Fertiglobe

An ADNOC and OCI Company

2022 ANNUAL REPORT

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About Fertiglobe

Fertiglobe is a leader in the development of long-lasting solutions that guarantee access to food for the world's ever-growing population and low-carbon ources of energy for the world's most important industries.

A Message from Our Chairperson

H.E. Dr. Sultan Ahmed Al Jaber
Chairperson

I am delighted to present another year of growth and sustainable value creation at Fertiglobe. Over the past 12 months, we built on our previous years' success, making important progress on all our strategic longer-term priorities, including our determined focus on low-carbon ammonia and the important role it can play in energy transition, while delivering solid short-term results.

We did so while navigating some of the most challenging operating conditions in recent history, which saw businesses all over the world confront continued global supply chain fragility, an increasingly complex geopolitical landscape, decade-high inflation rates, and a widespread tightening of monetary policies. Nevertheless, Fertiglobe was able to deliver solid results, leveraging the unique strengths of its business, the team's extensive expertise, and its sound financial policies and investments.

If this past year has taught us anything, it is that energy and food security are the foundation of all progress, whether economic, social, or climate-related. At Fertiglobe, we have a responsibility and an opportunity to lead in the development of long-lasting solutions that guarantee access to food for the world's ever-growing population and sustainable sources of energy for the world's most important industries.

> "Fertiglobe's low-carbon ammonia strategy fits perfectly with the role that Abu Dhabi and the UAE are looking to take in leading the global energy transition and developing the green hydrogen economy."

On the one hand, our position as one of the world's largest nitrogen fertilizer producers, our strategically located production and distribution network, and our young, state-of-the-art assets see us play a frontline role in easing food security concerns by delivering essential products to agricultural markets across the globe. On the other hand, leveraging our access to renewable energy sources, and the complementary expertise, resources, and relationships of our majority shareholders, ADNOC and OCI Global (previously OCI N.V.), we are looking to take on an increasingly central role in driving the development of the low-carbon ammonia industry and the decarbonization of the global economy.

As an Abu Dhabi-based company with strong ties to the UAE, we are firm supporters of the government's long-term vision and are honored to be playing an active role in helping it become a reality. Fertiglobe's low-carbon ammonia strategy fits perfectly with the role that Abu Dhabi and the UAE are looking to take in leading the global energy transition and developing the green hydrogen economy. With COP28 being hosted by the UAE, we are excited to be part of this journey, working together with our partners, customers, and stakeholders toward a more sustainable future. Meanwhile, with Fertiglobe's IPO having been one of the largest ever on the Abu Dhabi Securities Exchange (ADX), we are proud to be supporting the development of the UAE's private sector and strengthening Abu Dhabi's vibrant capital market.

While focusing on long-term innovation and value creation, we also keep sight of our shorter-term targets, and in 2022, we delivered strong top- and bottom-line growth supported by attractive pricing and market dynamics. More specifically, revenues for the year stood at $5.0 billion and net profit attributable to owners was $1.2 billion. Our strong financial performance, coupled with our robust capital structure and healthy cash conversion metrics, saw us announce total dividends of $1.45 billion for 2022, making good on our promise to shareholders and highlighting our confidence in the robustness of our business model and our growth potential.

While the challenges faced in 2022 are likely to remain with us throughout the coming months, I am confident that we have a robust strategy and the financial solidity to continue shielding the business from short-term market fluctuations and deliver long-term, sustainable growth. Looking ahead, I am particularly excited to take the next step on Fertiglobe's sustainability journey as we ramp up our production and distribution efforts to bring our products to where they are most needed around the world. Following shipments of low-carbon ammonia to customers in Asia, we ended 2022 on a strong note, completing the first shipment of ammonia from the UAE to Germany, an important first step in creating a global hydrogen value chain. Over the next years, we are looking to build on this to deliver on our vision and promises to stakeholders, and we are excited about the prospect of progressing the Ta'ziz low-carbon ammonia project further in the months to come.

As with all our previous accomplishments, none of what we achieved this past year would have been possible without the tremendous work that our team puts in day in and day out, and I look forward to embarking on this next chapter of our story with them.

H.E. Dr. Sultan Ahmed Al Jaber
Chairperson

Fertiglobe at a Glance

As a global leader in the production and export of urea and ammonia, **Fertiglobe is powering the industries of tomorrow and leading the decarbonization** of industry, food, transport, and energy.

Established in 2019 as a strategic partnership between the Abu Dhabi National Oil Company (ADNOC) and OCI Global, Fertiglobe is currently the world's largest seaborne exporter of urea and ammonia combined, and the number one producer of nitrogen fertilizers by production capacity in the Middle East and North Africa (MENA) region. As a leader in merchant ammonia and early mover in low-carbon ammonia projects, Fertiglobe also aims to play a role in the decarbonization of industry, food, transport, and energy, and it is ideally placed to further strengthen its leadership position in the coming years as the demand for renewable and low-carbon ammonia continues to grow. Fertiglobe is headquartered in Abu Dhabi, incorporated in Abu Dhabi Global Market (ADGM), and it has been listed on the Abu Dhabi Securities Exchange (ADX) since October 2021.

Fertiglobe operates four world-class production facilities located across the UAE, Egypt, and Algeria. Today, the company boasts an annual production capacity of 5.1 million metric tons of urea and 1.6 million metric tons of merchant ammonia. In parallel, the company enjoys unique distribution capabilities, and through both its strategically situated storage and distribution infrastructure and its direct access to key ports on the Mediterranean, Red Sea, and Arabian Gulf, is able to serve agricultural and industrial customers in 35 countries around the world.

Across its production facilities and headquarter offices, Fertiglobe employs more than 2,700 employees, upholding safety and operational excellence standards in line with global best practices. Last year, the company launched a new operational excellence strategy aimed at maximizing its production efficiencies, minimizing its emissions and waste, and maintaining its industry-leading health and safety records. Improvements were witnessed across the board throughout 2022, and management remains committed to delivering further enhancements in the coming years.

Our Purpose

We aim to responsibly drive sustainable agriculture, fuel, and industrial feedstock by producing and distributing essential products to customers around the world.

Our Values

We Are Performance-Driven

We have a strong track record of operational excellence. We always strive to deliver high-quality services to our customers in a reliable, efficient, and cost-effective manner.

We Are Responsible

We believe in accountability. We uphold the highest standards of ethics and have an unwavering commitment to the health and safety of our employees, local communities, and the environment.

We Are Collaborative

We value the benefits of combining our complementary experiences and resources to deliver mutual success. Above all, we value our people, and are committed to their development and to fostering a respectful and inclusive environment in which they can thrive.

Our Investment Highlights

Largest seaborne exporter of urea and ammonia combined globally, with a unique ammonia platform

High-quality asset base at an **attractive cost curve** position, underpinned by long-term feedstock contracts

State-of-the-art, young asset base and global storage and distribution capabilities, strategically located to reach key global markets

Early mover advantage in renewable and low-carbon ammonia, providing an ideal position to drive the energy transition

Attractive dividend capacity supported by strong FCF generation and robust capital structure across commodity cycles

Multi-pronged growth strategy centered on important non-GDP growth levers

A Snapshot of 2022 Performance

Financial

Revenue	Adj. EBITDA	Net Profit	Free Cash Flow	Total Sales Volumes[1]	Dividends Paid[2]
$5,028m	**$2,473m**	**$1,820m**	**$1,912m**	**6.52mt**	**$1,090m**
+52% y-o-y	+59% y-o-y	+87% y-o-y	+62% y-o-y	2021: 6.59mt	2021[3]: $1,444m

[1] Total sales volumes include own-produced and third-party traded urea and ammonia.
[2] This includes H2 2021 dividends of $340 million, paid in April 2022, and H1 2022 dividends of $750 million, paid in October 2022. H2 2022 dividends of $700 million are yet to be approved by shareholders at the Annual General Meeting (AGM) and are payable in April 2023. These bring total announced dividends for 2022 to $1,450 million.
[3] 2021 dividends were paid pre-IPO and include an $850 million special pre-IPO dividend.

