D and employee growth, including capital investments. We expect these investments will help us drive

innovation and execute our product and service offering roadmaps. Additionally, the rollout of new software development kits (SDKs) and acceleration libraries will help to expand our accelerated computing platform's reach, increase our market opportunity, and deepen our end to end platform approach. The nurturing and growth of our broader ecosystem of partners and developers will help increase our platform's utility and drive long term growth.

Recurring revenue is driven by our software and service offerings. We highlight two. The first is NVIDIA AI Enterprise which essentially is the operating system of AI. The software suite includes AI frameworks, pretrained models, and development tools to accelerate data science and streamline development and deployment of AI. The second is Omniverse Enterprise which is our software platform for collaborative 3D design and building and operating digital twins. We see a large long-term opportunity for both software offerings.

We are well positioned to benefit from inference and edge related opportunities as industry adoption of AI increases and more applications are infused with AI technologies. There is a great diversity of workloads in these areas. Our platform is flexible, offering high utility with a single GPU capable of running a variety of workloads. Our extensive software and domain specific offerings allow our platform to run many applications across a number of industries including automotive, healthcare and life sciences, and financial services. Given this, our platform is simultaneously general purpose and domain specific. This makes it ideal for running AI inference and edge applications at scale.

Demand for inference with NVIDIA GPUs is also increasing. AI Inference is best processed by GPUs with cost, energy efficiency, and performance requirements as key considerations compared to CPU alternatives. Generative AI and large language model (LLM) technologies are catalyzing companies across industries to deploy AI applications and services. Earlier this year we launched our new inference platform offered in four GPU configurations – L4 for AI video, L40 for image and video generation, H100 NVL for LLM, and Grace Hopper for recommendation models. We believe inference will be a major demand driver for us in the future.

Q: What is the future of technologies such as Deep Learning Super Sampling (DLSS) technology? Do you anticipate that regulation will impact the quality of renderings using such technologies?

A: DLSS introduced the gaming world to the benefits of AI, and we have a lot more in the works. At present, we don't anticipate that regulation will impact rendering quality.

Q: Who are the partners of NVIDIA in the AI space?

A: We partner with many companies across the AI ecosystem. Our partners help bring our technologies to market and address our customers' business needs. These partners include public

cloud service providers such as Amazon Web Services, Google Cloud Platform, and Microsoft Azure as well as hardware OEMs such as Dell Technologies, Hewlett Packard Enterprise, and Lenovo. We recently announced NVIDIA MGX, a reference system platform for building and accelerating AI, which is being adopted by server system builders around the world to allow for more customization and choice in the AI server ecosystem. We also work with many software companies building the tools for AI, including Google and Meta for their AI frameworks such as JAX and PyTorch. Generative AI is potentially the most significant driver of AI adoption. We have announced recent partnerships with Adobe, ServiceNow, and Snowflake for generative AI-related applications, and WPP, the world's largest marketing services organization, for developing a content engine that harnesses NVIDIA Omniverse and AI to produce high-quality commercial content faster, more efficiently and at scale. We work with a large section of the generative AI ecosystem and startup community to ensure they can run their workloads on optimized NVIDIA GPUs and NVIDIA software. We also partner with MLOps platforms that data scientists use for generative AI and other AI use cases. Finally, we work with many of the leading consulting companies, including Booz Allen Hamilton, Deloitte, and Infosys, so that they can aid enterprises adopt AI into their business practices.