

November 3, 2021

Dear Valued Customer,

The past year has seen unprecedented inflation across all industries, including the raw materials we purchase. Tinplate is no exception where spot prices have climbed to record levels with tight supply. Over the last several months, Mauser Packaging Solutions has been negotiating with global producers of tinplate steel to ensure a supply base capable of handling our tinplate needs. The factors impacting the negotiations include the following:

- Steel producers implemented mill shutdowns due to lack of demand during the onset of Covid-19. These same mills did not reopen in a timely manner as they did not anticipate the surge in demand.
- Given record demand, all steel end-use industries like automotive, appliances, and construction are competing for the same steel which has created a supply issue globally.
- Maintenance activities across the steel industry were delayed in 2021 and cannot be delayed any longer. Expected shutdowns for maintenance will continue into 2022.
- Supply shortage and tightness in the market will continue well into 2022.

The tinplate market has seen an increase in spot prices of \$2,200/ton, or a 185% increase versus 2020 average levels. The 2022 pricing for tinplate has been negotiated to secure tonnage for our customer base. As a result, Mauser Packaging Solutions will be raising prices on all tinplate products by 105% effective with shipments on or after January 1, 2022.

As always, thank you for your business and understanding during these difficult times. Please contact your Mauser Packaging Solutions Small Packaging sales representative for details concerning your products and pricing. We appreciate your support.

Sincerely,



Michael A. Noel
Executive Vice President of Sales and Marketing
Small Packaging