

Air Liquide UK Ltd  
Station Road  
Coleshill  
Birmingham  
B46 1JY

30th September 2021

Dear Sir / Madam

**Re: Dry Ice Carbon Dioxide - Supply Chain Update**

Further to recent communications we are writing to provide an update regarding Air Liquide's CO2 Supply Chain and the impact this has on Dry Ice production. Please find below key points as follows:

- Given the national importance of CO2 production to a range of industries the UK Government stepped in with exceptional support for CF Fertilisers Billingham plant. This support is time limited and will not be extended beyond 12th October 2021.
- In order to move to a position where CF Fertilisers will continue production without Government support, the Government expects that CF Fertilisers will have to charge an appropriate market rate for CO2 and that this price for CO2 will be significantly above current prices
- With the backing of short term Government support, CF Industries has now restarted the Billingham plant and some CO2 is available, albeit in limited volumes.
- CF Industries has not restarted the Ince plant, where our Dry Ice production facility is based, nor advised a timeline to do so.
- We are in regular contact with CF Industries and the Government and when more information becomes available we will update you.

Air Liquide is aware that information has been distributed to the wider market by various trade bodies relating to the ongoing negotiations between CF Industries and Industrial Gas suppliers supported by the Government. We confirm that part of this negotiation includes a new price structure and contract terms significantly different to those previously in place, and as such there will be an unavoidable price increase for CO2 which will directly impact the production cost of Dry Ice. Air Liquide is grateful for your ongoing support and patience whilst negotiations are concluded.

Air Liquide remains committed to supporting your business continuity notwithstanding the supply challenges presently faced; the aforementioned disruption continues to impact CO2 stock levels and as a result our Dry Ice supply chain remains severely impacted, operating under Force Majeure.

We will continue to review CO2 availability and Dry Ice allocations on a daily basis and commit to working closely together during this challenging period in order to minimise any disruption. Air Liquide will continue to communicate with you proactively about the market position as the situation evolves.

Thank you for the ongoing support and we look forward to continuing to work with you.

Yours faithfully

Customer Services  
**AIR LIQUIDE UK LIMITED**