Annual General Meeting

Company Participants

- Jensen Huang, Founder, President and Chief Executive Officer
- Simona Jankowski, Investor Relations
- Tim Teter, Executive Vice President, General Counsel and Secretary

Presentation

Simona Jankowski {BIO 7131672 <GO>}

Good morning. And welcome to NVIDIA's 2023 Annual Meeting of Stockholders. I'm Simona Jankowski, Vice President at Investor Relations. We're hosting a fully virtual annual meeting again this year. As a reminder, the rules of conduct for the meeting are posted on our virtual meeting site. We ask that you follow them to help keep the meeting running smoothly.

Other members of NVIDIA's management, who are on the line with me today are Jensen Huang, President, Chief Executive Officer and Director; Colette Kress, Executive Vice President and Chief Financial Officer; and Timothy Teter, Executive Vice President, General Counsel and Secretary.

I would also like to introduce the outside members of our Board of Directors, who are in attendance. Rob Burgess, Tench Coxe, John Dabiri, Persis Drell, Dawn Hudson, Harvey Jones, Mike McCaffery, Steve Neal, Mark Perry, Brooke Seawell, Aarti Shah, and Mark Stevens. And finally, I would like to introduce Scott Almasi and Daniel Tascarella from PricewaterhouseCoopers, our independent registered public accounting firm.

After the formal portion of the meeting and Jensen's business update, we'll set aside some time for questions.

I would now like to turn the meeting over to Tim.

Tim Teter {BIO 3936302 <GO>}

Thanks, Simona. Good morning and welcome to our 2023 annual meeting, which will now officially come to order. Jensen will serve as Chairman, and I will serve as the Secretary and conduct the procedural portion of the meeting.

First, a few housekeeping items; we have opened the online portal for stockholders to vote their share, and I'll make an announcement when the polls are about to close. Stockholders may ask questions during the meeting. If you have a question,

please enter it into the portal. As stated in our rules of conduct, the meeting is not to be used as a forum to present general, economic, political, or other views that are not directly related to our business, the business of the meeting, or for matters of individual concern.

In fairness to all attendees, we will limit each stockholder to one question. We may provide a single response to multiple questions generally asking the same or similar thing. At the conclusion of the meeting, we will publish the questions along with our responses on the company's investor relations website.

During the course of this meeting, we may make forward-looking statements based on current expectations. These forward-looking statements are subject to a number of significant risks and uncertainties, and our actual results may differ materially. For a discussion of factors that could affect our future financial results and business, please refer to the reports we may file from time to time with the Securities and Exchange Commission, including our annual report on Form 10-K and our quarterly reports on Form 10-Q.

All our statements are made as of June 22, 2023, based on information available to us as of today, and except as required by law, we assume no obligation to update any such statements. We will address the matters described in the company's proxy statement dated May 8, 2023, and will then complete the balloting process. Following Jensen's business update, an announcement will be made regarding the voting results, and then the official portion of the meeting will be adjourned.

I have a complete list of the stockholders of record of NVIDIA's common stock on the April 24, 2023, record date for this meeting. I also have an affidavit from Broadridge certifying that they commence the mailing of the relevant proxy materials on May 8, 2023. I am appointing Chris Woods of American Election Services, LLC to act as the Inspector of Elections at this meeting. He will tally the final votes when balloting on all matters is completed. Chris has taken the customary oath of office, and will file this oath with the records of the meeting.

Our bylaws provide that the presence, in-person or by proxy of a majority of the shares entitled to vote at the meeting will constitute a quorum. There were approximately 2.5 billion shares outstanding on the record date, and Chris has informed me that proxies have been received for approximately 2 billion shares, or approximately 80% of the shares outstanding, which constitutes a quorum for today's meeting.

Each share of common stock is entitled to one vote. If you are eligible to vote and have not submitted your proxy, or if you want to change your vote, please vote online now. You do not need to vote if you've already sent in your signed proxy, or voted online or by telephone. Your votes will be counted automatically. The time is 11:04 a.m., and the polls are currently open for voting.

There are five items of business before this meeting: first, the election of Rob Burgess, Tench Coxe, John Dabiri, Persis Drell, Jensen Huang, Dawn Hudson, Harvey Jones, Mike McCaffery, Steve Neal, Mark Perry, Brooke Seawell, Aarti Shah, and Mark Stevens to serve as Directors until our 2024 annual meeting; second, the approval of the compensation of our named Executive Officers for fiscal 2023 as disclosed in our proxy statement; third, the approval of the frequency of holding a vote on the compensation of our named Executive Officers; and fourth, the ratification of PWC as our independent registered public accounting firm for fiscal 2024.

