



# Shareholder Outreach

December 2023

# Safe Harbor

## Forward-Looking Statements

Except for the historical information contained herein, certain matters in this presentation including, but not limited to, statements as to: our aim to engage manufacturing suppliers and goal of effecting supplier adoption of science-based environmental targets by fiscal 2026; and our plan for 100% renewable electricity for our operations and data centers by fiscal 2025 and annually thereafter; and our Diversity, Inclusion, and Belonging strategy and goals; our financial position; and our market opportunity, demand and growth drivers are forward-looking statements. These forward-looking statements and any other forward-looking statements that go beyond historical facts that are made in this presentation are subject to risks and uncertainties that may cause actual results to differ materially. Important factors that could cause actual results to differ materially include: global economic conditions; our reliance on third parties to manufacture, assemble, package and test our products; the impact of technological development and competition; development of new products and technologies or enhancements to our existing product and technologies; market acceptance of our products or our partners' products; design, manufacturing or software defects; changes in consumer preferences and demands; changes in industry standards and interfaces; unexpected loss of performance of our products or technologies when integrated into systems and other factors.

NVIDIA has based these forward-looking statements largely on its current expectations and projections about future events and trends that it believes may affect its financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks and uncertainties, and you should not rely upon the forward-looking statements as predictions of future events. The future events and trends discussed in this presentation may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. Although NVIDIA believes that the expectations reflected in the forward-looking statements are reasonable, the company cannot guarantee that future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. Except as required by law, NVIDIA disclaims any obligation to update these forward-looking statements to reflect future events or circumstances. For a complete discussion of factors that could materially affect our financial results and operations, please refer to the reports we file from time to time with the SEC, including our Annual Report on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K. Copies of reports we file with the SEC are posted on our website and are available from NVIDIA without charge.

## Financial Measures

In addition to U.S. GAAP financials, this presentation includes non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with U.S. GAAP. These non-GAAP measures include non-GAAP gross margin, non-GAAP operating income, and non-GAAP diluted earnings per share. These reconciliations adjust the related GAAP financial measures to exclude stock-based compensation expense, acquisition-related and other costs, IP-related costs, other, gains and losses from non-affiliated investments, interest expense related to amortization of debt discount, and the associated tax impact of these items where applicable. See the Appendix for a reconciliation between each non-GAAP measure and the most comparable GAAP measure.



# Summary

- Financials

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- Board of Directors and Governance

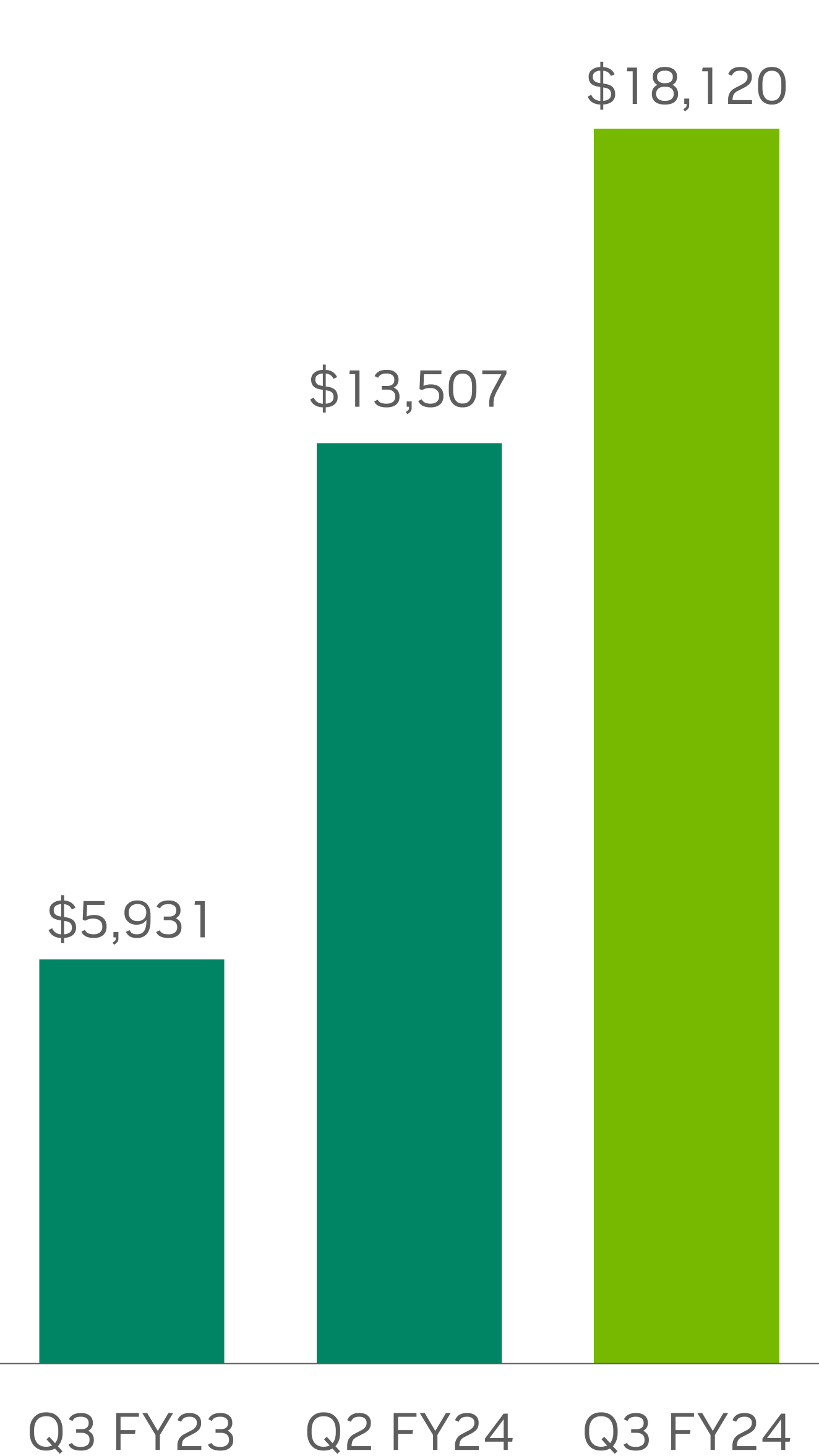
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- Corporate Sustainability