Sustainability

GHG intensity	Energy Intensity	Freshwater Intake	Water Intensity	Renewable Electricity Purchased
3.03	**38.44**	**8%**	**2.45 m^3**	**70%**
ton CO2e/N-tons 2021: 3.05	GJ/ton of ammonia produced 2021: 37.76	Freshwater intake/total water intake 2021: 11%	Water consumed/ton produced 2021: 2.52	Share of purchased electricity from renewable sources 2021: 0%

Lost Time Injury Rate (LTIR)	Total Recordable Incident Rates (TRIR)	Corruption Incidents	Anti-Bribery & Corruption Training	Compliance Investigations
0.02	**0.27**	**0**	**83%**	**100%**
Per 200,000 hours worked 2021: 0.19	Per 200,000 hours worked 2021: 0.28	Number of cases	Completion rate for anti-bribery & corruption e-learning	Compliance concerns investigated

A Snapshot of 2022 Performance – Continued

Revenue by Segment

$ million

5,028

2022

- Own Products 83%
- Third-Party Trading 17%

Adjusted EBITDA by Segment

$ million

2,473

2022

- Own Products 99%
- Third-Party Trading 1%

Sales Volumes

million tons

6.52

2022

- Ammonia 23%
- Urea 77%

Our Employees

2,761

2022

- Egypt 42%
- Algeria 30%
- UAE 28%

Female Representation in Senior Roles

18%

2022

- Female Representation in Senior Roles

Our Customers by Region (2022)

- Europe 40%
- Asia 23%
- Africa 11%
- South America 8%
- Oceania 7%
- North Africa 7%
- Middle East 3%
- North America 1%

Key Highlights for 2022

Participation in COP27

In November 2022, Fertiglobe participated in COP27. The conference, which was held in Sharm El-Sheikh, achieved significant progress on multiple fronts, including sustainable agriculture, food security, and the development of green hydrogen.

Commissioning of First Phase of Egypt Green

During the COP27 conference in November 2022, Fertiglobe, Scatec, Orascom Construction, and The Sovereign Fund of Egypt announced the commissioning of the first phase of "Egypt Green", Africa's first integrated green hydrogen plant, during the UN Climate Summit.

Trial Shipment of DEF

In late 2022 and in early 2023, Fertiglobe completed several trial shipments of diesel exhaust fluid (DEF) into Europe, demonstrating its versatility and furthering its sustainability strategy.

Index Inclusions & Investment Grade Credit Ratings

In 2022, Fertiglobe was included in the FTSE ADX 15 and FTSE Emerging Markets indices and was issued its first investment grade ratings by S&P, Moody's, and Fitch (BBB-, Baa3, and BBB-, respectively), recognizing our strong free cash flow generation, conservative financial policy, and robust outlook.

UAE Project Announcements and Progress

In January 2022, Fertiglobe signed a collaboration with Masdar and ENGIE to study the co-development of a green hydrogen facility in the UAE to support the production of green ammonia. In addition, Fertiglobe continued to make progress on the Ta'ziz 1 million ton low-carbon ammonia project in partnership with Ta'ziz, GS Energy Corporation, and Mitsui & Co., Ltd, leading to the signing of the shareholders' agreement and the EPC contract in early 2023. These projects represent a great opportunity for both Fertiglobe and the UAE, as the country continues to ramp up its sustainability efforts in the lead up to COP28 hosted in the UAE later in 2023.

ISCC PLUS Certification

In November 2022, Fertiglobe became one of the first companies to receive the prestigious ISCC PLUS Certification for its recently commissioned "Egypt Green" hydrogen plant in Egypt. The important milestone sets the stage for Fertiglobe to maintain its leading position in the low-carbon and renewable ammonia space.

Capital Structure Optimization

At the end of 2022, Fertiglobe refinanced the outstanding $900 million bridge facility with new three-year ($300 million) and five-year ($600 million) term facilities and increased the capacity of its RCF from $300 million to $600 million, providing ample liquidity. The new capital structure creates additional flexibility for Fertiglobe to pursue growth opportunities, sustain an attractive dividend pay-out, and maintain its investment grade credit ratings.

Our Products, Operations, and Reach

Our Products

Fertiglobe's product portfolio comprises of ammonia, which is used both as a building block for other fertilizer products and sold to industrial and agricultural customers; urea, which is sold to both agricultural and industrial customers; and diesel exhaust fluid (DEF), which is also known as AdBlue in Europe and is sold primarily to industrial customers.

The company's products provide an effective source of nitrogen, the essential nutrient for crop growth, to its customers around the world and play an essential role in achieving global food security. Moreover, new uses of ammonia have been emerging as part of the nascent low-carbon hydrogen economy, where low-carbon ammonia is increasingly serving as an efficient energy carrier or as a low-carbon fuel.

Our Operations

Fertiglobe operates across a diverse regional footprint with four world-class production facilities in three countries. These include Ruwais Fertilizers Industries – Sole Proprietorship LCC (Fertil) in the UAE, Egyptian Fertilizers Company (EFC) and Egypt Basic Industries Corporation (EBIC) in Egypt, and Sorfert in Algeria. Together, the company's facilities have an annual production capacity of 6.6 million tons of sellable urea and merchant ammonia, making Fertiglobe the largest nitrogen producer in the MENA region and the largest seaborne exporter of nitrogen fertilizers globally. The company also boasts the largest ammonia export production capacity in the MENA region and ranks among the top three globally.

Our Reach

Centrally coordinated out of Abu Dhabi, Fertiglobe's global distribution network includes branches, agents, and strategic partnerships across Europe, Australia, Asia, and the Americas. This enables the company to effectively reach a diverse customer base across 35 countries and provides it with market insights and wide-ranging expertise to further optimize its operations and offering.

> "Fertiglobe's global distribution network includes branches, agents, and strategic partnerships across Europe, Australia, Asia, and the Americas."

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Countries reached by Fertiglobe's distribution and strategic partnership network

A Global Footprint

Our Story

Established in 2019, Fertiglobe leverages the multi-decade experience of OCI Global and ADNOC to deliver **sustainable value to its customers and wider communities.**

A Multi-Decade Story of Excellence

- **1983** ADNOC's Fertil-1 facility in Abu Dhabi commences production
- **2000** OCI Global's EFC-1, located near the port of Ain Sokhna in Egypt, commences production
- **2005** OCI Global acquires a 30% stake in EBIC and commences construction of the facility
- **2006** OCI Global's EFC-2 commences production
- **2007** OCI Global acquires 100% of Egyptian Fertilizers Company (EFC)
- **2009** OCI Global's EBIC complex, located near the Ain Sokhna Port, commences production

  OCI Global acquires an additional 30% stake in EBIC
- **2013** Operations kick off at OCI Global's Algerian Sorfert facility

  Fertil-2 begins production
- **2019** Fertiglobe is established as a strategic partnership between OCI Global and ADNOC
- **2021** Fertiglobe acquires an additional 15% in EBIC

  Successful listing on ADX in landmark IPO
- **2022** Fertiglobe commissions first phase of 100 MW green hydrogen plant in Ain Sokhna

  Trial shipments of DEF to Europe

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Strategic Report

In 2022, Fertiglobe successfully navigated a mix of challenges, leveraging the flexibility of its business model, the breadth of its global reach, and its operational and commercial capabilities.

CEO Message

Ahmed El-Hoshy
Chief Executive Officer

> At Fertiglobe, we understand and take pride in the integral role that our products play in driving the transition to sustainable agriculture and the development of low-carbon fuel and industrial feedstock solutions.

I am very pleased with all that Fertiglobe has been able to achieve in 2022 thanks to the flexibility of our business model, the breadth of our global reach, and our operational and commercial capabilities. Despite a challenging geopolitical and macroeconomic environment in 2022, creating volatility in commodity markets, and impacting many lives globally, we remained true to our strategy and vision, achieving important milestones across all areas of focus while capitalizing on favorable market dynamics to deliver growth and stakeholder value. We achieved all this while maintaining our unwavering commitment to safety, a key focus area for all of us at Fertiglobe and where we have made considerable improvements since the start of the year. All of this combined sees us enter 2023 well-placed to remain at the forefront of a constantly evolving industry and continue to set the pace in product innovation and sustainability, which are at the core of our long-term strategy.