As the company has not received notice from any of its stockholders of any other matter to be considered at today's meeting, no other proposals will be addressed. If you have not voted and intend to vote, or if you want to change your vote, please do so online now. Proxies, votes, or any changes are or any changes or revocations submitted after the closing of the polls will not be accepted.

I'll turn the meeting over to Jensen for a business update, following which we will announce the preliminary results of the meeting and then answer stockholder questions.

Jensen Huang {BIO 1782546 <GO>}

Thanks, Tim.

There are two simultaneous fundamental shifts happening in our industry. The first is the end of CPU scaling, the ability to get 10x more performance every five years has ended. At the same time, a new era of computing has arrived. Generative AI is a new kind of computer, one that you can program with natural human language and automate the generation of valuable information. These two forces require a new approach, and accelerated computing is widely recognized as the path forward.

Accelerated computing is a full-stack challenge. You have to re-engineer everything, from the chip to the systems, to the system software, new algorithms, and optimizing the applications. It's incredibly hard, but the rewards are high. With accelerated computing, with accelerated computational science by 1 million times over the past decade, accelerated computing and AI have arrived.

ChatGPT was the iPhone moment of AI. It all came together in a simple user interface that anyone could understand. But we've only gotten our first glimpse of its full potential. Generative AI has started a new computing era, and will rival the transformative impact of the Internet.

With AI, every student can have Aristotle as a tutor, and Newton, and Einstein. They can turn to Jane Austen for guidance on writing, and Ada Lovelace for help with math. AI will let anyone be a programmer and democratize the power of computing, bridging the technology divide. In the arts, this remarkable tool will both be teacher and apprentice, working with creatives to tap into the history of art to make infinite drafts and infinite palettes that help the next generation of artists, musicians, writers, and filmmakers express their visions.

The productivity of our businesses and factories will soar as we offload the menial tasks and optimize the complex processes of the world's objects industries. Our transportation system will be radically streamlined with AI at the helm. Autonomous vehicles will transform community into leisure time while improving safety. With an AI assistant by their side, doctors and nurses will have superpowers. AI enhanced medical imaging can help every doctor identify and diagnose disease like specialists.

AI is turbo-charging drug discovery as well. Currently, drug discovery costs about $2 billion for a drug with a 10 year plus year discovery process and a 90% failure rate. AI has the potential to generate new targets and drug molecules, predict how potential drugs might behave in the body, and discard dead end compounds before they leave the computer.

AI is already helping us address the most complex scientific challenges. It is helping process data from the James Webb Space Telescope so that we can see the universe as we've never seen it before. Perhaps most urgently, this technology will help us tackle one of the most intractable problems, climate change.

ForecastNet, the AI model of NVIDIA's Earth-2, can make week-long weather forecasts in less than two seconds, orders of magnitude faster than current simulation models and with greater confidence. The aim of Earth-2 is to be a digital twin of Earth's climate to predict the impacts of climate change so that scientists, policy makers, and companies can develop the best strategies for mitigation and adaptation. We've only just begun to witness AI's immense potential.

Data center workloads are skyrocketing and already account for about 1% to 2% of global electricity consumption. It is imperative that data centers are accelerated. If we switched workloads from CPU servers to GPU accelerated worldwide, we estimate nearly 12 trillion watt hours of energy savings. That's roughly the annual electricity used for nearly 2 million U.S. homes. We must accelerate every possible workload to reclaim power so that computing can be sustainable. Accelerated computing is sustainable computing.

NVIDIA is built like a four-layer computing stack: hardware, system software, platform software, and applications. Each layer is open and available for integration into the world's diverse data center architectures. More than 40,000 companies are already running on NVIDIA to speed up, scale up, and unlock previously impossible to solve problems. We offer over 300 acceleration libraries and 400 AI models, with 100 added or updated in this past year alone.

NVIDIA acceleration library is built on CUDA, and all NVIDIA GPUs are CUDA-compatible. 4 million developers are working with CUDA, and CUDA has been downloaded more than 40 million times. It took 12 years to reach two million developers, but we've doubled that number in the last 2.5 years. NVIDIA-accelerated computing has reached an inflection point and is now a globally adopted computing platform.

This past year, we had some of the biggest innovations in our company's history, opening new markets and creating new capabilities for our customers and partners. The NVIDIA Hopper architecture is now powering the next wave of supercomputers. The Hopper-based NVIDIA H100 packs 80 billion transistors and delivers an order of magnitude performance leap over its predecessor, the Ampere-based A100. H100 HGX with eight H100s connected by NVLink into a giant GPU is the engine for training large language models.