# GAAP P&L

\$ in millions, except EPS

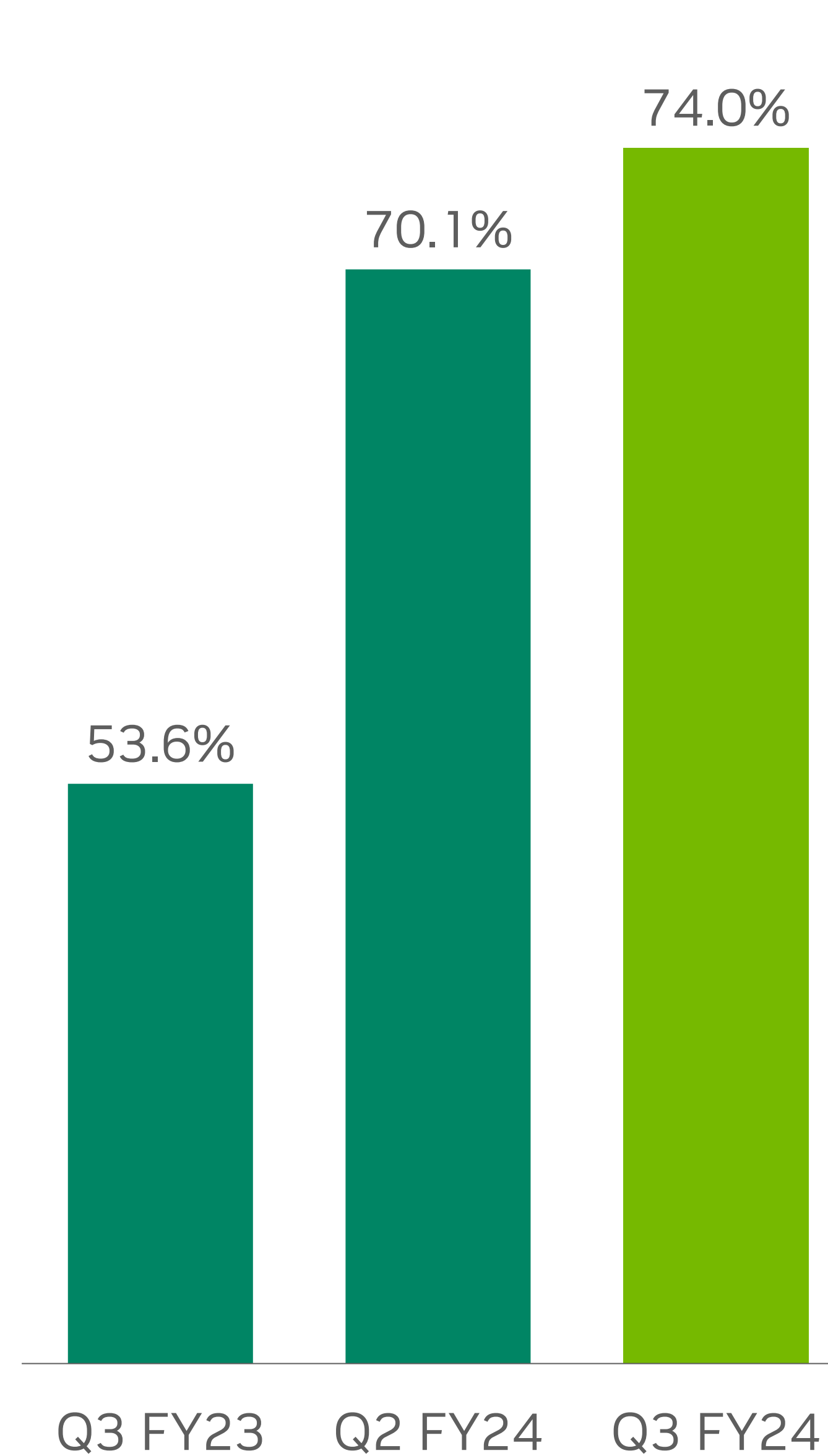
## Revenue

+34% QoQ  
+206% YoY



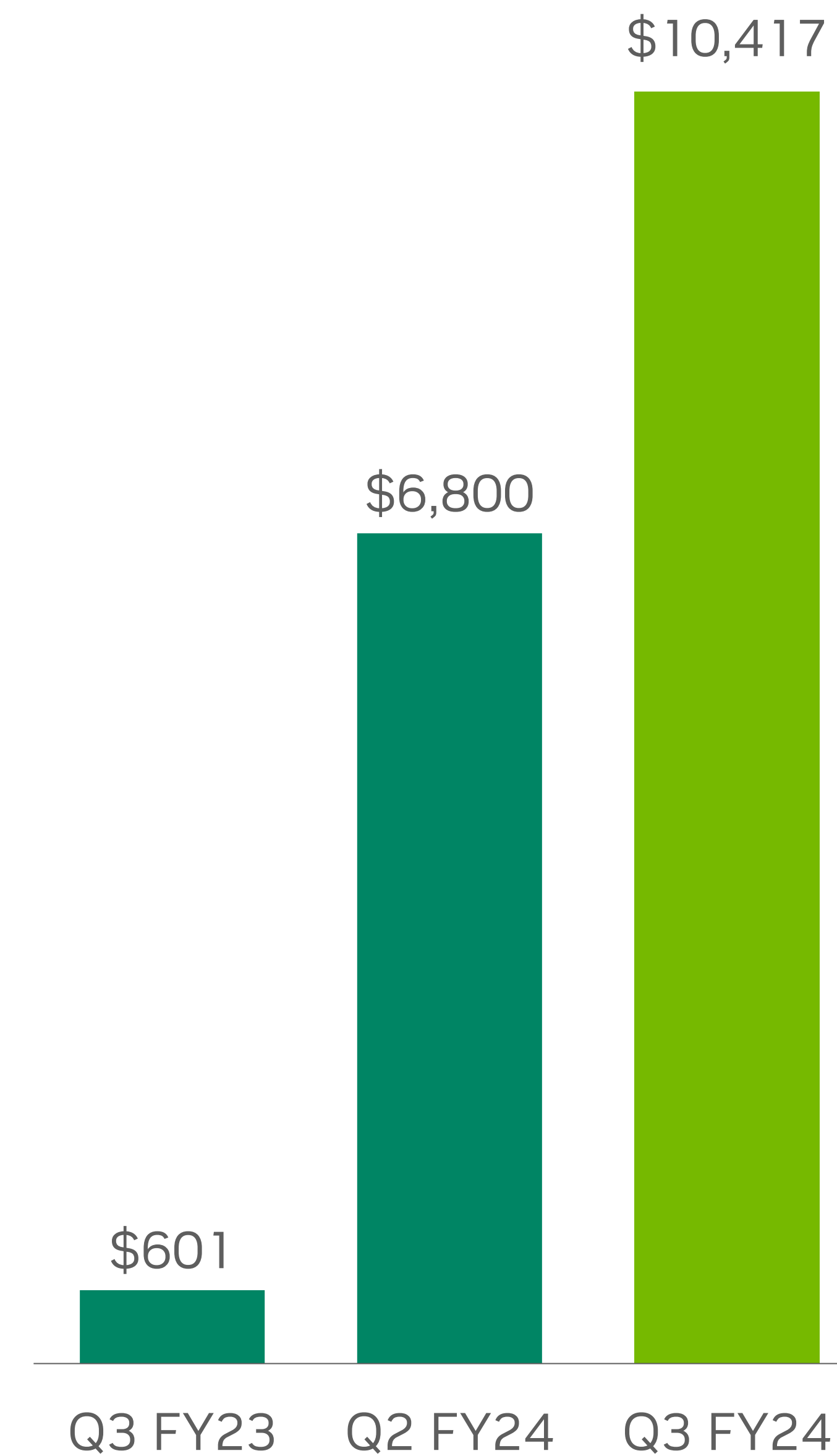
## Gross Margin %

+390bps QoQ  
+2,040bps YoY



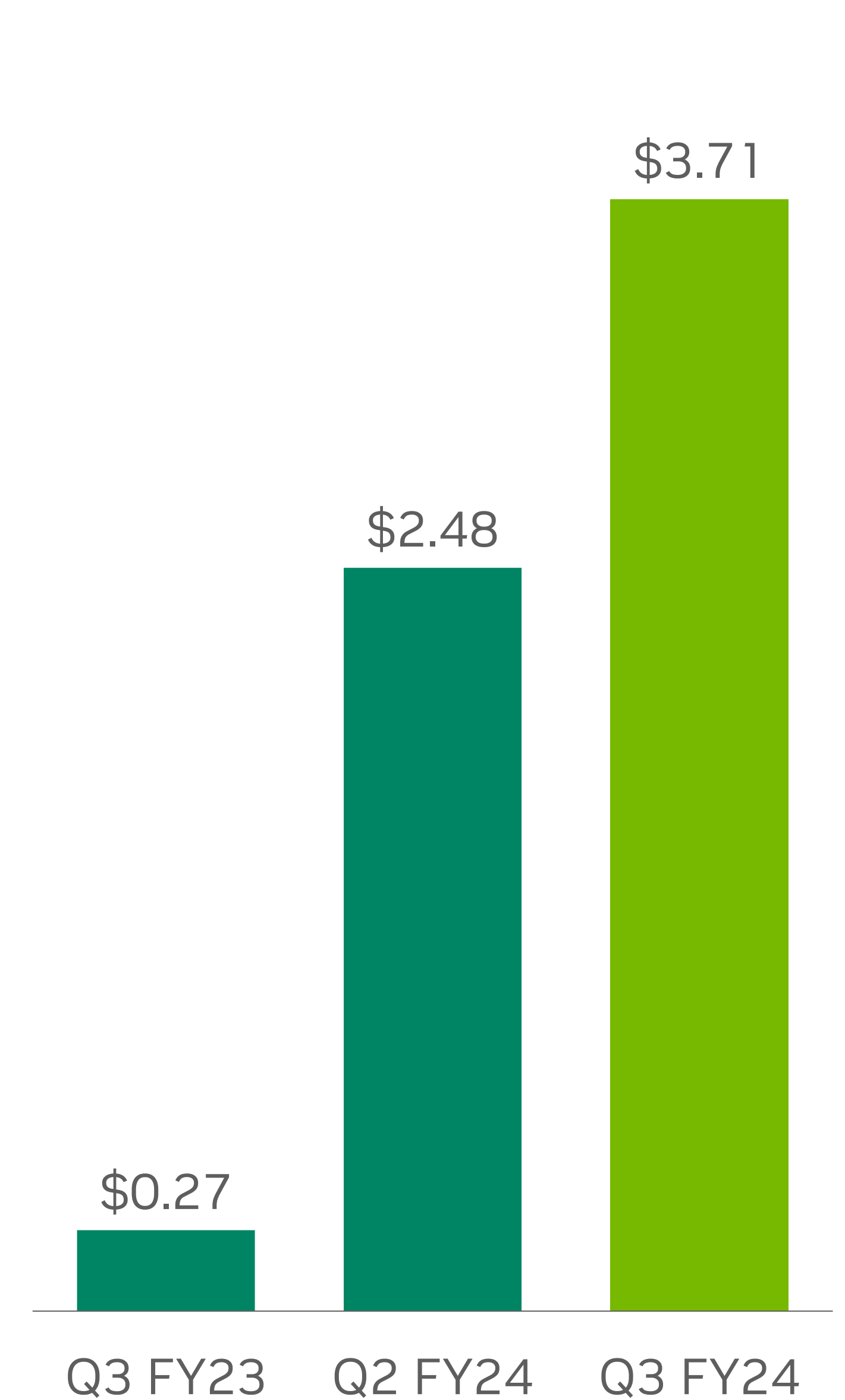
## Operating Income

+53% QoQ  
+1,633% YoY



## Diluted EPS

+50% QoQ  
+1,274% YoY

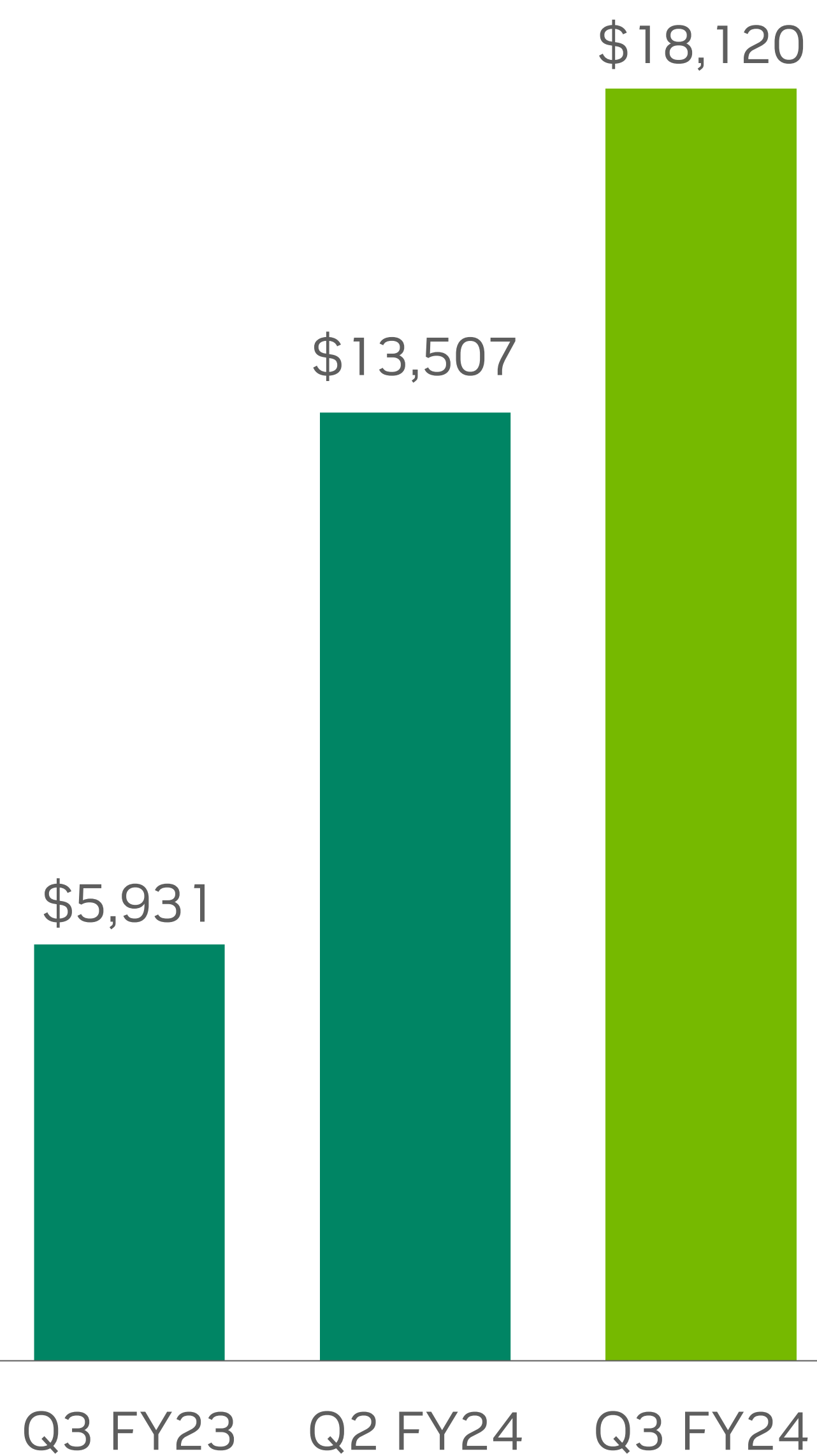


# Non-GAAP P&L

\$ in millions, except EPS

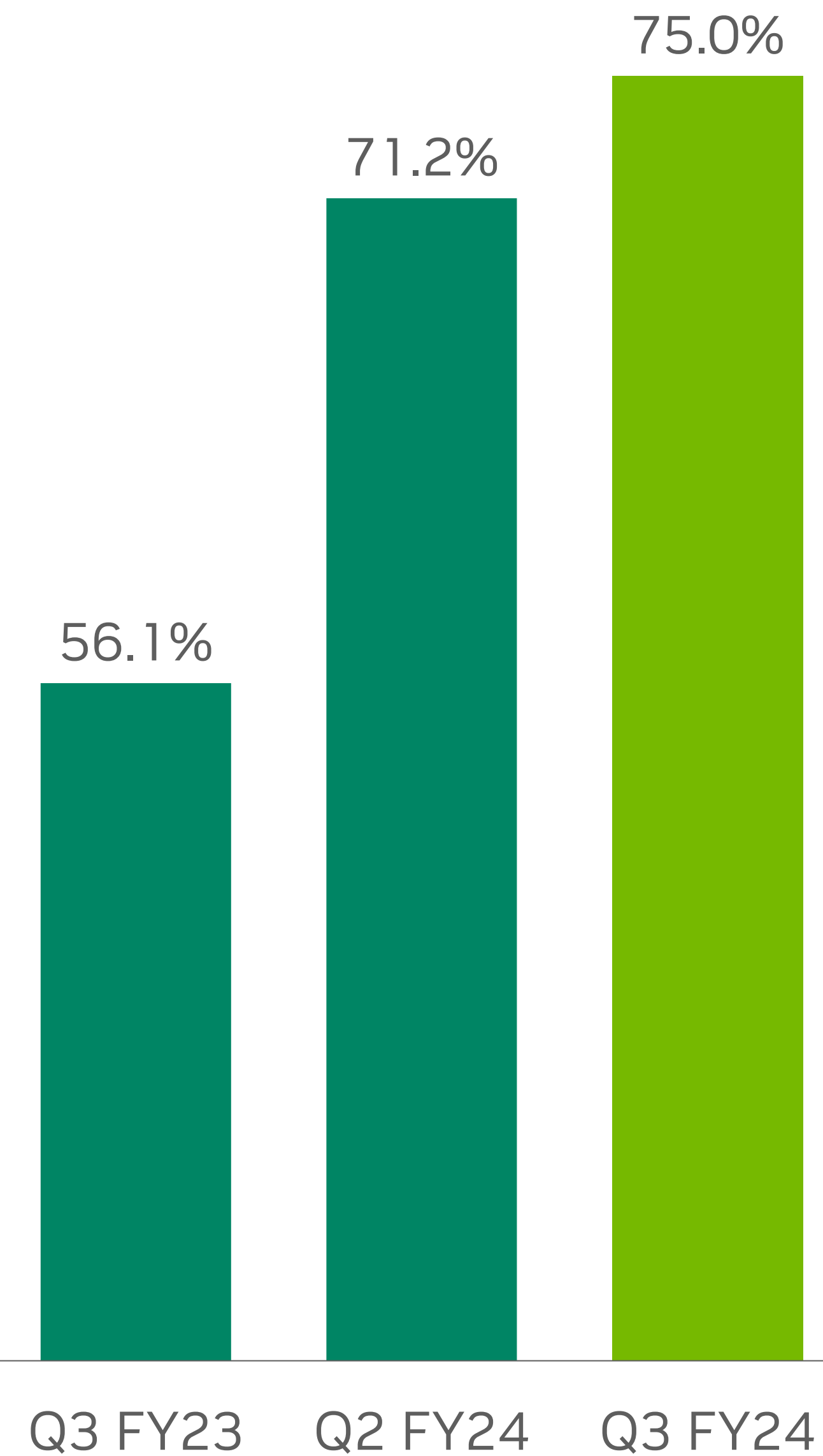
