



Subject: 2022 Cost Increase – FIJI Water

Date: Oct 29, 2021

Dear FIJI Water Valued Customer,

As with most businesses, FIJI Water has experienced significant cost pressures over the last year. Our entire supply chain has been affected from raw materials through to logistics, including both ocean freight and local trucking.

Despite offsets through our manufacturing efficiencies, our direct material and packaging costs have increased 21%. This is driven by increased fuel-based commodity costs and increased packaging material costs, which include PET, HDPE, bunker fuel, diesel fuel and paper for cartons. Logistics costs have increased 37%, driven by a vessel supply shortage, port congestion, increased fuel costs and truck driver shortage. This has resulted in a total increase of over 24%. We are well aware that this is the second increase in recent months but the unprecedented effects of the pandemic has taken its toll with no improvements in the immediate future.

New costing will be effective on all product ordered on or after February 1st, 2022 and delivered on or after February 14th, 2022.

Please reach out to your FIJI Water Sales Contact if you have any questions. Thank you for your continued support.

Best,

Wai Mei Lee

Vice President, International – Asia, Australia, Canada, EMEA, Fiji

The FIJI Water Company