Health and Safety First

While Fertiglobe consistently achieves some of the lowest total recordable incident rates (TRIR) in the industry, we are firm believers that every incident is avoidable and, as such, we are committed to fostering a culture of zero injuries across all of our production sites. In line with this commitment, we worked tirelessly throughout 2022 to improve health and safety through monitoring, prevention, and reporting across all of our plants, and we continued to run awareness programs for all employees and contractors. We have rolled out several campaigns dedicated to fostering a healthy work environment, which we are continuing to run and develop, and said campaigns have already started to deliver notable improvements in line with our long-term targets. Overall, we are very satisfied and proud of the visible changes in our people's approach to health and safety and are confident that we are on the right track to remain trendsetters in the realm of safety and occupational standards in the years to come.

Strong Growth and Robust Profitability

Meanwhile, throughout 2022, strong demand and favorable prices translated into a robust performance. Utilizing its highly competitive feedstock, as well as production and logistics advantages, Fertiglobe produced and distributed essential products to the global markets during a year in which energy pricing and supply chains jeopardized the availability of fertilizers. Looking at our 2020 results in more detail, revenues increased by 52% year-on-year to record $5,028 million on the back of higher selling prices driven by market tightness and our industry-leading commercial capabilities. This supported an expansion of 59% in our adjusted EBITDA, which recorded $2,473 million. Similarly, net profit increased a remarkable 87% year-on-year to record $1,820 million. Free cash flow generated during the year also recorded a notable rise, up by 62% to $1,912 million in 2022. In line with our expectations, our strong earnings and cash generation capabilities saw us turn to a net cash position by the end of Q1 2022, which continued through year-end, providing us with ample flexibility and resources to pursue future growth opportunities and distribute attractive dividends.

Leadership in Sustainability

At Fertiglobe, we understand and take pride in the integral role that our products play in driving the transition to sustainable agriculture and the development of low-carbon fuel and feedstock solutions. As a global leader with significant scale and reach, we are keen to leverage our influential position to spur innovation and progress across the wider industry and accelerate the adoption of cleaner business practices and the development of more sustainable products. In line with these ambitions, we continued to take calculated yet ambitious steps forward over the course of 2022 on our low-carbon ammonia strategy, which aims to capitalize on the advantages offered by green hydrogen and low-carbon ammonia.

We kicked off 2022 announcing a landmark collaboration with Masdar and ENGIE to study the co-development of a green hydrogen facility in the UAE to support the production of green ammonia. The project represents a great opportunity for both Fertiglobe and the UAE as a whole, as the country continues to ramp up its sustainability efforts in the lead up to COP28, which will be hosted by the UAE later this year. Throughout 2022, Fertiglobe also continued to run pilot shipments of low-carbon ammonia to key markets, including its first shipment to Germany completed in Q4 2022. We also began the commissioning of the first phase of Egypt Green Hydrogen, the first integrated green hydrogen plant in Africa, which will, at full scale, produce up to 90 ktpa of green ammonia at our Egyptian facilities. In the early months of 2023, we made progress with the one-million-ton low-carbon ammonia project in the UAE in partnership with Ta'ziz, GS Energy Corporation, and Mitsui & Co., Ltd. Following the landmark signing of the Shareholders' Agreement in January 2023, Fertiglobe has, on behalf of the project, signed the EPC contract with Tecnimont S.p.A.

In 2022, we also expanded our sales portfolio via trial shipments of diesel exhaust fluid (DEF) into Europe, further demonstrating our versatility in the prevailing tight markets and fitting well within our sustainability, as well as our overall commercial strategy. We see robust demand growth for DEF, an industrial product used to reduce harmful NOx emission from diesel engines, which are used every day across the world.

While progress has been made, this is just the beginning. In 2023 we are looking to further develop our low-carbon ammonia platform and, by executing on our hydrogen strategy, continue to play a leading role in the world's and the UAE's decarbonization journeys.

Investing in Our Assets

Last year, we launched our operational excellence strategy aiming to maximize our production while minimizing our impact on the environment. Front and center in our operational excellence strategy is the continued investment in our assets as we look to boost their reliability, energy efficiency, and process safety. Over the past twelve months, we continued to invest in our assets, learning from our previous experiences to deliver optimized outcomes. I am particularly delighted to report that in November 2022, we successfully completed two major production line turnarounds at our Fertil-2 and EBIC production lines, with both projects completed without any lost time injury (LTI). This followed the successful turnarounds of Sorfert-1 and Fertil-1, which were completed in 2021 and already started producing robust results in 2022. Another 2022 highlight was the successful construction of a reverse osmosis unit in Egypt to allow the plants to accept desalinated water. The project, which was completed in record time, now means zero freshwater consumption in a water-stressed region, further improving our environmental footprint.

Looking Ahead

In the coming year, we will continue leveraging our unique business model and proven strategies to navigate an uncertain operating environment and capitalize on the important growth opportunities offered by our industry. As such, our priorities remain unchanged as we head into 2023. As always, we are looking to continue delivering essential fertilizer in the immediate term to our customers globally, as well as sustainable growth and value to our shareholders. We are confident that our disciplined commercial strategy and distribution capabilities will allow us to manage inventories close to main demand centers, placing us well to serve key import markets. This positions Fertiglobe well to weather the volatility we saw in nitrogen pricing over the last months, with prices having declined, mainly due to a sharp reduction in marginal costs of production in Europe. Still, we view nitrogen market fundamentals as healthy in both the medium and longer term, underpinned by tight supply, healthy farm economics, and decades-low grain stocks globally, with another boost to affordability from the lower nitrogen prices providing strong incentives to apply nitrogen fertilizers. Moreover, we expect demand upside for our industrial business, supportive of ammonia, primarily driven by a recovery in China, lower energy prices that support global industrial demand, and an improving outlook for global growth. Meanwhile, as the global hydrogen economy continues to develop, we are ever more committed to taking a frontline role in driving its growth and in playing a role in the decarbonization of the global industry, leveraging our capital structure to pursue new, value-accretive growth projects while maintaining our capital allocation commitments.

Recognition

In 2022, Fertiglobe was included in the FTSE ADX 15 and FTSE Emerging Markets indices and was issued its first investment grade ratings by S&P, Moody's, and Fitch (BBB-, Baa3, and BBB-, respectively), recognizing our strong free cash flow generation, conservative financial policy, and robust outlook. We take pride in these achievements and are committed to continuing to operate a responsible, growth-oriented, and sustainable business.

Dividends and Capital Structure

At Fertiglobe, we adhere to a clear dividend policy, which aims to distribute the company's excess free cash flow after providing for growth opportunities while maintaining our investment grade parameters. Thanks to our competitive position on the global cost curve, superior free cash generation abilities, and our net cash position, we remain well-positioned to return capital to our valued shareholders. During 2022, Fertiglobe distributed $1,090 million in cash dividends. Meanwhile, supported by our strong results in the second half of 2022, Fertiglobe recently announced H2 2022 dividends of $700 million, in line with our guidance communicated in November 2022. This takes our total 2022 dividends to $1,450 million, positioning Fertiglobe as one of the highest dividend payers in our industry by dividend yield.

Finally, I would like to thank the Fertiglobe team for their commitment to excellence, safety, and performance. From our production site personnel and our global distribution teams to our management team and our valued Board members, each and every one has played an instrumental role in helping us realize our mission and deliver on our promises. I look forward to working closely with you to make 2023 another year of success.

Ahmed El-Hoshy
Chief Executive Officer

Our Business Model and Strategy

Responsibly driving sustainable agriculture, low-carbon fuel, and feedstock by producing and distributing essential products to existing and new customers around the world.

