



January 26, 2021

**RE: Price Increase Announcement**

To Our Valued Customers:

While 2020 may be behind us, we continue to operate in unprecedented times. Over the past four months we have seen significant volatility in all raw material markets. Most recently this volatility has been concentrated in both the Polypropylene market and the Polystyrene market. For Polypropylene (PP), the market has seen a 30% increase in price for Q4 2020. The Polypropylene market remains in very tight supply with key suppliers having declared Force Majeure and implementing allocations. This condition has led suppliers to announce an additional sixteen percent (16%) increase in January for PP resin. As a result of this combined 46% increase in raw material costs, D&W is announcing a 20% increase for all Polypropylene products (PP), effective with orders and shipments on or after March 1, 2021. We are aware of additional increases being nominated by suppliers for February but at this point we are not announcing any additional increase for PP products beyond the 20%, effective March 1<sup>st</sup>.

In addition, due to continued rise in Benzene and Styrene materials, our Polystyrene (PS) suppliers have increased their prices by nine percent (9%) in Q4. As such, D&W is announcing a five percent (5%) increase on all Polystyrene (PS) products, effective with orders and shipments on or after March 1, 2021.

D&W reserves the right to restrict any orders placed or scheduled for delivery prior to March 1, 2021 which exceed normal ordering patterns or previously submitted forecasts.

Your business is very important to us and we appreciate your continued trust in D&W Fine Pack. An updated price list will be sent to you shortly. Should you have any questions, please contact your D&W Fine Pack sales representative.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Grant'.

Mark Grant

Senior Vice President, Sales