



July 6, 2021

Re: Appvion Price Increase Due to Increase in Raw Material and Logistics Costs

Valued Customer,

Appvion's top priority is to ensure production and supply to our customers. The delay in raw material supply has been challenging. We continue investing our time, focus, and energy in working with our customers and business partners to maintain open lines of communication and manage expectations.

Due to the steady climb of raw materials and freight services pricing, Appvion is issuing a price increase of up to 10% for all direct thermal paper and film products globally, including topcoated and non-topcoated. It is effective on all shipments beginning August 6, 2021.

The coronavirus pandemic and natural disasters have created significant global supply chain disruptions. The consequences have resulted in continuous and rapid raw material price increases and insufficient transportation capabilities, creating considerable availability delays and significant cost increases across the globe. Appvion, like other companies in our industry, continues to experience many unknowns directly caused by the critical supply situation.

The global shortage of shipping capacity amplifies the problematic raw material supply situation. Fortunately, the procurement team at Appvion has long-standing and close relationships with suppliers throughout the world and risk mitigation plans to help assure a reliable chemical supply. Appvion continues a long-term focus on building a diversified supply base and inventory management, focusing on critical supply reserves.

Our sales managers and customer service team are available to answer any questions you have regarding this implementation. Thank you for your continued business and support.

Sincerely,

Graeme Hodson  
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