Fertiglobe's business model is predicated on several key pillars that ensure the company continues to deliver essential nitrogen fertilizers to the agricultural industry, serving a rapidly growing world population in a cost-effective and safe manner. The company's approach builds on the multi-decade experience of its parent companies, ADNOC and OCI Global, both of which boast extensive track records of successful strategy delivery and value creation.

Our Growth Strategy Centers on Three Key Pillars

Operational Excellence

Operational excellence is at the heart of Fertiglobe's strategy. Across all aspects of the organization, Fertiglobe is committed to excellence, and last year, we launched an operational excellence program to maximize production efficiencies, minimize emissions and waste, and maintain its industry leading health and safety records. Fertiglobe's operational excellence program is founded on three key pillars: (i) process safety and asset reliability, (ii) energy efficiency, and (iii) cost optimization. The program leverages existing expertise across its platform to share best practices, provide in-house technical support, and cooperate on committees to implement preventative and predictive programs, including the assessment of the end-of-life of equipment and associated systems. Ultimately, the program aims to drive improvements in utilization rates toward maximum proven capacity (MPC) and improve energy efficiency to deliver additional annual EBITDA in excess of $100 million over the coming years.

Thanks to its focus on debottlenecking and capacity optimization, Fertiglobe has already achieved significant incremental capacity above design and has been recording higher and steady utilization rates, allowing it to extract more value out of its asset base. Building on this, value-accretive engineering opportunities are continuously assessed to further increase production at attractive capital costs. Fertiglobe believes operational excellence does not stop at the gates of its plants, and the company holds all suppliers and business partners to the standards set out in its Business Partner Code of Conduct.

Fertiglobe's Approach to Operational Excellence

Process Safety & Reliability

- Site-led improvement programs reflecting site-specific process safety and reliability priorities
- Global reliability program focused on the identification and elimination of repeated issues
- Structured readiness reviews for major turnarounds to improve completion times, competitiveness, and predictability

Energy Efficiency

- Energy-efficient designs featured by Fertiglobe's young asset base
- Immediate focus on operational excellence, supported by industry leading monitoring tools
- Identify and pursue further efficiency through select value-accretive investments

Cost Optimization

- Capital deployment optimization and centralized capex review framework
- Central procurement strategy and global framework agreements
- Best practice sharing and interchange of resources and expertise between OpCos

Robust HSE Policies with an Exemplary Safety Record

Fertiglobe believes that the health and safety of its employees are essential to the successful conduct and future growth of the business, and the company has been committed to providing a safe and healthy workplace for all employees and stakeholders since inception. All aspects of the company's operations are guided by strict HSE policies to avoid potential risks to people, communities, assets, and the environment. While an overarching HSE policy is in place across the entire company, Fertiglobe's management and Board of Directors, in coordination with the Group HSE team, also implement facility-specific policies and strategies to ensure that improvements are made in a timely and effective manner across all production plants.

A key pillar of Fertiglobe's HSE policy is safety, with the company working tirelessly to achieve leadership in safety and occupational health standards across its operations. By fostering a culture of zero injuries at all production facilities, and continuously improving health, safety, and environmental monitoring, prevention, and reporting across its plants, Fertiglobe has successfully decreased its total recordable injury rate to 0.27 incidents per 200,000 man hours in 2022, down from 0.28 recorded in 2021, and well below an industry average of 1.21. While management takes immense pride in the improvements achieved up to this point, it is cognizant that more can be done, and it continues to prioritize enhancements to safety procedures and training every step of the way. More specifically, to ensure the company continues to improve its performance, it runs an awareness program and refresher sessions for all employees and contractors as part of its training program and continues to reinforce, monitor, and update its HSE standards and policies on a regular basis.

Further details on the company's approach to HSE are available starting page 89 of this report.

Strategic Asset Base

Fertiglobe's state-of-the-art production facilities are a key pillar for sustainable, cost-effective growth and to guarantee delivery on its operational excellence targets. The company's four production plants are strategically located across the MENA region and enjoy direct access to six key ports and distribution hubs by the Mediterranean Sea, Red Sea, and the Arabian Gulf. Their strategic positioning allows Fertiglobe to easily access all major end markets and to optimize volumes routing east and west of the Suez Canal, creating significant freight and duty advantages and synergies. Moreover, across its production footprint, Fertiglobe benefits from secure, long-term, competitive natural gas supply contracts and comparatively low conversion rates. Together, these factors have enabled the company to consistently operate at an attractive point on the global exporter cost curve in both ammonia and urea.

Fertiglobe's strategic advantage over competitors also stems from its relatively young asset base, which currently sees 50% of its capacity aged under 10 years. This is well above industry averages, which sees around 80% of ammonia plants globally currently older than 20 years. The relative youth of Fertiglobe's plants translates into low maintenance capex, and it allows for a much better environmental footprint versus traditional coal and older gas-based plants. Across its plants, Fertiglobe employs overlapping technologies, allowing for cost-efficient and synergistic maintenance, and boosting cost-savings and free cash flow. On the reliability front, while Fertiglobe already boasts attractive utilization rates, the company is committed to improving them further, with its young, state-of-the-art asset base; operational excellence program; and manufacturing improvement plan, all playing crucial roles to deliver on this target.

Additional information on Fertiglobe's production facilities is available on pages 30-39 of this report.

> Behind Fertiglobe's consistent growth lies its unwavering commitment to safety, as well as operational and commercial excellence.

Centralized Commercial Strategy

Behind Fertiglobe's consistent growth lies its unwavering commitment to commercial excellence. The company's commercial operations and strategy are centralized and ultimately aim to expand its presence across existing and new key markets, maximize netback prices, and further capture downstream value. Fertiglobe's commercial strategy is focused on three main pillars: (i) increase market penetration to further maximize netbacks, (ii) increase volumes traded through in-house distribution business, and (iii) expand product offering to capitalize on long-term growth potential.

Front and center in Fertiglobe's commercial strategy is its extensive global footprint. As at year-end 2022, the company boasts a broad inland storage and distribution infrastructure, enabling it to reach customers in 35 different countries all over the world. Thanks to its strategic production footprint, the company is able to target customers both east and west of the Suez Canal, setting it apart from many competitors that opt for narrower focuses. The company is actively exploring opportunities to optimize its distribution and production capabilities through acquisitions, partnerships, joint ventures, business combination transactions, or other major transactions that are in line with its strategic goals and financial return expectations. When assessing new opportunities, the company evaluates any potential transactions against its strict financial policies and return requirements. Similarly, the company's sales and marketing platform currently enjoys an on-the-ground presence across seven key markets with plans to increase this by a further nine markets by 2025.

Meanwhile, in line with Fertiglobe's innovative nature, the company is constantly on the lookout for new products to launch and new subsegments of the market to penetrate to ensure it remains at the forefront of a fast-changing industry. This includes exploring non-fertilizer applications for ammonia and urea, such as DEF and the use of renewable and low-carbon ammonia as a shipping fuel in the future. With its strategic locations near major shipping routes, Fertiglobe is well-positioned to capture additional demand from these growing application fields across both products. Similarly, as demand for renewable and low-carbon ammonia continues to rise, Fertiglobe is committed to leveraging its existing strategic advantages to capture a significant share of this high-potential market.

Additional information on Fertiglobe's global distribution capabilities and product portfolio are available on pages 28 and 29 of this report.

Leadership in Renewable and Low-Carbon Ammonia

Fertiglobe is committed to being an environmental steward and to capturing the significant opportunity offered by the global shift to cleaner energy sources. With ammonia's end markets covering food, fuel, and feedstock, the company believes that low-carbon and renewable ammonia represents an opportunity to decarbonize a sizable portion of today's global greenhouse gas (GHG) emissions across agricultural, industrial, and transportation sectors.

