

RE: SIKA INDUSTRY SUPPLY UPDATE

March 4, 2021

Dear Valued Sika Industry Customer,

Effective March 8, 2021, Chemical Industry, Sika Corporation Industry Advance Resins Group will be instituting a **5% supply surcharge to all orders**. This surcharge results from the unprecedented spike in costs of raw materials and supply chain interruptions affecting the entire chemical industry.

Many of Sika's critical raw material suppliers have been directly impacted by the shortage, which began as general shortages due to the continued effects of the COVID-19 pandemic. These supply chain challenges are now compounded by the recent extreme weather in the South-Central part of the U.S., which shut down most key suppliers' facilities, further exacerbating shortages and price impacts. These negative impacts include shipping (sea, rail, air, and road), where availability and dramatic cost increases continue to expand. This supply surcharge is necessary to ensure we can continue to bring our customers the highest quality products in these difficult supply conditions.

Sika's procurement, supply chain, and operations teams are working tirelessly to maintain uninterrupted supply and reduce total costs impact. Also, our Industry sales team is ready and available to support you with exceptional service.

We are optimistic that the current situation is short-term. To ensure that we continue supplying our customers with products they require, we are initiating the following steps/procedures:

- Customers who provide forecast will receive first priority
- Minimum shelf-life requirements are suspended until further notice
- Traditional 48 Hour – "Pick, Pack & Ship" will temporarily be extended according to finished goods availability

We will do our best to keep you updated as more information becomes available. Thank you for your patience and continued support. We value and appreciate the opportunity to supply you with high-quality products and the best service.

If you have any questions, please contact your Sika Sales Representative, our Customer Service Team or me to clarify the current situation.

Best Regards,



Francis Boyle
Advance Resins
248-577-1074

SIKA CORPORATION – INDUSTRY & AUTOMOTIVE

30800 Stephenson Highway · Madison Heights · MI · 48071

Phone: 248 577 0020 · Industry Fax: 248 577 0810 · Automotive Fax: 248 577 0980 · www.sikausa.com