GH200 is our brand new CPU plus GPU superchip, known in the industry as Grace Hopper, this revolutionary computer is designed for hyperscale data centers to scale out and deploy large language model-based generative AI services. H100 HGX trains the models. GH200 deploys the models. Both are in production. NVIDIA AI is the engine behind the generative large language model breakthrough and the foundation of the modern AI factory. Half of the Fortune 100 companies have installed NVIDIA AI supercomputers. The rest use the cloud through one of NVIDIA's cloud service provider partners. NVIDIA is in every cloud.

NVIDIA AI starts with an AI optimized GPU, but is much more. The most advanced networking is essential. The network is the nervous system, the data highway of the AI factory. NVIDIA Quantum InfiniBand provides unmatched performance for the largest scale AI infrastructures. For Ethernet-based AI clouds, the new NVIDIA Spectrum X is an end-to-end BlueField to spectrum switch platform to achieve the most efficient AI processing.

Someday, every company will manufacture intelligence and NVIDIA can be their AI factory. This past year, we introduced a new AI service that helped companies create their own custom generative AI models. NVIDIA AI Foundations give customers the ability -- the capability to build, refine, and operate custom large language models, and generative AI trained with their proprietary data and for their domain-specific tasks.

The service includes pre-trained models, data processing frameworks, APIs, and NVIDIA engineering staff support. Once models are ready for deployment, enterprises can run in our cloud or elsewhere. We announced key partnerships for AI Foundations with ServiceNow and Adobe. AI is digitalizing heavy industries. The largest industries from auto manufacturing to pharmaceuticals will be reinvented and become some of the most advanced technology industries. Omniverse, our platform for industrial digitalization made possible by NVIDIA RTX and NVIDIA AI, enables companies to make and operate physical things to first do it digitally.

Amazon has over 200 robotics facilities that handle millions of packages each day. Using NVIDIA Omniverse and Isaac Sim Robot Simulator, Amazon Robotics is building AI-enabled digital twins of its warehouses to better optimize warehouse layout and flow and train more intelligent robotic systems. Lowe's used Omniverse to design, build, and operate digital twins of its stores to optimize operations. BMW Group is using Omniverse to build a fully functioning factory digital twin before building it in the real world. Mercedes-Benz and Jaguar Land Rover are both using Omniverse to generate scenarios to test and validate the next generation of

autonomous vehicles. Generative AI and digitalization are reshaping the $3 trillion automotive industry from design and engineering to manufacturing, autonomous driving, and customer experience.

Although the past year was challenging, our teams worked through it -- our team's work through it was all amazing. All of their hard work has positioned NVIDIA at the forefront of this new era of computing. Our engagement with the world's industries as they race to reinvent themselves for the era of generative AI is broad and accelerating. NVIDIA now has over 26,000 families in 35 countries worldwide. We have stuck to the principles we've shared since our founding to do hard, impactful work that creates a better future.

To our incredible employees doing their life's work at NVIDIA, I thank you. Your brilliance and craft and the culture we've created are NVIDIA's superpower. None of this would be possible without our people. We also thank our partners, customers, and shareholders for believing in and supporting our vision.

Tim Teter {BIO 3936302 <GO>}

Thanks, Jensen.

The time is 11:19 a.m. And the polls are now closed. The preliminary report of the Inspector of Elections covering the proposals presented at this meeting is as follows: First, each of the 13 Director nominees on the ballot has been elected to serve until our 2024 annual meeting and until his or her successor is elected or appointed.

Proposal 2 to approve the fiscal 2023 compensation of our named Executive Officers has been approved.

Proposal 3 to approve one year as the frequency for holding a vote on the compensation of our named Executive Officers has been approved.

Proposal 4 to ratify PwC as NVIDIA's independent registered public accounting firm for fiscal 2024 has been approved.

A full tally of the votes will be published in our Form 8-K, which we expect to file with the SEC within four business days.

That concludes the formal portion of today's annual meeting, and I now declare the business portion of the meeting adjourned.

I'll turn it over to Simona for stockholder questions.

Questions And Answers

A - Simona Jankowski {BIO 7131672 <GO>}

(Question And Answer)

Thank you, Tim. And we'll now move to the Q&A portion. I'll read aloud each question or comment. When we receive multiple questions asking about the same or similar topics, we group those questions together to avoid repetition.

For our first question, can you discuss how the company approaches ESG matters, including diversity and inclusion, and how it balances ESG with creating shareholder value?