Fertiglobe is ideally positioned to capture a growing share of this new market, leveraging its development expertise, unique geographical position, shareholders' relationships, and unmatched global footprint. The company boasts a multi-decade success track record in ammonia production and distribution, and today, it is a leading global exporter of seaborne merchant ammonia. This offers plug-and-play capabilities in the renewable and low-carbon ammonia transition. It also enables the company to tap into an experienced in-house team with wide-ranging technical expertise developed over multiple decades. Meanwhile, with its production facilities located across Egypt, Algeria, and the UAE, Fertiglobe enjoys access to ample low-cost solar and wind resources, key inputs in the production of renewable ammonia. Its production facilities are also in close proximity to important low-carbon import markets within the EU and Asia, placing it at an advantage versus competitors. The company also boasts an unmatched global footprint that enables it to efficiently reach key markets around the world in a cost-effective manner and benefits from strong shareholder support, including ADNOC's experience in carbon capture, OCI Global's global downstream ammonia infrastructure, as well as their long-lasting relationships with local governments and renewable sector players. Coupled with Fertiglobe's financial firepower, these factors place the company in a strong position to pursue value-accretive projects targeting high-impact initiatives while maintaining strong capital discipline.

How We Create Value

A Holistic Approach to Maximize Value

Fertiglobe's Mission

As a global leader in the production and distribution of ammonia and urea, Fertiglobe aims to create sustainable value for all stakeholders and deliver sustainable solutions to its customers. The company takes a holistic approach to creating value as it works to optimize all available resources, thereby maximizing its positive financial, social, and environmental impacts for a greener future.

Input Capital & 2022 Indicators

Financial	Environmental	Infrastructure	Social	Governance
$5.5 BN Total assets $3.2 BN Equity	**162,654** TJ Energy consumed **63.27** M M³ Water withdrawn **70%** of all purchased electricity is from renewable sources.	**4** Production plants **6.6** MT Production capacity **>850** KT urea and **225** KT ammonia storage capacity (including partnerships)	**2,761** Employees A reward structure linked to performance and value drivers	**11** Board directors **3** Board committees **OCI Global/ADNOC** Strategic backing

A Proven Strategy

Operational Excellence	Centralized Commercial Strategy	Leadership in Renewable and Low-Carbon Ammonia
Page 19–21, 67	**Page 22, 28–29**	**Page 22–23, 59–61**

Output Capital & 2022 Indicators

Financial	Environmental	Infrastructure	Social	Governance
Consistent financial growth and maximized free cash flow $**5.0** BN Revenue $**2.5** BN Adj. EBITDA $**1.9** BN FCF $**1.09** BN Dividends paid in 2022 $**1.45** BN Dividends announced for FY 2022	Minimized environmental impact of operations and development of innovative renewable and low-carbon solutions **3.03** GHG intensity **8%** Freshwater intake **32%** Waste reused, recycled, or recovered	Nitrogen-based solutions to help feed to world and drive decarbonization of key industries **6.52** MT Ammonia and urea own-produced and third-party traded sales volumes Production and shipment of several low-carbon ammonia and DEF test cargoes	Safe, fair, and stimulating work environment for all employees **0.02** LTIR **0.27** TRIR **12**% Growth in female employees Top quartile compensation in all of Fertiglobe's locations	Ethical behavior and decision-making and creation of value for our stakeholders

Material Topics

Financial	Environmental	Infrastructure	Social	Stakeholders
• Responsible business practices	• Climate change action • Water in our operations • Resource use and circular economy	• Product stewardship • Climate change action • Sustainable innovation and technology	• Employee engagement, talent, and development of own workforce • Health, safety, and wellbeing • Diversity and inclusion in our own workplace • Human and labor rights	• Responsible business practices • Local community engagement

SDGs*

Financial	Environmental	Infrastructure	Social	Stakeholders
8 Decent Work and Economic Growth	12 Responsible Consumption and Production 13 Climate Action	2 Zero Hunger	8 Decent Work and Economic Growth 5 Gender Equality 10 Reduced Inequalities	8 Decent Work and Economic Growth

*The United Nation's (UN) Sustainable Development Goals (SDGs) are a call for action by all countries to promote prosperity while protecting the planet.

Our Products

We are committed to developing products and initiatives to **provide low-carbon and more sustainable solutions to our customers,** and we aim to **grow the share of sustainable products in our portfolio.**

Our Fertilizers

Granular Urea

Granular urea is a white, crystalline, solid fertilizer with a nitrogen content of approximately 46%. Produced at high pressure and temperature from the reaction of ammonia and carbon dioxide, Urea has the highest nitrogen content of any solid nitrogen fertilizer. While Urea is used mainly as a fertilizer, it is also used as a raw material in industrial applications, such as the production of resins, melamine, DEF, and animal feedstock. Its high nitrogen content and straightforward handling and transportation make urea the most traded nitrogen fertilizer in the world by volume.

Merchant Ammonia

Ammonia, which has the highest energy density compound among non-hydrocarbon products, is a colorless gas produced under high temperature and pressure from the combination of nitrogen (82%) and hydrogen. It is a key building block for industrial chemicals and nitrogen fertilizers, and it can be applied directly as a fertilizer. The principal raw material used in the traditional production process of ammonia is natural gas, which Fertiglobe sources through long-term supply contracts with partners across its countries of operation.

Together, ammonia and urea represent 57% of a crop's annual nutrient requirements. Today, only around 10% of produced ammonia is traded (merchant ammonia), with the majority upgraded to other nitrogen products (urea/nitrates/DAP/MAP). Fertiglobe currently caters primarily to the global merchant ammonia market.

Our Sustainable Product Offering

Ammonia

Renewable ammonia: Fertiglobe is on track to becoming one of a few producers using hydrogen from electrolysis of renewable electricity at its Egyptian facilities.

Low-carbon ammonia: Fertiglobe has produced and shipped several test cargoes of low-carbon ammonia from its UAE ammonia plant using low-carbon hydrogen produced from natural gas with carbon capture.

Value Proposition

Fertiglobe received the ISCC PLUS certification for renewable ammonia at its Egyptian facilities. The sustainable product and mass balance system is ISCC PLUS certified and can be used to produce green downstream products. The GHG footprint is at least

50% lower compared to grey ammonia and can be decarbonized further depending on customer requirements.

Main Demand Areas

- Sustainable fertilizers made from renewable or low-carbon ammonia offer GHG intensity reduction, lowering GHG footprint of the food value chain.
- Marine fuel to lower GHG emissions and other air pollutants in shipping to meet FuelEU Maritime (and potential International Maritime Organization) mandates, lower EU's Emission Trading Scheme exposure, and voluntary scope 3 reduction (e.g.: the Cargo Owners for Zero Emission Vessels, coZEV, coalition of cargo owners to accelerate decarbonization of shipping).
- Decarbonization of scope 3 in chemical industries as ammonia is a base chemical that goes into many products, such as consumer goods and medicines, and it is also used in refrigeration, pulp, paper, and textile production processes.
- Low-carbon ammonia can be used in power generation to reduce GHG emissions, with emerging demand to co-fire coal-based power plants.

Expanding Renewable and Low-Carbon Ammonia Platform

As a leader in merchant ammonia and an early mover in renewable and low-carbon ammonia projects, Fertiglobe is uniquely positioned to capitalize on emerging demand for low-carbon ammonia. On the one hand, the company can leverage its established reputation as a leading seaborne merchant ammonia exporter with a global reach and robust client base to capture a leading share of this nascent market from the get-go. On the other hand, the company's facilities are located in countries that guarantee ample access to low-cost solar and wind resources, key inputs to produce green ammonia. Fertiglobe also enjoys the backing of OCI Global and ADNOC's platforms, as well as a strong network of strategic relationship with governments and relevant renewable players, all of which can ensure a smooth roll-out of the company's low-carbon ammonia projects and initiatives.

To ensure that Fertiglobe effectively capitalizes on this opportunity and successfully captures first-mover advantages in the green ammonia space, management rolled out an execution roadmap in 2021. The plan is helping the company turn its ambitious vision into credible action, ensuring that it continues to challenge itself to maintain its innovator status within the industry. In line with this ambition, the company already started to deliver tangible progress on its longer-term targets over the past two years.

