

Subject: Pricing and supply update – Impact of Iran conflict

March 18, 2026

Dear Valued Customer,

On [March 6, 2026](#), we informed you of the challenges arising from the geopolitical situation in the Middle East. Instability in the region continues to disrupt sea transportation at the Strait of Hormuz, prolonging supply chain interruptions and significantly increasing global inflationary pressures.

These factors have intensified supply tensions and placed sustained pressure on raw material capacity worldwide. Specifically, the sharp inflation of energy sources has resulted in abrupt and substantial cost increases for chemicals, resins, pulp, paper, and film.

We cannot fully absorb these rising costs and must implement a **price adjustment of 11%** on new and existing orders with a shipping date on or after **April 20, 2026**.

The fulfillment of your orders through March and April will be managed in alignment with your business's established historical run-rates to maintain supply continuity for our entire customer base.

The situation in the coming months is expected to remain very volatile, and we will continue to monitor and update you as it develops. Our priority remains providing you with the best solutions and service. Our European production facilities are operating without interruption, and we are working closely with our diversified supplier base to ensure security of supply and avoid any disruption to your business.

We value our partnership and thank you for your continued understanding. Your Avery Dennison representative is available to discuss this update and any questions you may have in more detail.

Sincerely,



Roberto Martinez Porta

Vice President Sales, Label and Packaging Materials EMENA