## Revenue

+34% QoQ  
+206% YoY



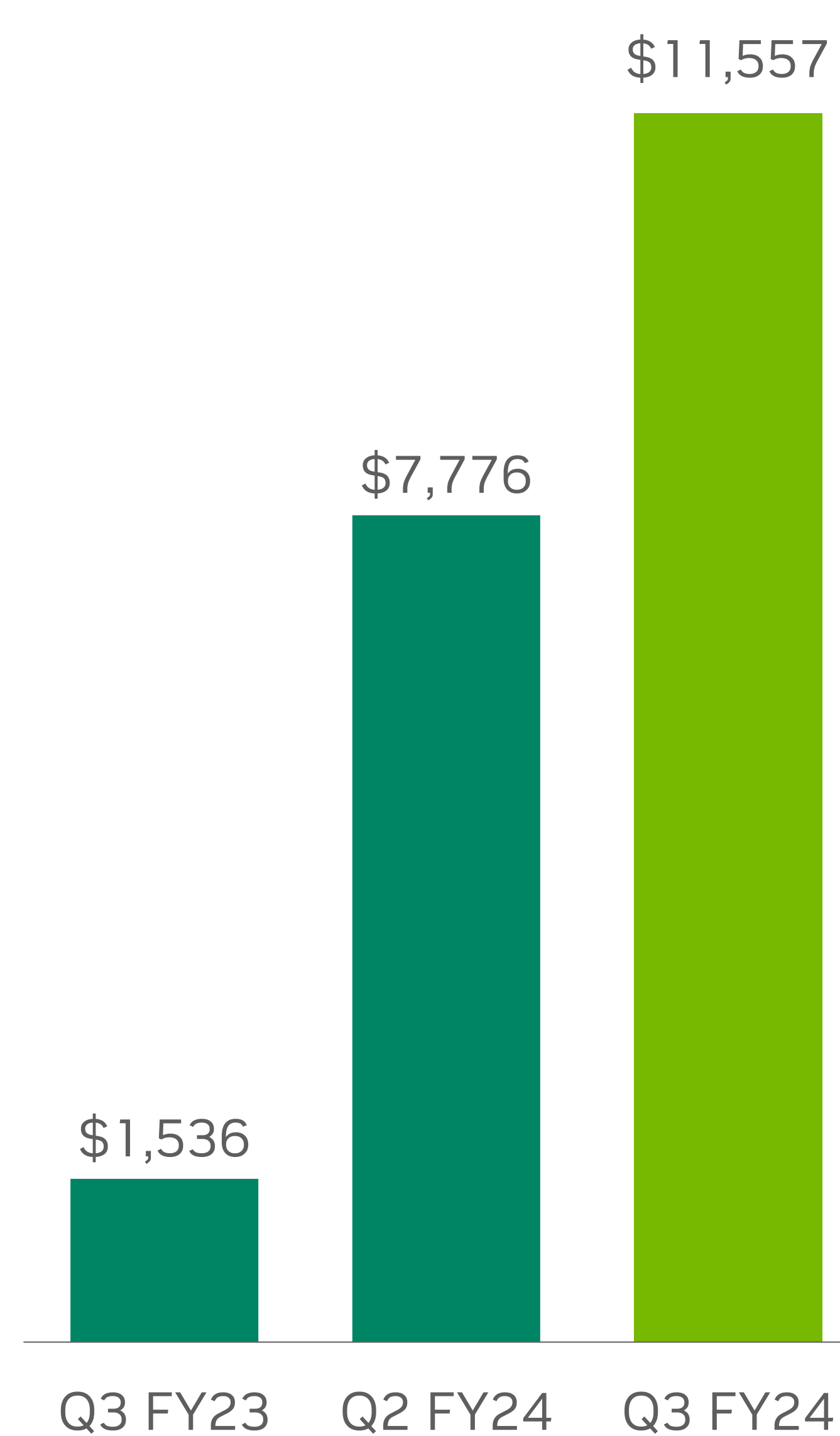
## Gross Margin %

+380bps QoQ  
+1,890bps YoY



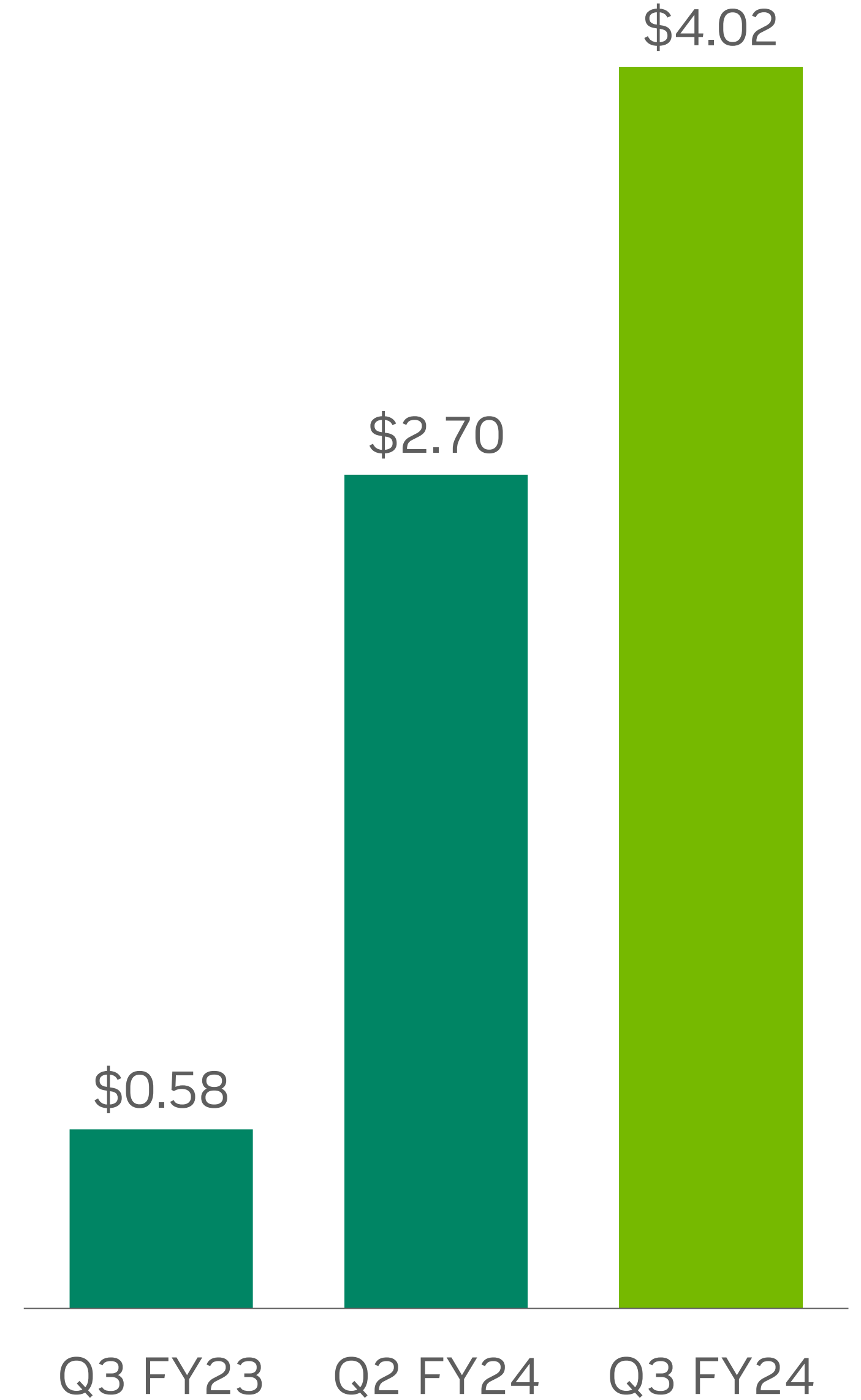
## Operating Income

+49% QoQ  
+652% YoY



## Diluted EPS

+49% QoQ  
+593% YoY



# NVIDIA's Board — Experienced and Skilled Leaders

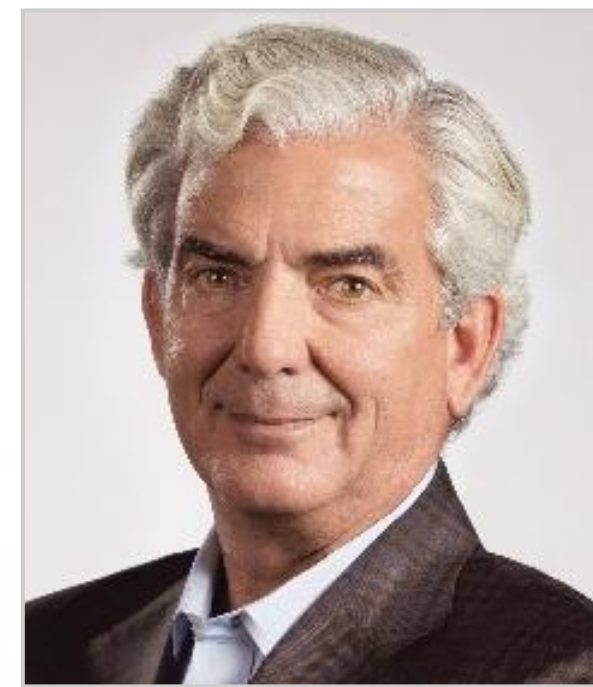
Senior management, industry leaders, financial expertise, marketing, academia



**Jen-Hsun Huang**  
Co-Founder, CEO and  
