

May 6, 2025



Business update

Tariff-related surcharge

Dear Valued Customer,

Since the beginning of the year, we have experienced significant volatility in the geopolitical climate. During this time, our top priority has been to strengthen and diversify our supplier relationships, secure your supply continuity, and mitigate impacts.

On April 5, 2025, the United States imposed additional tariffs on imports from numerous countries. We have been doing our best to absorb the direct and indirect costs of tariffs placed on our imported raw materials and products. Unfortunately, we cannot absorb the full cost of the new tariffs. As a result, we will implement the following surcharges on all Paper and Film products:

- 3.75% surcharge on all Paper face products
- 2.5% surcharge on all Film face products

The product surcharges will apply to invoice pricing on orders **shipped on or after May 19, 2025**, to all customers in the United States and Canada. The surcharge will appear on your invoices.

We continue to follow United States trade policy, and we will communicate if there are any further changes to the tariff-related surcharges or if other countries are impacted. In addition, we continue to monitor general inflationary trends in our main feedstocks, particularly in pulp prices and the reduction in paper production capacity, which directly affect paper-based label materials. We will do our best to mitigate the impacts of these inflationary pressures.

Your UPM Raflatac Sales Representative is available if you'd like to review the surcharge in greater detail or if you have any questions. We appreciate your understanding and continued partnership.

Sincerely,

A handwritten signature in black ink, appearing to read "Brinder Gill".

Brinder Gill
Senior Vice President, Americas

UPM Raflatac
400 Broadpointe Drive
Mills River, NC 28759
USA

Tel. +1 800 922 3882
usasales@upmraflatac.com