

# "Nestlé Begins a New Chapter"

*Pablo Isla, Chair of the Board of Directors, is calling for greater entrepreneurial spirit.*

**NZZ Interview, April 15, 2026 (page 1)**

A generational shift has occurred within Nestlé, the renowned Swiss group. Last September, Philipp Navratil, a Swiss national, was unexpectedly appointed CEO after his predecessor departed due to a secret relationship with a subordinate. In October, Spaniard Pablo Isla stepped in as Chairman of the Board earlier than anticipated—breaking with tradition, as Isla is the first president in decades who has not previously served as Nestlé's CEO. Isla spent 17 years leading the Spanish fashion giant Inditex.

Now, in his first interview about his plans, Isla states: "Nestlé is beginning a new chapter." He expresses deep respect for Nestlé's culture: "Worldwide, employees have a strong connection to the company. Their expertise and professionalism are remarkable." However, he shares CEO Navratil's view that Nestlé needs a "stronger performance culture and more entrepreneurial drive." The company aims to streamline its structure, become more agile, and evaluate employees based on clear performance criteria.

Isla wants to move beyond the turbulence of the past 18 months, marked by two abrupt CEO changes. He affirms that the Board of Directors, where he has served since 2018, has consistently made sound decisions. The focus now must be on looking forward. CEO Navratil has already outlined a strategy with clear priorities.

Isla emphasizes that reigniting sales growth is crucial. To achieve this, Nestlé is updating its product portfolio and seeking to better reach younger consumers. The group will concentrate on four core areas: coffee, pet food, specialty and complementary foods, and snacks. "We are already seeing positive results, which is encouraging."

Ahead of Nestlé's Annual General Meeting on Thursday, the new chairman has a message for shareholders whose shares have suffered steep losses in recent years: if Nestlé can deliver steady volume growth again, share prices will also recover.

## **Top manager and film enthusiast**

Pablo Isla, the newly appointed Chairman of Nestlé's Board of Directors, will make his first public appearance at Thursday's Annual General Meeting. While the 62-year-old Spaniard is still relatively unknown in Switzerland, he enjoys significant recognition in his home country. Isla led the fashion conglomerate Inditex—from 2005 to 2022—which owns brands like Zara and Massimo Dutti.

During his tenure, he transformed Inditex into a global powerhouse, quadrupling the company's market value. Yet Isla's interests extend well beyond business. After leaving

the fashion industry, he ventured into film production. His favorite directors include Francis Ford Coppola, Billy Wilder, and Ridley Scott. Throughout his 17 years at Inditex, Isla maintained a notable distance from the media, never granting an interview. Now, for the first time, Isla is stepping into the spotlight as Nestlé's Chairman of the Board.

## Interview with Pablo Isla

Chair of Nestlé's Board of Directors

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*Mr. Isla, you once said: "Passion is the most important thing in working life." What is your passion for Nestlé?*

When I was asked in 2018 if I wanted to join Nestlé's board of directors, it felt like a dream come true. Nestlé products have always been present in my household throughout my life. I've always followed the company closely, attracted by its brands and values. When I finally met the people at Nestlé in person, my passion grew even stronger. Nestlé is a global company with strong local roots, which I really appreciate.

*When you were offered the position of Chairman of the Board of Directors in the summer of 2025, did you hesitate at all?*

I was already Vice-Chairman and Lead Independent Director. Becoming chair is a great honor for me. I assured my colleagues of my full dedication.

*What motivates you to be Nestlé's President? Are you trying to prove something again? Do you want to show that you can lead a global corporation three times bigger than Inditex, Zara's parent company?*

No, it's not about me. Nestlé is a unique company at an important moment in its history. I see enormous potential here. We appointed a new CEO, Philipp Navratil, seven months ago. I am completely aligned with him on our vision for the company's future. Nestlé has incredible brands and people. That's what motivates me.

*When you took office as president last October, it was clear you had to lead Nestlé out of its worst crisis in decades.*

I always say: companies have to look forward. Of course, you need to know the past, because you can learn from it. But the main attitude must be to look ahead. CEO Navratil has presented a strategy with clear priorities. The most important thing is that sales volumes are increasing again. We're adapting the product portfolio. Navratil is demanding a stronger performance culture. The group will focus on four core areas: Coffee, Pet Food, Nutrition and Food and Snacking. There's a strong emphasis on execution. All employees know what they need to do. We're already seeing positive results.

*You also produce films in Spain. A spy thriller called "Agent Zeta" was just released. Do you still find time for film production?*

Movies are one of my passions. That's why I started a film production company in Spain with colleagues a few years ago. But right now, I hardly have time for it. The Nestlé presidency is practically a full-time job.

