

**CRANE ChemPharma & Energy**March 23<sup>rd</sup>, 2026

To: Our Valued CRANE NAVG Customers

Subject: CRANE NAVG Price Adjustment

At Crane ChemPharma & Energy, we remain committed to delivering high-quality products with reliable service and on-time delivery. We also believe it is important to communicate transparently when sustained external cost pressures require pricing action.

Since late February 2026, escalating conflict in the Middle East has disrupted global energy and transportation markets. Brent crude prices have risen more than 50% month over month, driven by supply disruptions and restricted access to key shipping corridors such as the Strait of Hormuz, which handles roughly 20% of global oil trade. These disruptions have directly impacted global logistics. Ocean carriers have suspended transits through the Red Sea and the Strait of Hormuz and are rerouting vessels around the Cape of Good Hope. This has added 10–15 days to transit times and triggered fuel, war-risk, and insurance surcharges. As a result, freight costs have increased by approximately \$800–\$4,000 per container.

Despite extensive mitigation efforts, the combined impact of geopolitical instability, higher energy costs, longer transit times, and ongoing capacity constraints has resulted in a structural increase in freight and logistics costs that can no longer be fully absorbed without affecting service reliability and supply continuity.

Accordingly, effective **April 6<sup>th</sup>, 2026** Crane will implement a **5.3% price adjustment** across the following NAVG product lines:

- Flowseal<sup>®</sup>
- Center Line<sup>®</sup>
- Duo-Chek<sup>®</sup>

Existing valid quotations and orders will be honored with the quoted prices. We recognize that pricing actions are never easy, and we value the partnership we share with our customers. Crane will continue to actively monitor global logistics conditions and freight markets and will reassess pricing as conditions stabilize.

If you have any questions regarding this adjustment or would like to discuss specific orders or projects, please contact your Crane Sales Representative. We sincerely appreciate your understanding and continued support.

Sincerely,

*Koustubh Kulkarni*Vice President & General Manager  
Engineered Check, NAVG, and Pacific Valves