President  
**NVIDIA**



**John Dabiri**  
Centennial Professor  
of Aeronautics and  
Mechanical Engineering  
**California Institute of  
Technology**



**Harvey Jones\***  
Managing Partner  
**Square Wave Ventures**



**Steve Neal**  
Lead Independent  
Director  
Chairman Emeritus and  
Senior Counsel  
**Cooley LLP**



**Aarti Shah**  
Former SVP and Chief  
Information and Digital  
Officer  
**Eli Lilly and Company**



**Rob Burgess\***  
Independent  
Consultant



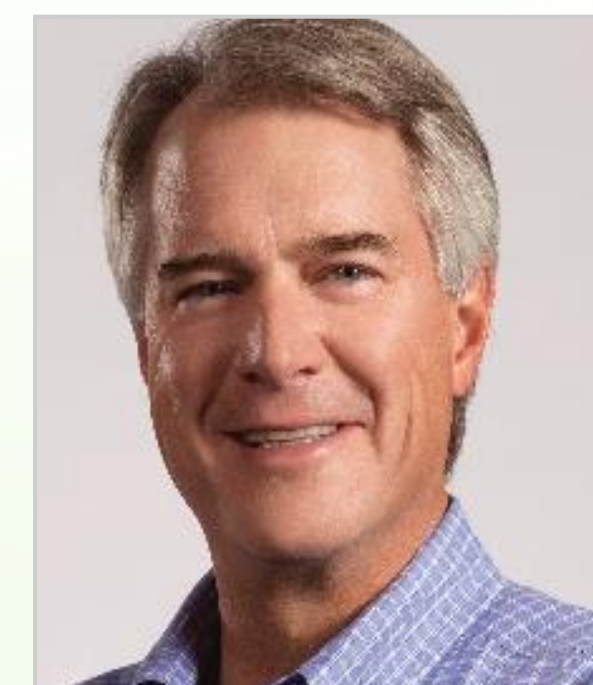
**Persis Drell**  
Professor of Materials  
Science and  
Engineering and  
Physics, and Former  
Provost  
**Stanford University**



**Melissa Lora\***  
Former President  
**Taco Bell International**



**Mark L. Perry\***  
Independent  
Consultant and  
Director



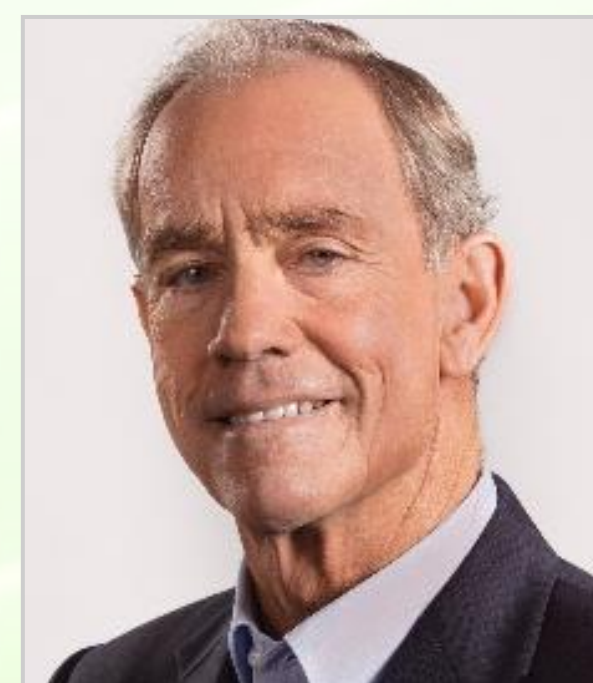
**Mark Stevens**  
Managing Partner  
**S-Cubed Capital**