A - Jensen Huang {BIO 1782546 <GO>}

NVIDIA is focused on advancing accelerated and AI computing and the people, who build it. We invented accelerated computing to solve problems that normal computers can't. Our technology is revolutionizing computing and advancing humanity by accelerating progress in areas like healthcare, autonomous vehicles, and climate science, all while being incredibly energy efficient.

The historical exponential trend of CPU scaling has ended. Increasing CPU performance, coupled with only moderate power and cost increases is no more. Data centers are already about 1% to 2% of global electricity consumption and growing. And computing demand around the world is still increasing. This is not sustainable for operating budgets and our planet.

Acceleration is the best way to reclaim power and achieve sustainability and net-zero. For computing to be sustainable, data centers must accelerate every workload possible. Accelerated workloads can be orders of magnitude, more energy efficient, and cost effective. NVIDIA pioneered accelerated computing and has built a large installed base and a rich ecosystem of developers and applications available everywhere. Accelerated computing is sustainable computing.

And regarding our people, our employees are our greatest asset and play a key role in creating long-term value for our stakeholders. NVIDIA's top 100 leaders have been with us for 15 years on average. Our top 1,000 leaders have been with NVIDIA for over 12 years.

Our attrition rate so far this year is exceptional at less than 4%. We created an environment for our people to do their life's work at NVIDIA, deliver excellent pay, and take care of our families. We believe diverse teams with individuals representing innovation and excellence are the heart of our core values. We want NVIDIA to attract individuals from a range of backgrounds, who choose to stay here and build their careers over their lifetime. We seek the best talent and build teams that will continue to advance NVIDIA's business.

A - Simona Jankowski {BIO 7131672 <GO>}

Thank you. Next, we received a few questions on how NVIDIA is approaching possible artificial intelligence regulation, including how it respects the power of artificial intelligence, and how it will be involved in future AI guidelines?

A - Jensen Huang {BIO 1782546 <GO>}

AI is the greatest technology force of our time. Holds great promise to revolutionize industries and improve human condition, and must be advanced, safely and responsibly. AI software technology delivered as a product or service. Like any product and service that affects people and society, we believe AI should be regulated. At NVIDIA, we have -- we are committed to developing AI that is trustworthy and aligned to our values and principles and compliant with regulations of the industries we serve.

For example, NVIDIA is a world leader in AI computing for autonomous vehicles and robotics. Our AV system is designed with diversity and redundancy to achieve the highest level of safety and able to function properly and safely even in the event of system malfunction or failures. In generative AI, we partnered with Adobe, Getty, and Shutterstock to offer text-to-image generative AI models that respect and protect the rights of artists and IP owners.

Another example of our AI safety focus is a software toolkit we recently made available called NeMo Guardrails. This helps develop and deploy AI models that are accurate, appropriate, and on-topic, and secure. Advancing AI capability and safety must go hand-in-hand, we're dedicating to advancing AI on both fronts. We believe future regulation will instill confidence in a marketplace to adopt AI products and services, which in turn will help expand and grow the industry.

A - Simona Jankowski {BIO 7131672 <GO>}

Next: can you talk about how we select the product markets we target, the types of products we sell, and our competitive advantage?

A - Jensen Huang {BIO 1782546 <GO>}

We choose to enable or participate in markets, where accelerated and AI computing can lead to breakthroughs and advancements that otherwise would not be possible, where a deeply challenging technical problem is far from being solved, and where if solved, we can make a profound impact. Generative AI, autonomous systems and robotics, computer-aided drug discovery, climate science, and digitalization of the world's heavy industries are all examples of deeply challenging problems and impactful opportunities. Each of these challenges require full-stack innovation and data-centered scale to edge computing expertise to solve and the support of large ecosystems of partners and application developers that give our platform reach. If successful, we can make a significant market impact while building a strong competitive moat.

A - Simona Jankowski {BIO 7131672 <GO>}

Thank you. We also received several questions regarding our capital allocation with some stockholders asking if we will increase our dividend. We also received questions on whether we would consider splitting the stock again.

A - Jensen Huang {BIO 1782546 <GO>}

Our company generates a significant amount of cash. Allocation of our capital is a top priority. First and foremost, we invest in organic growth. As we have an excellent innovation engine and tremendous opportunity ahead of us, the vast majority of our investment is organic. We also consider M&A opportunities if it is a good strategic and cultural fit. Our acquisition of Mellanox is an excellent example of this.

After investing in our business, a key capital allocation priority is share repurchases. During the last fiscal year, we repurchased 63 million shares for $10 billion. We have about $7 billion remaining in our current authorization through December, 2023.

