



Knowledge grows

YARA UK - ANTI-FACILITATION OF TAX EVASION POLICY

Policy Statement

It is our policy to conduct all of our business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion, whether under UK law or under the law of any foreign country.

We are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation.

We will uphold all laws relevant to countering tax evasion, including the Criminal Finances Act 2017.

The purpose of this policy is to:

- (a) set out our responsibilities, and of those working for us, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- (b) provide information and guidance to those working for us on how to recognise and avoid tax evasion.

As an employer, if we fail to prevent our employees, workers, agents or service providers facilitating tax evasion, we can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts and damage to our reputation.

In this policy, "third party" means any individual or organisation you come into contact with during the course of your work for us, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.

This policy does not form part of any employee's contract of employment and we may amend it at any time.

TAX EVASION POLICY GUIDANCE

Who must comply with this policy?

This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

Who is responsible for the policy?

The board of directors of Yara UK Limited has overall responsibility for ensuring this policy complies with our legal and ethical obligations, and that all those under our control comply with it.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it.

What are tax evasion and facilitation of tax evasion?

Tax evasion means the offence of cheating the public revenue or fraudulently evading UK tax, and is a criminal offence.

Tax evasion facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence.

Tax evasion is not the same as tax avoidance. Tax evasion involves deliberate and dishonest conduct, while tax avoidance involves taking steps to minimise tax payable in line with current law and regulations.

How do I raise a concern?

You should raise concerns about any issue or suspicion of tax evasion as early as possible, either through your line manager or using our Ethics Hotline (details of which are available on the Yara UK website). Bear in mind that it's only a corporate offence when action is deliberately and dishonestly taken to facilitate tax evasion. Also keep in mind that deliberately failing to report suspected tax evasion, or turning a blind eye, could count as criminal facilitation.

How will concerns raised by people be treated?

Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. We are committed to ensuring no one suffers any detrimental treatment as a result of:

- refusing to take part in, be concerned in, or facilitate tax evasion by another person;
- refusing to aid, abet, counsel or procure the commission of a tax evasion offence by another person; or
- reporting in good faith their suspicion that an actual or potential tax evasion offence has taken place, or may take place in the future.

“Detrimental treatment” includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If you believe you've suffered any of these in connection with raising a concern, you should inform the Yara UK HR Manager immediately. If the matter is still not remedied,

employees should raise it formally using our grievance procedure (employees can locate the grievance procedure (document reference YARA-POL-00235) on the YMS SharePoint site).

Will I receive guidance on this policy?

Where employees have questions regarding this policy, guidance should be sought from the Finance and Legal departments.

What happens if the policy is breached?

If you breach the policy you will face disciplinary action, which could result in dismissal for misconduct or gross misconduct. If any individuals or organisations working on our behalf breach the policy, we may terminate our contract with them.

Our zero-tolerance approach to tax evasion must also be communicated to all our suppliers, contractors and business partners as soon we start a business relationship with them, including in our supplier T&Cs.

TAX EVASION POLICY - DOs AND DON'Ts

You **MUST NOT**:

- ✘ engage in any form of facilitating tax evasion or foreign tax evasion;
- ✘ aid, abet, counsel or procure the commission of a tax evasion offence (in the UK or overseas) by another person;
- ✘ fail to promptly report any request or demand to facilitate the fraudulent evasion of tax (whether UK tax or overseas), or any suspected fraudulent evasion of tax (whether UK tax or overseas) by someone else;
- ✘ engage in any other activity that might lead to a breach of this policy; or
- ✘ threaten or retaliate against another individual who has refused to commit a tax evasion offence or a foreign tax evasion offence or who has raised concerns under this policy.

You **MUST**:

- ✓ ensure that you read, understand and comply with this policy;
- ✓ avoid any activity that might lead to, or suggest, a breach of this policy;
- ✓ notify your line manager or the confidential Ethics Hotline as soon as possible if you suspect a conflict with the policy has occurred or might occur in the future.

TAX EVASION - POTENTIAL “RED FLAGS”

This is a list of possible “red flags” which may raise concerns about tax evasion. The list doesn’t cover everything - these are just some of the things to look out for. If you encounter any of them, you must report them promptly to your line manager or using the Ethics Hotline.

- (a) you become aware, in the course of your work, that a third party has made or intends to make a false statement relating to tax, has failed to disclose income or gains to, or to register with, HMRC (or the equivalent authority in any relevant non-UK jurisdiction), has delivered or intends to deliver a false document relating to tax, or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority;
- (b) you become aware, in the course of your work, that a third party has deliberately failed to register for VAT (or the equivalent tax in any relevant non-UK jurisdiction) or failed to account for VAT;
- (c) a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- (d) you become aware, in the course of your work, that a third party working for us as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- (e) a supplier or other subcontractor is paid gross when they should have been paid net, under a scheme such as the Construction Industry Scheme;
- (f) a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- (g) a third party to whom we have provided services requests that their invoice is addressed to a different entity, where we did not provide services to such entity directly;
- (h) a third party to whom we have provided services asks us to change the description of services rendered on an invoice in a way that seems designed to obscure the nature of the services provided;
- (i) you receive an invoice from a third party that appears to be non-standard or customised;
- (j) a third party insists on the use of side letters or refuses to put terms agreed in writing or asks for contracts or other documentation to be backdated;
- (k) you notice that we have been invoiced for a commission or fee payment that appears too large or too small, given the service stated to have been provided;
- (l) a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us.

n.b. “Third Party” means any individual or organisation you encounter through work, including clients, potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies.