

Yara UK Limited – Section 172(1) Statement

SECTION 172(1) STATEMENT

In accordance with the Companies Act 2006 (the 'Act'), as amended by the Companies (Miscellaneous Reporting) Regulations 2018, the directors provide this statement describing how they have had regard to the matters set out in section 172(1) of the Act, when performing their duty to promote the success of the company, under section 172.

The Board always aims to act in the best interests of the company with a fair, balanced approach. The needs of different stakeholders are always considered, as well as the consequences of any long-term decision, in addition to adherence to corporate governance frameworks. More specific information is given in sub-paragraphs (a) to (f), which correspond to the individual factors disclosed under Section 172(1).

a. Long-term decision making

The Board delegates day-to-day management and decision making to management teams for the various business segments, whilst maintaining oversight of the company's performance. For long term investment decisions, the company has an approval process driven by value and business segment lines, culminating in a central investment committee to ensure overall adherence to group strategy.

b. Stakeholders: Employees

Our employees are critical to the success of the company and the company aims to empower them with reference to its values – ambition, curiosity, collaboration and accountability. Investment in employees is an essential component of our business strategy, starting at the point of recruitment and onboarding, continuing with regular training and knowledge sharing programmes and evolving personal development plans. Employees are encouraged to apply for other roles within the organisation and employment opportunities at both local and group level are advertised through the group intranet and other mediums.

Various initiatives are in place to help ensure effective collaboration between management and employees. The Yara European Works Council is a forum for employee representatives to meet for various discussions and collaboration. The Council keeps Yara employees updated on issues and acts as a strong voice on their behalf with management when it comes to significant business issues or European-level matters that may impact their working lives. In addition, town hall meetings are held at the group level, European level and local level, as appropriate, providing employees with more detailed insight into strategic thinking and allowing them further opportunity to interact with, and raise questions to, senior management on a variety of issues. Employee input is requested monthly through digital platforms allowing views to be provided on a range of subjects including diversity and inclusion, well-being, employee engagement and strategy. The option to provide this input anonymously is offered. Responses can be made directly to the employee raising comments, via local team meetings or wider town halls. Action plans are implemented to address areas identified for improvement, while ensuring areas of strength are maintained.

The intranet regularly displays articles to help keep employees informed of local and international company news along with corporate strategy developments, whilst also providing the opportunity for any employee to share their own news, successes and knowledge.

Diversity, Equity and Inclusion are important considerations for Yara. The company is committed to having a diverse workforce that offers equal career opportunities, irrespective of gender, race, age, origin, religion, disability, sexual orientation or any other status protected by law. Creating a diverse and inclusive work environment is not only the right thing to do, but it also benefits the business, leading to improved innovation and increasing employee engagement. The head office site has an Inclusion & Wellbeing Committee to initiate ideas, suggestions and discussions that will further enhance the work environment for employees.

c. Stakeholders: Suppliers, customers and others

The Yara Code of Conduct is an integral document, which guides the relationships we have with our stakeholders. The Code of Conduct outlines our commitment to ethical and compliant business practices and is applicable to all employees and business activities. Amongst other things, the company aims to ensure it is fair, responsible and ethical in its dealings with all external suppliers, customers and other business partners. Supplier payment performance metrics for the company are published twice per annum on the UK government website and we endeavour to pay suppliers to agreed terms whilst being a collaborative partner. Our accreditations may require us to carry out supplier audits to ensure compliance to legislation and ensure high standards of operation. The customer base is varied in structure and market placement. Yara aims to support and develop customer relationships with a value added offering and digital technology, whilst working with them to help find solutions that in turn enhance their own product, yield, sustainable practices or service. Where required, we participate in customer audits to ensure our own internal processes and policies continue to meet their standards and accreditations.

d. Stakeholders: Community and the environment

Yara exists in a sector where product stewardship, compliance to standards and regulatory affairs are part of its licence to operate. Alongside this, the company has input into a number of trade bodies and safety committees through which it can support the wider industry, address concerns and provide input into policies that aim to address safety and environmental issues. Each year, internal and external audits are carried out on various company procedures, for the company to maintain its quality, safety and environmental accreditations. The company works with the competent authority (HSE/EA) to ensure the risks from major accident hazards are being managed appropriately. The company performs exercises, which can include input from the emergency services and environmental agencies, to stress test response plans to any environmental or chemical situation. Recycling of waste materials generated from all areas of operation has a KPI for continual improvement, whilst energy saving initiatives are explored and encouraged.

Where possible, we endeavour to support local “grass root” sporting teams, raise funds and make donations for worthy causes.

e. Reputation for high standards of business conduct

The Board is responsible for developing the corporate culture throughout the company. Central to this culture is the company Code of Conduct which covers many aspects of corporate governance and promotes integrity and transparency in the actions of the company, the expectations of its employees and partners, and is embedded within company processes. Yara has an Ethics and Compliance team tasked with managing the Code, supporting employees and enforcing the zero-tolerance policy in relation to corruption, fraud, business partner integrity and human rights. Included within this support is the provision of a third party-managed whistle blowing process for both internal and external parties. The ethics hotline is available in over 75 languages, 24 hours a

day, seven days a week. To facilitate reporting, reports can be submitted via a number of mediums - phone, an online form or via an app. Corporate governance documentation, policies and procedures are available on the company intranet and accessible by all employees, whilst the modern slavery statement, tax policy and gender pay gap are published on our external website. Employees are trained on business conduct requirements as part of the onboarding process and, thereafter regular refresher training is provided on both the Code of Conduct and various aspects of business conduct.

Yara has risk-based due diligence and compliance requirements on business partners, particular focus is placed on retention and oversight of all agents and intermediaries. We expect all business partners to comply with all relevant laws and regulations, as well as the Code of Conduct for Yara's Business Partners. This means conducting their business in line with internationally recognised and endorsed standards in key areas such as human rights, labour conditions, sustainability, business ethics, and compliance. Yara is committed to only working with partners that fulfil these requirements, and failure to do so may result in discontinuation of the business relationship.

The company believes that all these elements help contribute towards its mission of responsibly feeding the world and protecting the planet.

f. Acting fairly as between members of the company

As the company has a single shareholder the directors do not face any potential conflicts in their need to act fairly between members of the company.