



April 15, 2025

## **RE: SIKA SUPPLY UPDATE**

Dear Valued Customer:

As you are aware, all industries, including the construction, chemical, transportation and automotive, are facing significant cost increases, inflation, and market pressures relevant to raw materials, finished goods, packaging, labor, production, and logistics ("Industry Impacts"). Unfortunately, Sika Corporation ("Sika") is directly affected by the Industry Impacts.

One of the many factors driving the Industry Impacts is the recently announced tariffs. Through several Executive Orders, the U.S. Government imposed additional tariffs on goods from Mexico, Canada and China and reciprocal tariffs that have imposed (depending on the country) an additional duty between 10% and 145% (collectively, "Tariffs"). While certain Tariffs have been subject to adjustments, the Tariffs have had immediate effects on raw materials, products and packaging used by Sika.

The Industry Impacts are beyond Sika's control and Sika is unable to absorb all of these increased costs.

To cover the increased costs, Watson Bowman Acme Corp ("WBA"), a wholly owned business of Sika, will implement a 4.5% price increase, applied to orders shipped on or after Monday, April 21, 2025.

Please note that the situation is dynamic. Sika is continuing to monitor these developments and will inform you of any required changes, including if there is a need for an additional Surcharge. Thank you for your understanding and for being a valued customer.

Sincerely,

Alles.

Gary Moore, P.E. Vice President, WBA

Christopher Fanning National Sales Manager, WBA