In 2021, Fertiglobe announced, in partnership with Scatec, Orascom Construction and the Sovereign Fund of Egypt, plans to develop a 100 MW electrolysis plant in Egypt to produce up to 90 ktpa of green ammonia at its facilities in Ain Sokhna. In November 2022, commissioning of the first phase of the project kicked off, with the final investment decision on the full-scale plant to be taken in 2023. Fertiglobe also announced its participation in a

world-scale low-carbon ammonia project in Abu Dhabi in partnership with Ta'ziz (majority-owned by ADNOC and ADQ), GS Energy Corporation, and Mitsui & Co., Ltd. More progress was made in early 2023, with the announcement of the signing of the shareholders' agreement, following which Fertiglobe, on behalf of the project, signed the Engineering, Procurement, and Construction (EPC) contract with Tecnimont S.p.A.

In addition, in 2022, Fertiglobe announced a collaboration with Masdar and ENGIE to study the co-development of a 150 MW green hydrogen facility in the UAE to support the production of green ammonia.

Diesel Exhaust Fluid (DEF)

DEF, which is also known as AdBlue in Europe, is a non-hazardous aqueous urea solution consisting of approximately 67.5% deionized water and approximately 32.5% urea.

Value Proposition

- DEF is used in selective catalytic reduction (SCR) systems to lower harmful vehicle exhaust emissions from diesel engines, with the added advantage of improving vehicle fuel economy by approximately 5% and using diesel fuel more efficiently.
- DEF breaks down nitrogen oxides emissions into nitrogen gas and water vapor, thereby eliminating environmentally harmful emissions from cars, trucks, buses, and other heavy-duty vehicles.
- Providing a transitional option for emission abatement for truck and rail in the near- to medium-terms, as the switch to electric vehicles has proven to be challenging to date for heavy-duty trucks and farm vehicles due to poor power-to-weight ratios, leaving only a few near-term alternatives to DEF.

Main Demand Areas

- Regulations in the US, EU, and China are driving demand growth by requiring the replacement of older vehicles, particularly heavy-duty trucks, coupled with higher-dosing rates in newer generation diesel engines.

Customers

Customers include truckstop chains, wholesale retailers and packagers, and smaller regional distributors.

Platform Equipped to Meet Growing DEF Demand

Currently, Fertiglobe's EFC and Fertil production plants have installed proven DEF production technologies. More specifically, at Fertiglobe's Fertil plant, the company is producing a small amount of DEF to serve local demand. Meanwhile, at its EFC plant, Fertiglobe has recently announced the completion of trial shipments to Europe marketed by OCI Global in the final weeks of 2022 and early 2023, with more shipments expected in 2023. Both facilities can be quickly ramped up in step with the development of the DEF market globally.

thousand metric tons

450

Diesel exhaust fluid production capacity

million metric tons

1.5

Ammonia own-produced and third-party traded sales volumes in 2022

million metric tons

5.0

Urea own-produced and third-party traded sales volumes in 2022

Our Reach

Fertiglobe boasts a **global distribution network, including branches, agents, and strategic partnerships across** Europe, Australia, Asia, and the Americas.

Centrally coordinated out of Abu Dhabi, Fertiglobe's strategically developed global distribution network positions the company ideally to cater to all major high-growth nitrogen markets around the world. Fertiglobe's distribution network includes branches, agents, and strategic partnerships across Europe, Australia, Asia, and the Americas, enabling the company to diversify its export footprint and access strategic market insights to proactively respond to changing market and demand dynamics. Fertiglobe's distribution capabilities are supported by the strategic location of its production facilities and its robust storage and distribution infrastructure.

A Strategic Network of Partnerships and Offices

Fertiglobe boasts a wide range of distribution partnerships and alliances with important nitrogen and other fertilizer producers and importers around the world. This has enabled the company to capture incremental supply chain margins by deepening its reach into existing markets and bringing it closer to the end user. Moreover, the company's commercial division currently has a physical presence across seven markets globally. Fertiglobe has plans to expand its branch network to a further nine markets in the coming three years, with a particular focus on high-growth and emerging countries east and west of the Suez Canal.

Export-Focused Production Facilities

Fertiglobe's four export-focused production facilities enable the company to enjoy direct access to six key ports and distribution hubs by the Mediterranean Sea, Red Sea, and the Arabian Gulf. Compared to most of the company's competitors, the strategic location of Fertiglobe's production facilities enables the company to avoid Suez Canal charges when exporting to markets both east and west of the Canal. Moreover, the company's ability to export from North Africa (Egypt) into Argentina on a duty-free basis provides it with an additional significant competitive advantage compared to most other competitors.

Robust Storage and Distribution Infrastructure

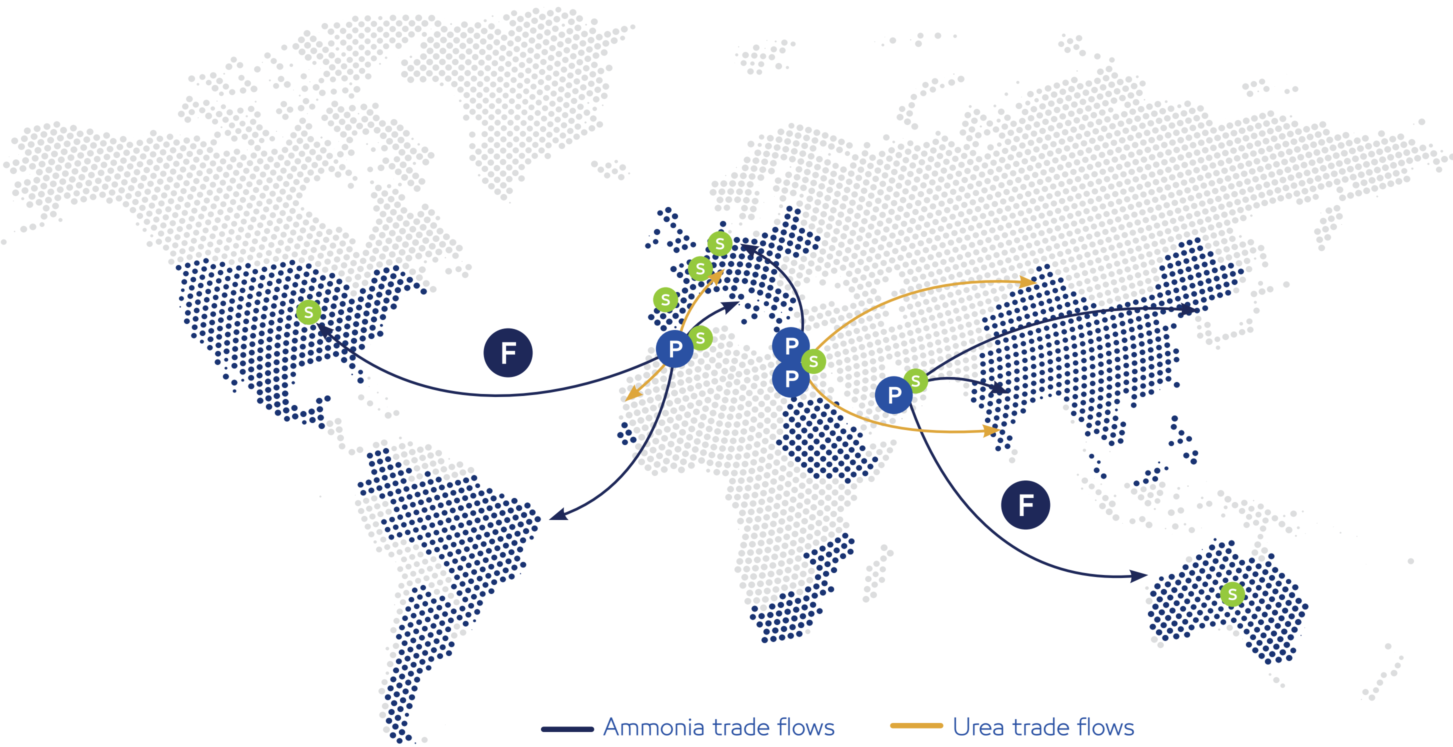
The company's commercial activities are supported by robust inland storage and distribution infrastructure. This includes over 850 thousand metric tons of owned or leased warehousing capacity for urea (including strategic partnerships), and 225 thousand metric tons of owned or leased warehousing capacity for ammonia. This is complemented by efficient, multi-modal, on-site loading and logistics operations providing the company with significant flexibility to effectively direct products to regions characterized by high demand and attractive profitability.

