

North American price increase effective March 1st 2023

Dear Valued Customer,

Market conditions are still difficult mainly due inflation in our costing structure: Labour, production supplies and more importantly jumbo rolls prices that are increasing again. Unfortunately, the improvements in the industry's supply chain are not good enough at this point to compensate for the cost increases. Explanations are listed below.

1. Container and import paper prices still too high preventing jumbo rolls from arriving into North America from abroad at a low enough cost to compensate the increase in the cost structure.
2. Very low availability of white recycled fibers, driving prices up;
3. Lower offering with some jumbo roll suppliers stopping production due to financial stress that forces them to increase their selling prices;
4. Labor shortage, severely affecting the availability of truck drivers keeping freight costs very high for some routes.

These factors created cost increases for our jumbo rolls and our receiving labor and production supplies costs. Even if we are doing everything under our control to reduce the impact of these cost changes on our customers and products, we cannot absorb all of these increases.

In order to help offset rising costs, we are implementing a price increase of 8% on all of our products, please note that some products may increase more. The new pricing structure will apply to all shipments as of March 1st, 2023.

Orders received prior to the close of business on February 17th, 2023, calling for shipments before March 1st, 2023, will be invoiced at pre-increase pricing levels if not surpassing the month pre-increase allocation. Revised price lists effective on March 1st, 2023 and your monthly allocation for February will be provided to you in the next coming days. Orders that exceed the allocation will be denied if not at post-increase prices. In the event you have questions or require additional information, please contact your account manager.

Our commitment to being a high-quality, reliable supplier and long-term business partner to your organization has not changed. In order to accomplish our mission, we must pass this price increase to the market.

We appreciate your business, our partnership and your willingness to help share these cost increases. Thank you for your continued support!

Sincerely

Jean Jobin