**Tench Coxe**  
Former Managing  
Director  
**Sutter Hill Ventures**



**Dawn Hudson\***  
Former CMO  
**National Football  
League**



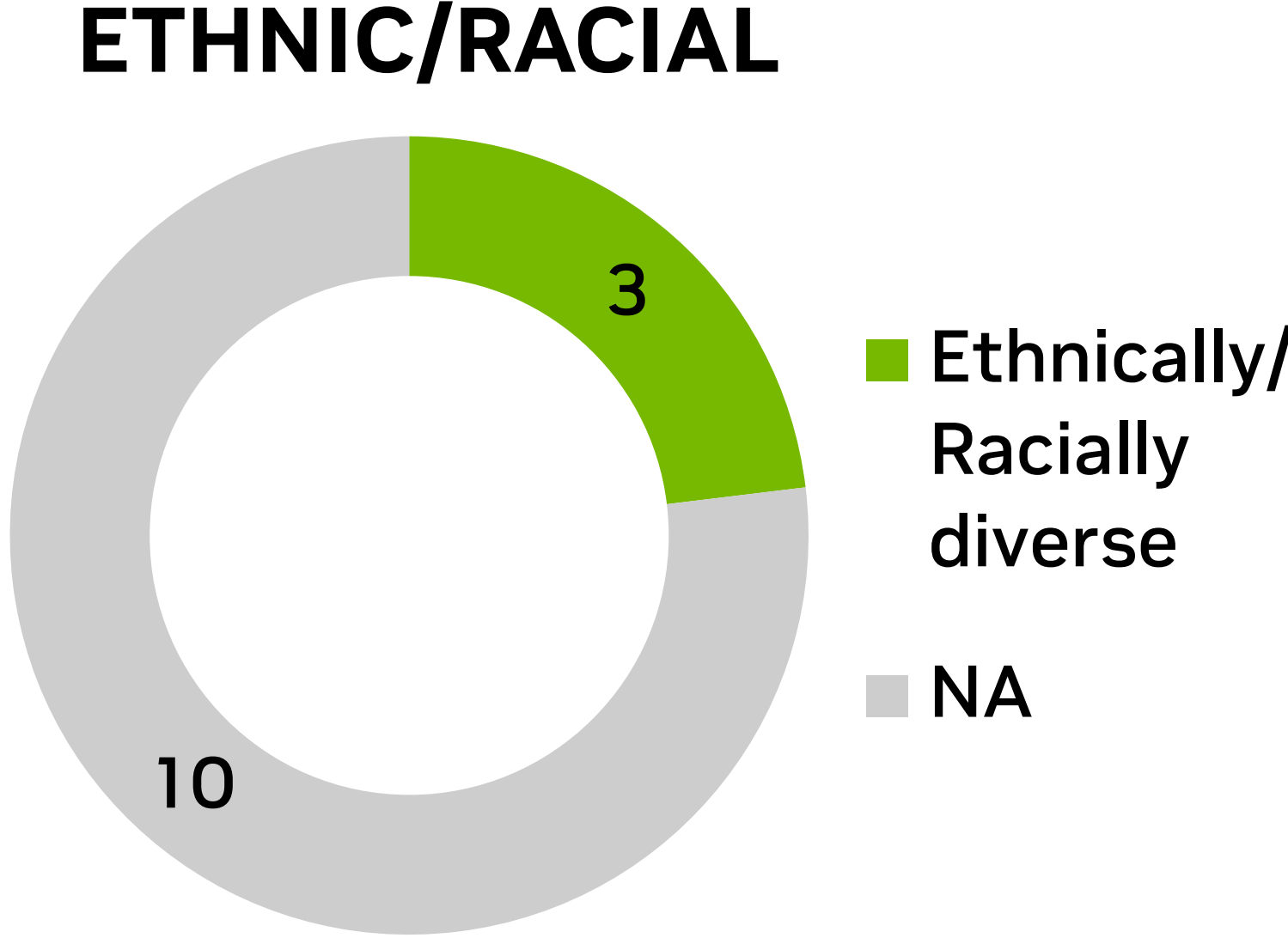
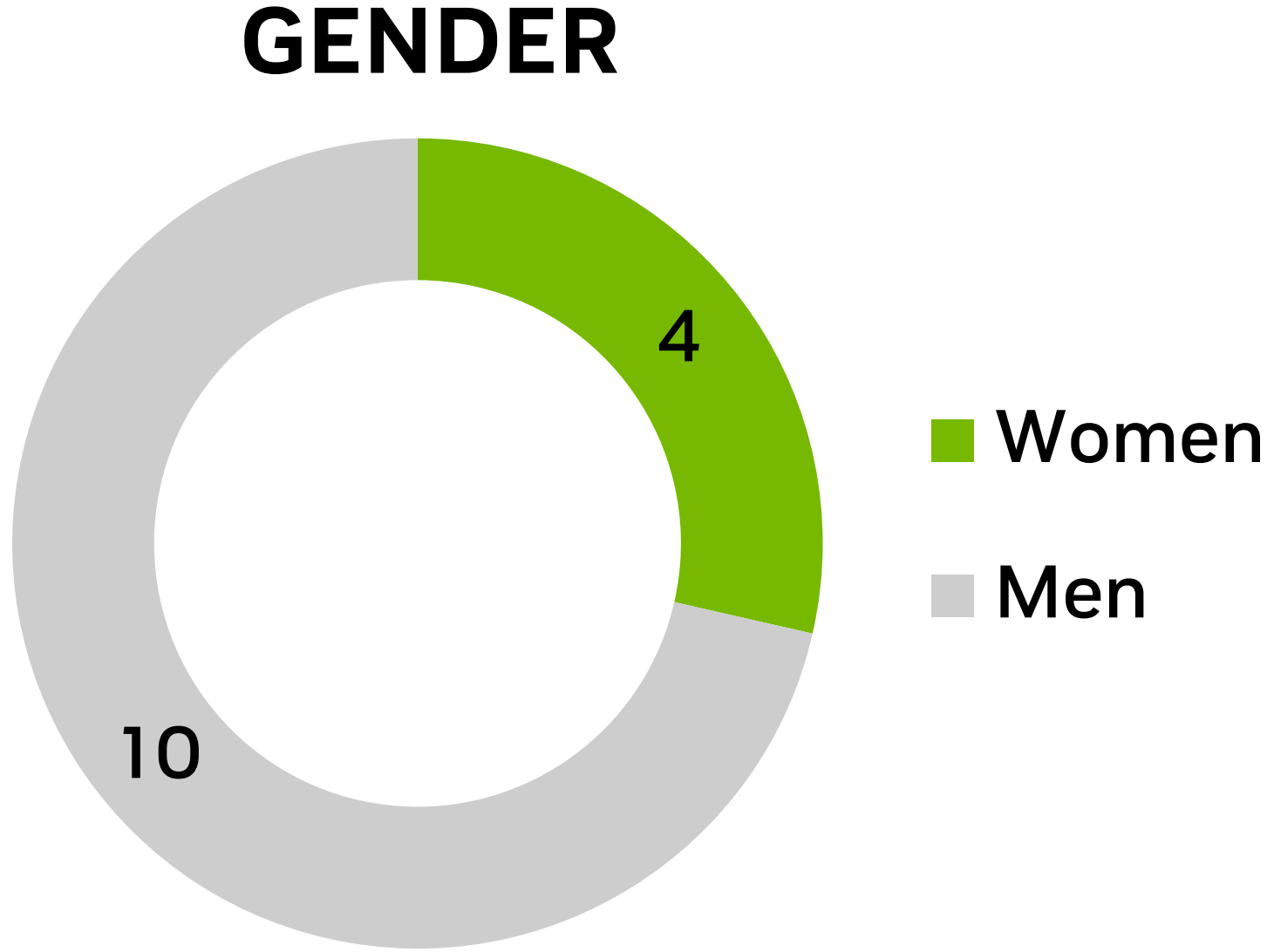
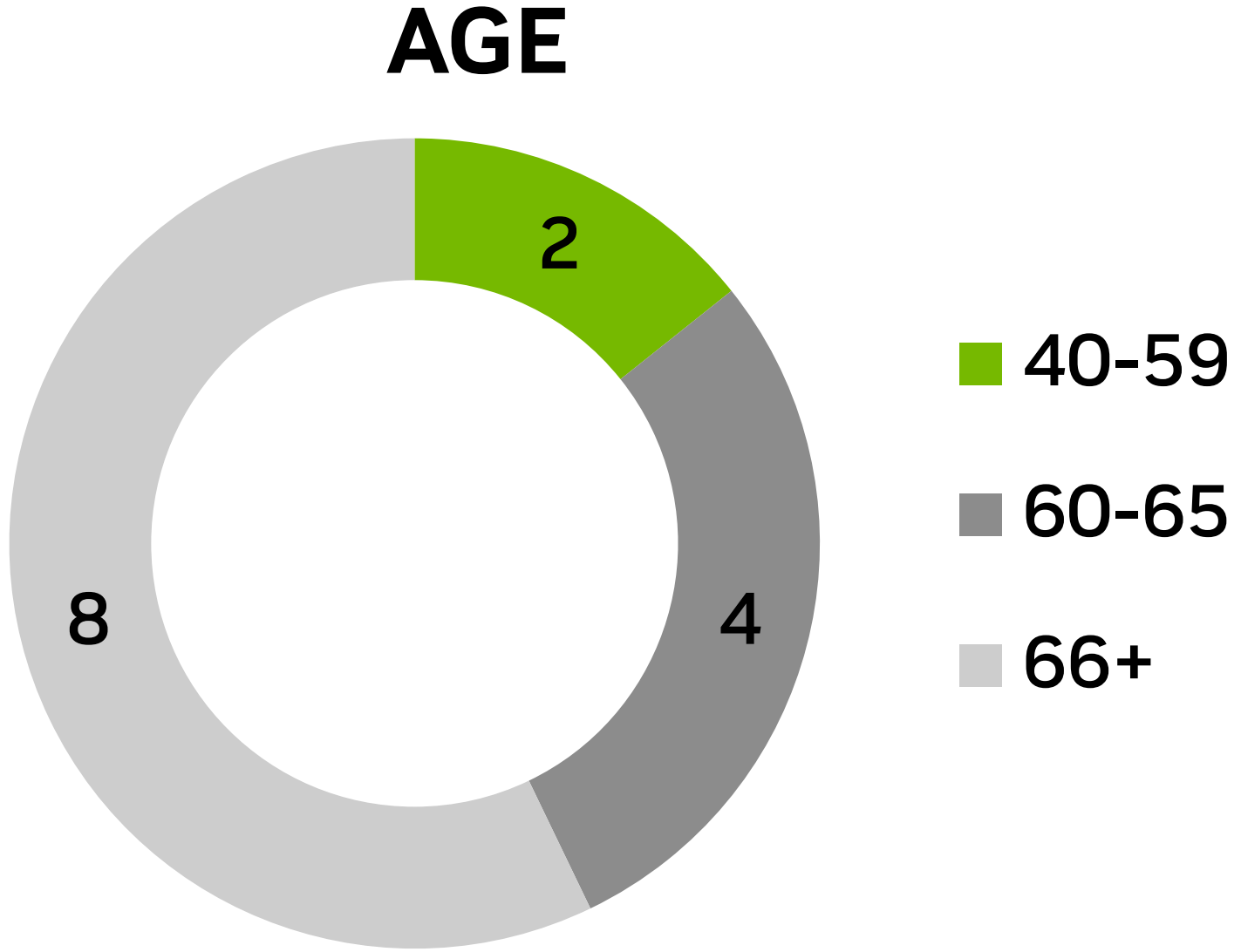
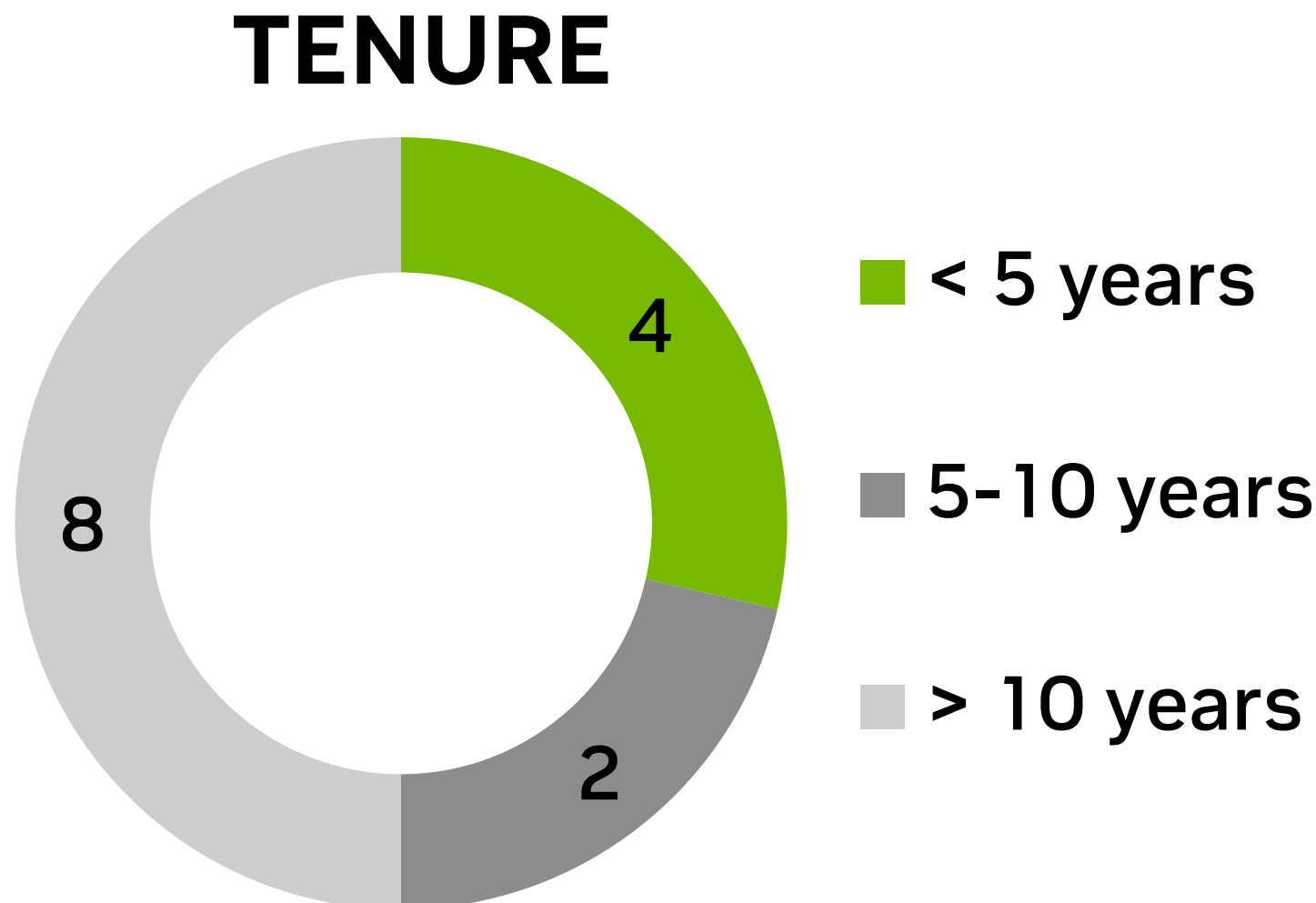
**Michael McCaffery\***  
Chairman of the Board  
**Makena Capital  
Management**