Fertiglobe's global commercial network also benefits from a dedicated in-house chartering team, who centrally coordinates the company's 1.07 million metric ton annual freight capacity for liquid ammonia. Currently, Fertiglobe operates four leased vessels with the capacity to add more vessels to meet business needs. In addition, the team is able to manage freight movements for 4.7 million tons of urea in dry bulk vessels, with structure and capacity expected to grow further in the coming years while growing our global network.

To complement the company's on-site and at-port owned and leased storage capacity, Fertiglobe can leverage nearly 300 thousand metric tons of leased urea warehousing capacity at key destinations through direct leases or through strategic partnerships across Europe, Australia, and the Americas.

Competitive Netback Prices

Together, Fertiglobe's low-freight costs, duty-free access to strategic importing markets, and direct-to-customer strategy see the company enjoy structural netback advantages compared to other export regions.



P Production facilities

S Storage footprint

F Fertiglobe ammonia vessels

Key export markets

Our Facilities

Fertiglobe operates **four world-class production facilities** strategically located **across the MENA region** with a combined annual production capacity **of 6.6 million tons.**

Strategically Located

Fertiglobe's production facilities are situated across the UAE, Egypt, and Algeria, three strategic locations that ensure high-quality production, optimized costs, and access to key export markets. More specifically, across its countries of operation, Fertiglobe benefits from secure, long-term, competitive natural gas supply contracts; comparatively low conversion rates, thanks to production efficiencies; and low cost of operations, particularly across Egypt and Algeria. The facilities' strategic location guarantees proximity to key infrastructure and strategic freight locations, providing direct access to six major ports and distribution hubs in the Mediterranean Sea, Red Sea, and Arabian Gulf. This, in turn, offers the company easy access to the most important end markets around the world and enables it to optimize volumes routing east and west of the Suez Canal, creating significant freight optimization and synergies. Combined, these factors result in some of the lowest cash costs and delivered costs to key export destinations in the industry and see the company consistently operate on an attractive position of the global exporter cost curve in both ammonia and urea.

Large Production Capacity Across Young Asset Base

As at year-end 2022, the company's total annual production capacity stood at 5.1 million metric tons of urea and 1.6 million metric tons of merchant ammonia. As such, Fertiglobe currently stands as the largest nitrogen producer in the MENA region and the largest seaborne exporter of nitrogen fertilizers globally. The company also boasts the largest ammonia export production capacity in the MENA region and ranks among the top three worldwide. Moreover, Fertiglobe's well-maintained asset base, with 50% of capacity younger than 10 years, enables the company to enjoy low maintenance costs and high reliability, while allowing for much better environmental footprint compared to coal and older gas-based plants.

Capacity by Asset

Plant (ktpa)	Country	Gross Ammonia	Net Ammonia	Urea	DEF	Total*
EFC	Egypt	876	-	1,679	350	1,679
EBIC	Egypt	748	748	-	-	748
Sorfert	Algeria	1,606	803	1,259	-	2,062
Fertil	UAE	1,205	-	2,117	100	2,117
Total MPC		**4,435**	**1,551**	**5,055**	**450**	**6,607**

*Total excludes DEF.

Operational Efficiencies and Cost Optimization

Operations across all four plants are coordinated at the headquarter level in Abu Dhabi, ensuring all operational and commercial processes are optimized and that operational efficiencies are delivered across the board. Meanwhile, on the maintenance front, efficiencies are realized through the use of overlapping technologies, allowing for cost-efficient and synergistic upkeep. Maintenance work is carried out by the company's large, dedicated in-house team that boasts decades of combined experience, and a proven track record of effective sharing of best practices across assets.

Attractive cost profile

Compared to global urea and ammonia exporters

6

Strategic regional ports accessible from production facilities

Egyptian Fertilizers Company (EFC)

EFC comprises two identical production lines with a total annual production capacity of 876 thousand metric tons of captive ammonia and 1.68 million metric tons per year of granular urea. EFC Line I was constructed and commissioned by OCI S.A.E. in 2000, while Line II was constructed and commissioned by OCI S.A.E. in 2006 in collaboration with Uhde, which supplied the line's state-of-the-art technology. In 2017, EFC also successfully launched a pilot program to produce DEF, which confirmed the facility's ability to develop this product line in the future. Building on this, the company announced in 2022 that it would begin producing DEF at EFC, with trial shipments to Europe successfully taking place in the final months of the year. It is noteworthy that EFC enjoys tax exemptions from European and Argentinean import duties.

Strategic Location

EFC is situated near the port of Ain Sokhna, Egypt's deepest port, approximately 55 kilometers south of the Suez Canal at the heart of the global East-West trade route. The facility also has easy access to two other Egyptian ports in Adabeya and Damietta. This provides EFC with a freight cost advantage over other Middle Eastern and Asian urea producers as its exports can bypass the Suez Canal, thus avoiding the toll charges levied at passage. Moreover, EFC is located across the street from Egypt Basic Industries Corporation (EBIC), Fertiglobe's other Egyptian production facility, on the grounds of Suez Industrial Development Company's (SIDC) industrial park in Ain Sokhna, allowing both facilities to benefit from significant synergies.

State-of-the-Art Infrastructure

EFC's bulk loading unit has a design capacity of 250 tons per hour. EFC's warehousing capacity includes a 70 thousand metric ton urea warehouse on-site, and exclusive access to 125 thousand tons of urea warehousing capacity at the Adabeya and Damietta ports. Furthermore, given EFC's and EBIC's vicinity, the plants benefit from several tie-ins for raw materials and utilities, including water, nitrogen, wastewater, and CO_2. The facilities also share workshop capabilities and spare parts, with additional tie-in initiatives assessed and implemented whenever possible to capture further savings in capital expenditure and allow each plant to depend on the other for backup if required.

thousand tons

350

Annual DEF production capacity

Egypt Basic Industries Corporation (EBIC)

EBIC houses one ammonia line with an annual production capacity of 748 thousand metric tons. EBIC was constructed and commissioned by OCI S.A.E. and uses KBR's latest and commercially proven KBR advanced ammonia process technology. The plant was established in partnership with KBR, the Egyptian General Petroleum Corporation (EGPC), and a number of private investors. OCI Global completed the construction of the plant in 2009 and, subsequently, bought out several minority investors to increase its stake from the original 30% to 60%. Fertiglobe acquired KBR's 15% stake in 2021, taking the company's total ownership stake to 75%. It is worth noting that EBIC enjoys tax exemptions from European and Argentinean import duties.

Strategic Location

Located near Ain Sokhna Port, EBIC's location and logistics infrastructure provide the company with a unique advantage and enable it to ship volumes both east and west of the Suez Canal in a cost-effective manner. EBIC is situated across the street from EFC on the grounds of Suez Industrial Development Company's (SIDC) industrial park in Ain Sokhna, allowing both facilities to benefit from significant synergies.

