Colombes – June 3, 2020

Arkema announces an innovative partnership in the United States for the supply of anhydrous hydrogen fluoride, the main raw material for fluoropolymers and fluorogases

Arkema announces an innovative and long-term partnership with Nutrien Ltd, the largest integrated agricultural company in the world, for the supply of anhydrous hydrogen fluoride to Arkema's Calvert City (KY) site. This project has many advantages as it secures a competitive access to anhydrous hydrogen fluoride, the main raw material for fluorine chemistry, it supports the growth of fluoropolymers in the attractive segments of water treatment, electronics and batteries, and it offers greater environmental protection than more traditional production processes.

Arkema announces the signing with Nutrien Ltd, the largest integrated agricultural company in the world, of a long-term supply agreement for anhydrous hydrogen fluoride (AHF) for its Calvert City (KY) site, of which about half will be used for the production of high added value polymers and fluoro-derivatives, and the remainder for the production of low-GWP (global warming potential) fluorogases. This raw material is key to the manufacture of fluorine chemistry, including fluoropolymers and specialty derivatives.

As part of this agreement, Arkema will invest US$150 million in a 40 kt/year AHF production plant at Nutrien's site in Aurora (North Carolina), scheduled to start up in the first half of 2022. The agreement includes the establishment of a long-term supply contract.

In line with the Group's commitments for the environment, this AHF will be produced using an element that occurs naturally in the phosphate that Nutrien uses to manufacture its products, replacing the more usual source of mined fluorspar. Nutrien will recover the fluoride from its process and convert it to AHF at its Aurora site. This innovative investment is the first of its kind in the United States, and is perfectly in line with the Group's new climate plan as it reduces overall energy consumption and greenhouse gas emissions.

Beyond its favorable impact on the environment, the partnership offers other important benefits. In a context of growing tensions regarding mined fluorspar and AHF supply, it aims in particular to secure the supply of AHF at a stable and competitive price, and support the constant development of new applications, notably for batteries, 5G electronics, and water treatment.

This project fits perfectly with Arkema's strategy presented on April 2, as it enables, in the United States, its fluorinated polymers and other fluorinated specialty derivatives within the Specialty Materials platform to grow in a sustainable way and it strengthens the long-term competitiveness of its emissive fluorogases.

*Building on its unique set of expertise in materials science, **Arkema** offers a portfolio of first-class technologies to address ever-growing demand for new and sustainable materials. With the ambition to become in 2024 a pure player in Specialty Materials, the Group is structured into 3 complementary, resilient and highly innovative segments dedicated to Specialty Materials -Adhesive solutions, Advanced Materials, and Coating Solutions- accounting for some 80% of Group sales, and a well-positioned and competitive Intermediates segment. Arkema offers cutting-edge technological solutions to meet the challenges of, among other things, new energies, access to water, recycling, urbanization and mobility, and fosters a permanent dialogue with all its stakeholders. The Group reported sales of €8.7 billion in 2019, and operates in some 55 countries with 20,500 employees worldwide. www.arkema.com*

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