**Brooke Seawell\***  
Venture Partner  
**New Enterprise  
Associates**

\* Considered financial expert

# Board Composition & Expertise



Director	Sr. Leadership & Ops.	Industry/ Technical	Fin./Fin. Community	Governance & Public Co. Board	Emerging Tech. & Bus. Models	Mktg., Comms. & Brand Mgmt.	Regulatory, Legal & Risk Mgmt.	Human Capital Mgmt.	Diversity
Lora	X		X	X	X	X		X	X
Shah	X	X		X	X	X	X	X	X
Dabiri		X			X				X
Neal	X			X		X	X	X	
Drell	X	X		X	X			X	X
McCaffery	X		X	X					
Hudson	X		X	X		X		X	X
Burgess	X		X	X	X			X	
Stevens		X	X	X	X				
Perry	X		X	X			X	X	
Seawell	X		X	X	X			X	
Jones	X	X	X	X	X	X		X	
Coxe			X	X	X			X	
Huang	X	X	X	X	X	X	X	X	X

# Corporate Sustainability

## Environmentally Conscious



By FY26, aim to engage manufacturing suppliers comprising at least 67% of NVIDIA's scope 3 category 1 GHG emissions with goal of effecting supplier adoption of science-based targets



NVIDIA GPUs are typically 20X more energy efficient for certain AI and HPC workloads than traditional CPUs



Plan to achieve & maintain 100% renewable electricity for our operations and data centers by FY25 and annually thereafter

## A Place For People To Do Their Life's Work



“100 Best Companies to Work For”  
**FORTUNE**

“America's Most Just Companies”  
**FORBES**

“Most Responsible Companies”  
**NEWSWEEK**


“Best Places to Work for LGBT Equality”  
**HUMAN RIGHTS CAMPAIGN**

## Management

- Time Magazine's 100 Most Influential Companies
- Fast Company's Best Workplaces for Innovators
- Fortune's World's Most Admired Companies
- Wall Street Journal's Management Top 250 All-Stars

## Corporate Governance

- 43% of Board is Gender, Racially, or Ethnically Diverse
- 93% of Directors are independent



**We Welcome Your Feedback**

# **Additional Topics**

# Commitment to Sound Governance



93% of the Board is independent



Independent Lead Director and Board committees



75%+ meeting attendance by Board members



Declassified Board



Director stock ownership guidelines — 6X cash retainer



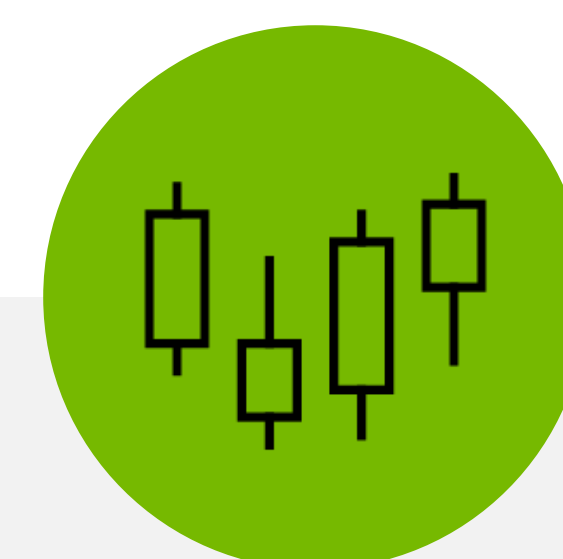
Directors (including Jensen) own approximately 4% of our common stock



Director compensation based on market rates/peers



At least annual board and committee self-evaluations



Annual risk assessment oversight



Annual stockholder outreach

# Commitment to Stockholder Views and Rights



Stockholders approved Board declassification in 2011;  
All directors elected by stockholders annually since 2014



Stockholders did not approve removal from charter of 66 2/3% vote requirement for director removal in 2019



We have a single class of common stock outstanding, no priority voting rights



Majority voting provision in bylaws (other than contested elections)



Made changes to fiscal 2016 compensation metrics for PSUs and variable cash in 2015



Proxy access voluntarily implemented by the Board in 2016

Greater of 2 candidates or 20% of Board

Stockholder (or group of up to 20) owning at least 3% of our common stock continuously for at least 3 years

# Our Compensation Practices

Founded on best practices and aligned with stockholders



Focus on simplicity



Equity is a significant portion of total compensation



No multi-year guaranteed bonuses, income tax gross-ups, or change-in-control agreements