We are committed to maintaining our dividend. With respect to the question on splitting our stock, we have split our stock five times since inception, most recently in 2021. We review this periodically, and we consider a stock split if it is in the best interest of our shareholders.

A - Simona Jankowski {BIO 7131672 <GO>}

And does NVIDIA have any acquisition plans for the future?

A - Jensen Huang {BIO 1782546 <GO>}

We've historically invested in the business organically to drive long-term growth. We can also augment organic growth with M&A if it's a good strategic and cultural fit. For example, Mellanox, our largest acquisition to date has been an unquestionable home run. The business has grown significantly since we acquired them and have been instrumental in our data center computing initiatives. And we expect a lot more growth in the future.

We've also done a number of smaller M&A transactions over the last few years. These have helped us with key engineering and technical talent or vertical domain expertise to augment our platforms with key technologies and capabilities. We take a disciplined approach when it comes to M&A guided by these criteria.

A - Simona Jankowski {BIO 7131672 <GO>}

Would you speak to the company'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 - Jensen Huang {BIO 1782546 <GO>}

NVIDIA is building a one-of-a-kind company that invents the future, builds amazing technologies, and strives to achieve the highest level of craft. To achieve this vision, we must attract and retain a high-caliber board, executive team, and employees while balancing our stockholders' interests. We believe that equity grants align our officers and Board interests with stockholders, creating long-term value in the company.

We aim to be a top-paying company to attract the world's best talent. For executives and officers and directors, we provide compensation which is competitive with market practices, aligns to stockholder interests, and for our executives and officers, includes at-risk equity pay to align compensation with company performance goals. Along with our annual review of compensation practices against our peers, we allow our stockholders to cast non-binding votes on our officers' compensation each year.

Our Directors and Officers are required to meet stock ownership guidelines. We believe these ownership requirements display the confidence our Directors and Officers have in the company and align their interests with stockholders. More information on equity grants and holdings of our Directors and Officers can be found in our proxy statement.

We're focused on repurchasing our stock to offset the dilution of employee equity issuances. As we discussed earlier during our last fiscal year, we repurchased $10 billion in stock, and we have about $7 billion remaining in our repurchase authorization.

A - Simona Jankowski {BIO 7131672 <GO>}

Our next question is: how do you think about Board composition and the nomination process?

A - Jensen Huang {BIO 1782546 <GO>}

Our nominating and corporate governance committee strives to maintain an appropriate balance of tenure, professional experience, and a diversity of background, skills, and education on the Board. Each year, NCGC, our governance committee, and Board review each Director's individual performance and qualifications, including the Director's past contributions, outside experiences and activities, and committee participation, and determine his or her experience and skills continue to add value to NVIDIA and the Board, given our current and future business models.

The specific rationale for each Director's nomination to our board is included following their respective biographies in our proxy statement. The committee and the Board understand the importance of Board refreshment. While the Board benefits from the experience and institutional knowledge that our longer serving directors bring, it has also brought in new perspectives and ideas through the appointment of two new Directors since 2020. The Board has regularly rotated memberships on and the Chairman of its committees. We believe this helps to promote diversity of viewpoints on the Board committees.

Our longer tenure directors are familiar with our operations and business and help to oversee our activities in a variety of economic and competitive environments. Our newer Directors have brought expertise and brand development and cybersecurity and familiarity with technology developments at leading academic institutions that are important to NVIDIA as it develops new products and interesting markets.

We have three women currently on our Board and three members, who are ethnically or racially diverse. The Board continues to seek highly qualified women and individuals from underrepresented groups to include an initial pool of potential Director nominees. We expect Board diversity to increase before our 2024 meeting.

A - Simona Jankowski {BIO 7131672 <GO>}

And what is NVIDIA doing to prevent or minimize the possible theft of company ideas, strategies, and intellectual property?

A - Jensen Huang {BIO 1782546 <GO>}

We take intellectual property and data security seriously. We continuously monitor our systems and endpoints for internal and external threats. Our teams are required to operate within industry standard security controls to be resilient to unauthorized attack or access. Like many global companies, we face a constantly evolving and sophisticated threat environment. We partner with external parties to access and update our security measures to meet this challenge. We also follow patent protection on our key technologies and regularly review our patent portfolio to strengthen our intellectual property protection.

A - Simona Jankowski {BIO 7131672 <GO>}

Thank you, Jensen.

We have now reached the time limit for the 2023 annual meeting, and our program has now concluded. A copy of this webcast will be available online on our website through June 22, 2024. We look forward to another great year at NVIDIA.

Thank you for attending and for your continued support of NVIDIA. Our 2023 annual meeting is now closed.