*In Spain, the president of a company is often a powerful figure who also oversees daily operations. How are responsibilities shared between you and Philipp Navratil?*

The roles are clearly defined. Philipp Navratil leads the company with his management team. I lead the Board of Directors, which is responsible for oversight, strategy, and succession planning. The division of responsibilities is clear to everyone in the company.

*What is your main concern in your role?*

At this point in time, preparing for the General Assembly is my main focus. Over the past few months, we have worked intensively to strengthen the company's governance. We are introducing a new committee structure on the Board of Directors, holding more meetings, and involving individual members more closely to benefit from their expertise.

*You've been on Nestlé's Board of Directors since 2018 and served as Lead Independent Director since 2024. When did you realize Nestlé was heading for a crisis?*

There wasn't a single moment. During 2024, the Board of Directors realized that a change of direction was needed.

*In August 2024, then-CEO Mark Schneider was unexpectedly replaced by Laurent Freixe. But Freixe himself had to leave a year later after it was discovered he had concealed a romantic relationship with a subordinate. Was his appointment too hasty? Didn't the Board of Directors look carefully enough?*

Looking back, that question can be asked. What matters is that once the facts came to light, the Board of Directors acted. In this case, it was the only possible decision. The Board has also made the right decisions in other areas. In terms of leadership, Nestlé is in a much better position today than it was two years ago. We have a new CEO. I'm the first independent Chairman of the Board of Directors in decades.

*Some critics say Nestlé's debt is too high. Why did the Board of Directors allow the debt to increase so much?*

Nestlé targets a debt ratio of two to three times operating profit (Ebitda). At the end of 2025, we were at the upper end of this range. But that's not cause for concern. Nestlé generates strong cash flow. We'll also make some divestments, like selling part of the water business. Our goal is to gradually bring the debt ratio back to the middle of the target range.

*You're the first Nestlé president in decades who was not previously CEO. How do you view Nestlé's culture?*

Nestlé has great strengths. Worldwide, employees are deeply connected to the company. Their knowledge and professionalism are outstanding. But, as Philipp Navratil emphasizes, Nestlé needs a stronger performance culture and more entrepreneurial spirit. Our employees should adopt an entrepreneurial mindset and make decisions faster. We need to streamline structures, make the company more agile, and evaluate people against clear performance criteria.

*How do you foster entrepreneurial spirit in a global corporation with 270,000 employees? That can't be easy.*

In management, it's almost always easier said than done. Our CEO Philipp Navratil embodies entrepreneurial spirit one hundred percent. This influences the whole organization. Of course, it doesn't happen by magic. It also requires the tone from the top and the organizational changes I mentioned.

*For over 15 years, you were a leading manager at the Spanish fashion group Inditex. Can you transfer any experiences from that time to Nestlé?*

There are some similarities. Supply chains are very important, as is the combination of physical stores and online retail. You have to spot consumer trends using data. This is relevant for every company in the consumer goods sector. But the most important thing is the culture.

*What do you mean by that?*

Inditex has a special mix: people are modest, yet ambitious and entrepreneurial. I worked hard to preserve this culture as Inditex grew rapidly. That's why entrepreneurship is so important to me at Nestlé.

*At Inditex, you introduced brands aimed specifically at young people, like Pull & Bear. Should Nestlé do the same, for example by launching its own coffee brand for young consumers?*

It's difficult to transfer specific business decisions. What's clear is that it's very important for Nestlé to reach younger customers more effectively. There are different ways to do this. For example, coffee is a product category that has seen a rejuvenation recently, which would have been unimaginable just a few years ago. Young people today prefer drinking coffee cold. We've introduced cold coffee options for all three of our coffee brands: Nespresso, Nescafé, and Starbucks. We're promoting them with new campaigns and formats. We collaborate with influencers. We've brought on singer Dua Lipa as a Nespresso ambassador. Almost all people under 30 know her.

*If we look ten years ahead: Will Nestlé still have the right products? Or does the company need to reinvent itself?*

A company must constantly reinvent itself. We still have many opportunities for growth in our four business pillars. Cold coffee is one example. Others include products for healthy aging or specialized pet food.

*Will there be a revolution at Nestlé?*

Nestlé will remain a food and beverage company, with a strong focus on nutrition.

*But there's a fresh wind blowing?*

It's clear to everyone in the company: Nestlé is opening a new chapter. A generational change has taken place. I think the company was ready for it.

*Nestlé's share price has fallen sharply in recent years. Where do you see the fair value for Nestlé shares?*

The key is that we consistently deliver volume growth, quarter after quarter, year after year. Then the share price will follow.

*How do you find working in Switzerland?*

I have always admired Switzerland and its people, and I felt genuinely welcomed here.

End of Interview