Dear NESPRESSO Retail Partner,

Nespresso® is pleased to announce the ***"November and December Holiday"*** National Promotion ("Promotion").

Nespresso is offering a consumer promotion of select Nespresso® VERTUO machines and will offer margin support to qualifying retailers for qualifying sales when the terms of this promotion as described herein are satisfied ("Promotional Support").

This offer applies only to Qualifying Nespresso® machine sales occurring **November 13, 2026 through January 2nd 2027 11:59 PM PST (the "Promotion Period").**

Nespresso reserves the right to announce additional Promotion periods in the future.

- **Qualifying Machines:**
    - SELECT Nespresso® VERTUO machines
    - SEE ATTACHED LIST for qualifying machines and applicable Minimum Advertised Promotional Retail Price and Discounts

For avoidance of doubt, advertising under this Promotion includes, but is not limited to, print (including but not limited to newspapers, inserts, catalogs, magazines, mailers, flyers, and coupons), television, radio, and electronic commerce (including a retailer's website, any other websites, email, and social media). Any price displayed within a brick-and-mortar retail location does not constitute advertising under this policy. Any price information relating to the QUALIFYING MACHINES on the Internet that can be accessed by a browser or other means of comparing prices constitutes advertising under this policy, provided, however, that: (a) actual selling prices may be provided to Internet shoppers by telephone or email responses, and (b) coupons may be provided to enable Internet shoppers to obtain a price at an online checkout that is below the Minimum Advertised Promotional Retail Price.

- **Qualifying Sales:** Promotional Support will only be paid for sales
    - In the United States
    - From in-store /on-hand inventory, or a previously approved drop-ship arrangement
    - Made at a Minimum Advertised Promotional Retail Price described in attached list
    - Occurring during the Promotion Period
    - That complies with all terms and conditions of this promotion
- **Restrictions:**
    - **Promotional Support will <u>not</u> be honored for any sales that occur before or after the Promotion Period.**
    - **Promotional Support will be based on the Nespresso® consumer promotion discount for qualifying machines.**

- **Promotional Support will be forfeited for sales of qualifying machine(s) if the Advertised Price for the qualifying machine(s) is below the Promotional Retail Price at any point during the Promotion Period. Violation of the Minimum Advertised Promotional Retail Price on any one machine shall not impact retailer's ability to earn Promotional Support for sale of other qualifying machines. The Minimum Advertised Promotional Retail Price for each eligible machine for this Promotion Period is attached to these terms and conditions.**

- **This Promotion cannot be combined with any discount or promotion on any coffee capsule intended for use in any Nespresso® Original Line machine that is manufactured by a company other than Nespresso (otherwise known as a "compatible capsule"). Failure to comply with this Restriction may result in forfeiture of all Promotional Support during the Promotion Period.**

❖ **Brand Integrity**. Nespresso® offers Promotional Support to Retailers in order to maintain competitive pricing of Nespresso® products, drive sales of Nespresso® machines, and promote the overall Nespresso brand. Further, it is important to Nespresso® to avoid consumer confusion related to whether compatible capsules are endorsed by or affiliated with Nespresso®. Consistent with each of these objectives, it is a required condition of this Promotion that no compatible capsule(s) or advertisement of compatible capsule(s) may be positioned on or near a display of Qualifying Machines, either in store or in advertisement (whether printed or via ecommerce).

- In evaluating compliance with this requirement, Nespresso® will consider such factors as whether the positioning of the capsules and Qualifying Machines suggests endorsement by or affiliation with Nespresso®, and/or leverages the Qualifying Machine promotion for the benefit of the compatible capsule sales.

- In store, the compatible capsules must be at least 20 feet away from the Qualifying Machine; Retailers with stores not large enough to comply with this distance requirement should contact Nespresso® for preapproval of potential alternatives.

- Failure to adhere to this Brand Integrity requirement at any one or more retail locations may result in forfeiture of Promotional Support for sales of Qualifying Nespresso® Original Line Machines at all of Retailer's retail locations for the Promotion Period. Compliance with this Brand Integrity requirement will be determined solely by Nespresso®.

❖ **Receiving your Promotional Support:** Promotional Support offered under this promotion will be given only when the following conditions are met:

- **FINAL PROOF OF SALES:**

  - All proof of Sales Performance must be submitted to your Machine Partner representative (DeLonghi and/or Breville) no later than **March 1, 2027**. Any requests for Promotional Support related to this promotion submitted after this date will not be honored.

  - Proof of Sales Performance is a system-generated document that details sales performance for the assigned period.

- Nespresso® may, without prior notice to Retailer, set-off or recoup any amounts Retailer owes to Nespresso®, whether or not past due under relevant payment terms, against any Promotional Support owing to Retailer pursuant to the terms and conditions of this Promotion.

❖ **Post Audits Claims.** Any deduction for a promotion which is submitted by the retailer or its representative after the promotion deadline is considered a Post Audit Request. Such request must be submitted directly to Nespresso® and will only be paid at Nespresso's discretion.

All Post Audit Requests must be submitted to: Post-Audit-Requests@nespresso.com

- Please provide the following information:
  - Title of the Promotion
  - Year Promotion occurred
  - Total Unit Sales
  - Total dollar amount and breakdown of the dollar amount per unit sales
  - Reason why requested deduction is being submitted late
  - Any additional documentation related to the request

- If the request is approved by Nespresso®, the Retailer will be reimbursed for promotion amounts, in whole or part, at Nespresso's discretion. Reimbursement may be processed via the Machine Partner or Nespresso®, at Nespresso's direction.

❖ **Pricing**. Retailer retains authority in all cases to determine the price to consumers for Nespresso® machines and related products. Retailer will independently determine whether to participate in the terms of this promotion

SEE BELOW LIST OF ELIGIBLE MACHINES, MINIMUM ADVERTISED PROMOTION PRICE, AND ELIGIBLE DISCOUNT

MACHINE PARTNER	PRODUCT NAME	SKU NUMBER	EVERY DAY SUGGESTED RETAIL PRICE	MAPP
Breville	Vertuo Up Ink Black	BNV620BLK1BUC1	$229.99	$149.00
Breville	Vertuo Up Ocean Blue	BNV620BLU1BUC1	$229.99	$149.00
Breville	Vertuo Up Ink Black Bundle	BNV650BLK1BUC1	$279.99	$181.00
Breville	Vertuo Up Ocean Blue Bundle	BNV650BLU1BUC1	$279.99	$181.00
De'Longhi	Vertuo UP Pearl White	ENV200W	$229.99	$149.00

De'Longhi	Vertuo UP Graphite	ENV200GY	$229.99	$149.00
De'Longhi	Vertuo UP Pearl White Bundle	ENV200WAE	$279.99	$181.00
De'Longhi	Vertuo UP Graphite Bundle	ENV200GYAE	$279.99	$181.00