



Dear Customer:

Nestlé Professional sells market-leading brands, products, services and solutions to our operators and consumers. We lead by innovating with new products, formats and packaging. We also distinguish ourselves by delivering value through our commitment to sustainability practices that are making a difference globally.

Nestlé Professional remains committed to investing in category growth through innovation and renovation, continued dedication to quality, and meeting the evolving needs of our distributors, operators, consumers, and shoppers at every turn.

Nestlé Professional continues to implement measures to reduce overall operational costs while absorbing market inflation. We will continue to optimize all our operations with a full commitment to product quality and safety.

While product input costs fluctuate, we continually take proactive steps to mitigate, absorb and/or avoid impact to our customers through several approaches, including:

- Implementing aggressive factory and manufacturing process efficiencies
- Short- and long-term commodity purchasing practices and hedging
- Identifying and implementing sustainable energy and material reductions
- Reducing waste through portfolio mix optimization

With that said, it is nevertheless necessary to increase prices in those segments where meaningful cost savings measures have been exhausted.

In response to continued rising cost of transportation, ingredient commodities, and packaging, pricing changes are being implemented across Nestlé Professional, through a cohesive and coordinated approach.

**Specifics:**

We continually take proactive steps to mitigate, absorb and/or avoid impact to our customers. As a result, we have minimized price advance impacts to key categories and products only at 3%.

**Timing:**

The advance will be effective February 15, 2021. Orders submitted with normal lead times calling for a requested delivery date on or before February 14, 2021 will be invoiced at the old (lower) price, provided customer's ordering pattern is consistent with its usual volume turn.

Should you have any questions, please contact me at . Thank you for your continued support.

Regards,

Nestlé Professional