



**Private and Confidential**

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1<sup>st</sup> October 2024

Dear Mark

I am writing to advise that Forterra will be increasing the price of its Brick, Thermalite, Aggregate Block, Red Bank and Formpave products from 2<sup>nd</sup> January 2025.

This continues to be an incredibly challenging time for our industry with demand slowly recovering from a low base. Whilst our cost environment has stabilised somewhat relative to the exceptional volatility seen in recent years we are still facing more normalised levels of cost inflation, with many of our inputs increasing by mid-single digits, which we need to recover to ensure the continued success of our business. Specifically, we face increases in labour, raw materials, maintenance and repair costs as well as distribution costs where significant capacity has left the market during this downturn.

In recent years we have invested almost £140m in additional manufacturing capacity, lifting the brick capacity constraint which restricted our ability to meet customer needs as recently as 2022. We are excited that our Wilnecote brick factory will return to production in the new year bringing a significant enhancement in our product offering. We will also be able to offer the first UK manufactured extruded brick slips from our new Accrington facility. Along with Desford, this additional capacity will be essential in meeting the future demands of our customers as our markets recover.

Whilst we continue to focus diligently on controlling our own costs, input inflation means it is necessary to apply the following price increases which will take effect for all deliveries from 2<sup>nd</sup> January 2025.

**Brick**

Extruded	+5.5%
Ecostock	+5.5%
London	+2.75%
Engineering Bricks	Priced monthly by arrangement.
Special Bricks	+5.5%

**Thermalite**

Standard Strength 3.6N	+7.0%
High Strength 7.3N	+9.0%

**Aggregate Block**

All products	+4.5%
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**Red Bank**

All Products +5.5%

**Formpave**

All products +4.5%

Whilst these increases will be applied to most products in these categories, specific products may incur higher increases. Additionally, the surcharge for orders that request front end only deliveries will be increased to £454 per load.

Your account manager will contact you shortly regarding your commercial arrangements and provide you with revised price matrices.

May I take this opportunity to thank you for your business this year and look forward to continuing this relationship going forward.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Adam Smith', with a stylized flourish at the end.

**Adam Smith**  
Commercial Director