Annual say-on-pay proposal



Executives are subject to stock ownership guidelines



Policy prohibiting the hedging or pledging of company stock



Equity plan prohibits discretionary acceleration



Clawback policy updated in November 2023

# Our Compensation Practices

Leverage industry peer data and driven by our culture and values

## Our peer companies are companies that:

- We compete with for executive talent; Have an established business, market presence and similar complexity
- Are similar in size at roughly 0.5–3.5X our revenue and market capitalization

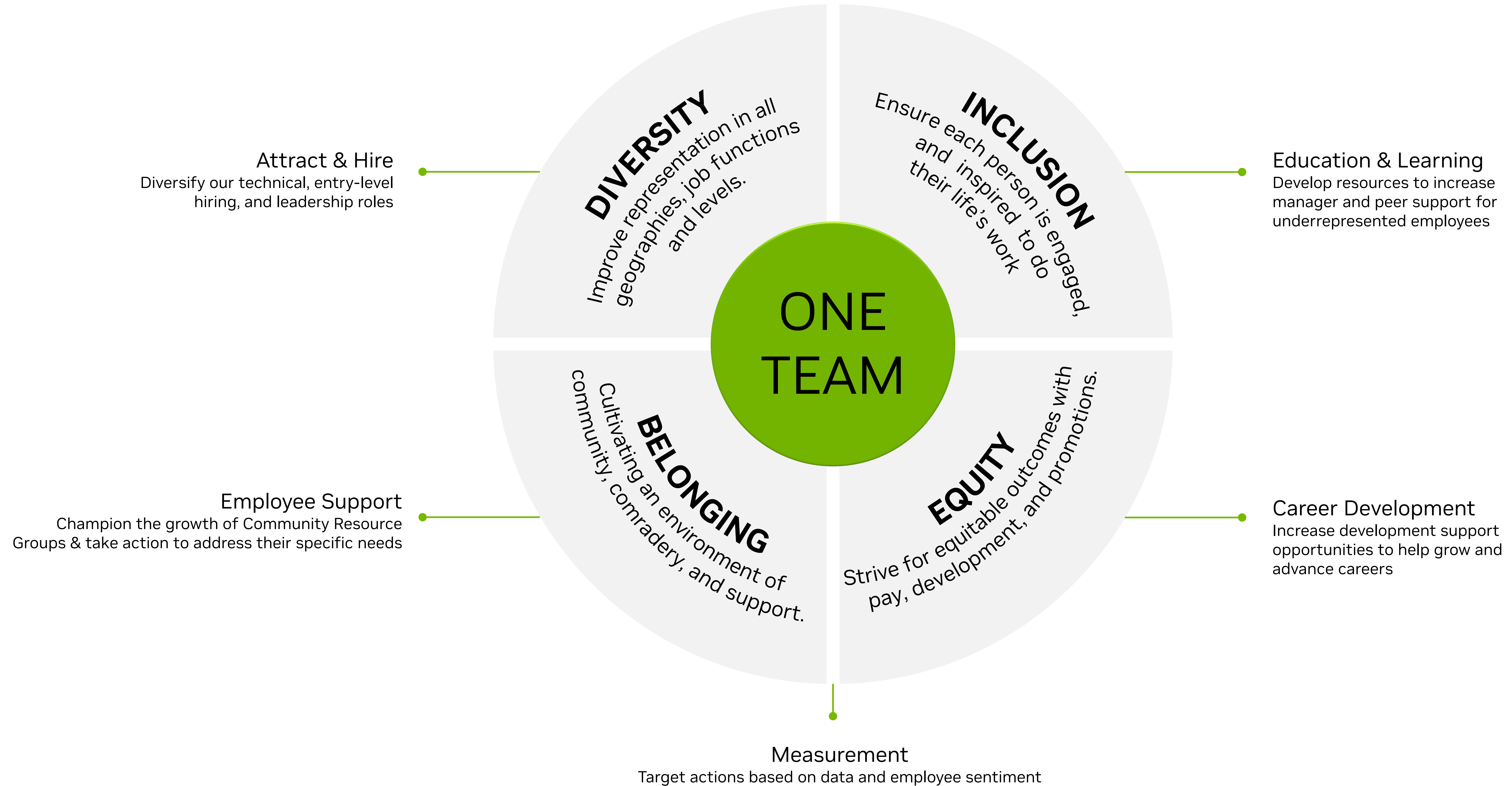
## Pay for performance

- ~96% of CEO pay is provided through "at-risk" performance-based elements
  - Variable cash tied to Annual Revenue
  - Single-Year PSUs tied to Annual Operating Income and Gross Margin
  - Multi-Year PSUs tied to Total Shareholder Return performance vs. the S&P 500 over a 3-year period
- ~92% of Other NEO pay is provided through "at-risk" performance-based elements; Equity is a significant component of total compensation
  - Other NEOs receive time based Restricted Stock Units (RSUs) in addition to variable elements

## Focus on long-term growth and success

- We don't believe our executives need short term incentive programs to motivate them
- We focus on the operating system of the company to drive results and adjust as required to achieve the desired long and short-term outcomes
- Managing ESG priorities such as engaging the right diverse talent, managing issues in our supply chain, and addressing climate change may impact our long-term growth and success

# DI&B Strategy & Goals





# **Reconciliation of Non-GAAP to GAAP Financial Measures**

# Reconciliation of Non-GAAP to GAAP Financial Measures (contd.)

	Non-GAAP	Acquisition-Related and Other Costs (A)	Stock-Based Compensation (B)	Other (C)	Tax Impact of Adjustments	GAAP
<b>Q3 FY23</b>						
Gross margin (\$ in million)	\$3,329	(120)	(32)	—	—	\$3,177
	56.1%	(2.0)	(0.5)	—	—	53.6%
Operating income (\$ in million)	\$1,536	(174)	(745)	(16)	—	\$601
Net income (\$ in million)	\$1,456	(174)	(745)	(28)	171	\$680
Shares used in diluted per share calculation (millions)	2,499	—	—	—	—	2,499
Diluted EPS	\$0.58	—	—	—	—	\$0.27

A. Consists of amortization of intangible assets, transaction costs, and certain compensation charges.

B. Stock-based compensation charge was allocated to cost of goods sold, research and development expense, and sales, general and administrative expense.

C. Other comprises of restructuring, contributions and net losses from non-affiliated investments

# Reconciliation of Non-GAAP to GAAP Financial Measures (contd.)

	Non-GAAP	Acquisition-Related and Other Costs (A)	Stock-Based Compensation (B)	IP-Related Costs	Other (C)	Tax Impact of Adjustments	GAAP
<b>Q2 FY24</b>							
Gross margin (\$ in million)	\$9,614	(119)	(31)	(2)	—	—	\$9,462
	71.2%	(0.9)	(0.2)	—	—	—	70.1%
Operating income (\$ in million)	\$7,776	(137)	(842)	(2)	5	—	\$6,800
Net income (\$ in million)	\$6,740	(137)	(842)	(2)	66	363	\$6,188
Shares used in diluted per share calculation (millions)	2,499	—	—	—	—	—	2,499
Diluted EPS	\$2.70	—	—	—	—	—	\$2.48

A. Consists of amortization of intangible assets, transaction costs, and certain compensation charges.

B. Stock-based compensation charge was allocated to cost of goods sold, research and development expense, and sales, general and administrative expense.

C. Other comprises of assets held for sale related adjustments and net gains from non-affiliated investments

# Reconciliation of Non-GAAP to GAAP Financial Measures

	Non-GAAP	Acquisition-Related and Other Costs (A)	Stock-Based Compensation (B)	IP-Related Costs	Other (C)	Tax Impact of Adjustments	GAAP
<b>Q3 FY24</b>							
Gross margin (\$ in million)	\$13,583	(119)	(38)	(26)	—	—	\$13,400
	75.0%	(0.7)	(0.2)	(0.1)	—	—	74.0%
Operating income (\$ in million)	\$11,557	(135)	(979)	(26)	—	—	\$10,417
Net income (\$ in million)	\$10,020	(135)	(979)	(26)	(70)	433	\$9,243
Shares used in diluted per share calculation (millions)	2,494	—	—	—	—	—	2,494
Diluted EPS	\$4.02	—	—	—	—	—	\$3.71

A. Consists of amortization of intangible assets and transaction costs.

B. Stock-based compensation charge was allocated to cost of goods sold, research and development expense, and sales, general and administrative expense.

C. Other represents net losses from non-affiliated investments and interest expense related to amortization of debt discount