State-of-the-Art Infrastructure

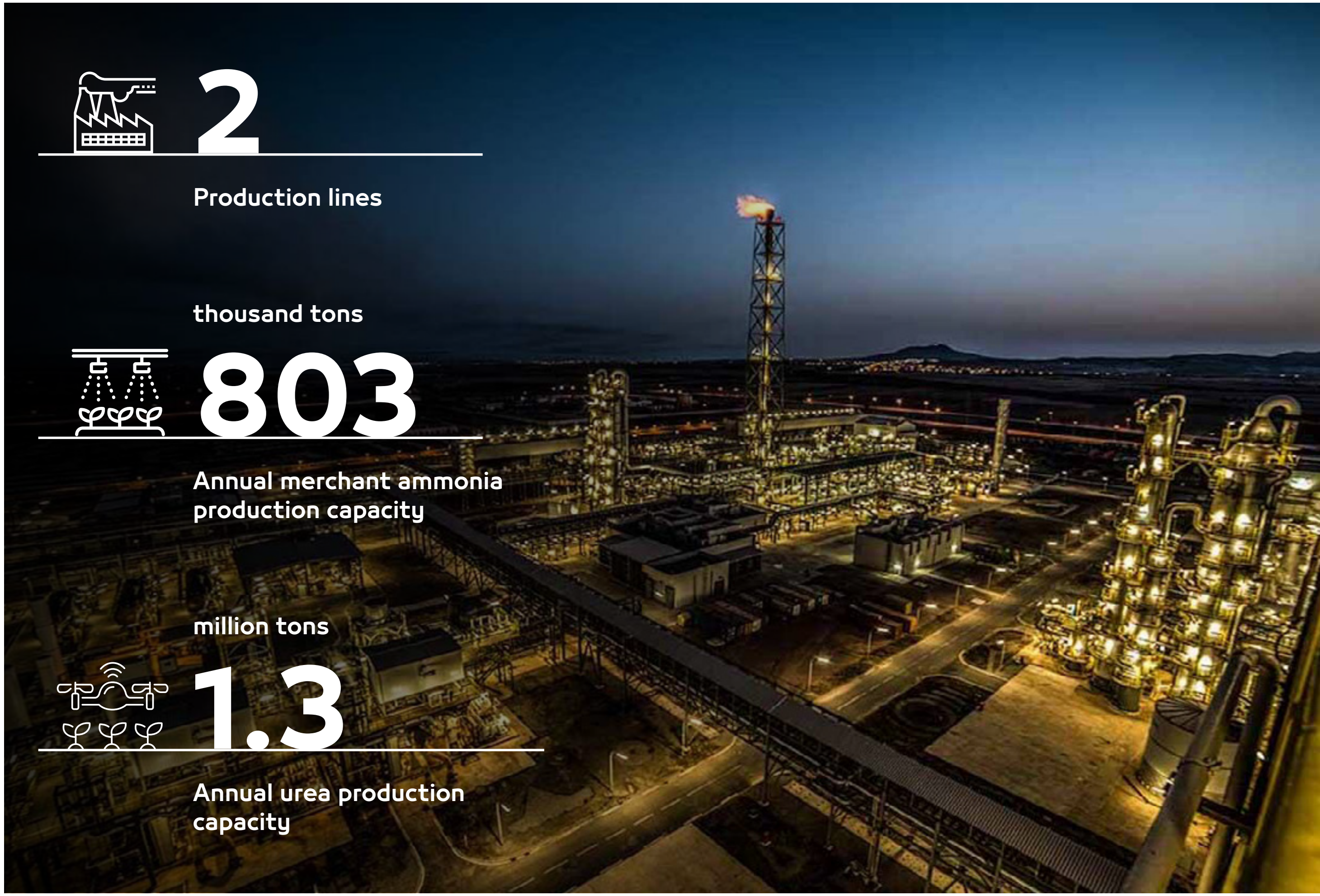
In addition to 30 thousand metric tons of refrigerated ammonia storage capacity on-site, EBIC is connected by pipeline to two 40 thousand metric ton refrigerated ammonia storage tanks next to the loading jetty at Ain Sokhna Port. The plant and port facilities are connected through an eight-kilometer pipeline that continuously transports EBIC's ammonia to both storage tanks located on the jetty, which can accommodate vessels with maximum drafts of 24 meters. EBIC also owns and operates a dedicated 1,600 metric ton per hour loading arm.

Sorfert

Sorfert is one of the largest integrated nitrogen fertilizer producers in North Africa, capable of producing 1.3 million metric tons of granular urea and 1.6 million metric tons of gross anhydrous ammonia per year. The ammonia capacity is split between two lines, one dedicated to urea production and the other producing merchant capacity. OCI S.A.E. constructed and commissioned the plant in 2013 in partnership with Uhde, which supplied the state-of-the-art proven process technology. Finally, Sorfert's low position on the global cost curve for fertilizer producers is supported by Sorfert's exemption from Algerian corporate tax as well as its exemption from European import duties.

Strategic Location

The plant is strategically located in the Arzew industrial complex in northwest Algeria, 35 kilometers east of Oran. The plant is situated in close proximity to three Algerian ports and enjoys access to two export jetties at Arzew Port and Bethioua Port with a direct ammonia pipeline to the port, and exclusive access to urea export logistics.



State-of-the-Art Infrastructure

Sorfert's storage capacity includes a 100 thousand metric ton urea warehouse on-site and a 15 thousand metric ton ammonia tank on-site. Sorfert also has access to two ammonia tanks at Bethioua port of 30 thousand metric tons each. Arzew port operates two ship loaders with a design capacity of 500 tons per hour and two bulk loading units of 200 tons per hour. Meanwhile, Bethioua port operates an ammonia loading arm with a design capacity of 1,000 tons per hour. Sorfert's access to significant storage capacity and flexible infrastructure allows for exports around the world at favorable freight time and cost. Coupled with its competitive production costs, this maximizes the company's ability to offer competitive prices to its customers around the world.

Fertil

Fertil, located in ADNOC's integrated downstream complex in Al Ruways Industrial City, Abu Dhabi, comprises two ammonia and granular urea plants with a combined annual capacity of 1.2 million tons of gross ammonia and 2.1 million tons of urea. The first plant, Fertil-1, which utilizes Haldor Topsoe ammonia and Casale urea technology, began production of ammonia and urea in 1983. Meanwhile, Fertil's second plant, Fertil-2, which utilizes Uhde technology, began production of ammonia and urea in 2013.

Strategic Location

Fertil is strategically located in Ruways, Abu Dhabi, directly on the Arabian Gulf, with access to two dedicated top-of-the-line urea ship loaders located directly on the export jetty which is also operated by Fertil. Fertil's strategic location at the Al Ruways Industrial City allows it to export globally with favorable access to Asia, Australia and East and South Africa. This complements the company's North African assets and allowing Fertiglobe to benefit from greater geographic diversity and market access.

State-of-the-Art Infrastructure

Fertil's storage capacity includes two urea warehouses of 45 thousand metric tons each at Fertil-1, one 100 thousand metric ton urea warehouse at Fertil-2, and two ammonia storage tanks of 20 thousand metric tons at each plant. Fertil is also capable of exporting excess ammonia via LPG vessels through a 400–500 metric ton per hour loading arm.

2022 Business Performance

Operational Performance

Asset Reliability

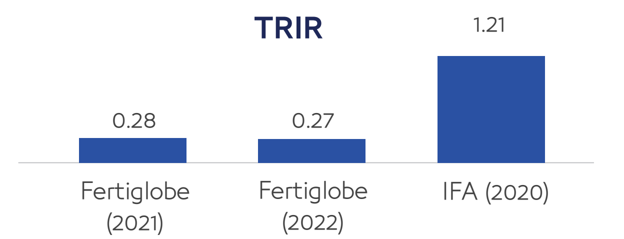
- Successfully completed two major production line turnarounds at the company's Fertil-2 and EBIC production lines, with both projects completed without any lost time injury.
- Solid results achieved for Sorfert ammonia 1 and Fertil-1 in 2022 following the turnaround.

Construction in record time of a **reverse osmosis unit** in Egypt will now see Fertiglobe's full water intake in Egypt come from seawater.

HSE performance indicators in line with full-year targets

- Immediate success on PPE campaign started in August 2022 across all sites.
- Visible change in the safety culture and employees' awareness.

Industry Leading Safety Performance



Commercial Performance

Total own-produced sales volumes decreased 3% to 5,431kt in 2022 compared to 5,573kt in 2021.

- Ammonia own-produced sales volumes fell 5% YoY (1,227kt vs. 1,287kt in 2021).
- Urea own-produced sales volumes were down 2% YoY (4,204kt vs. 4,286kt in 2021).

Traded third party volumes increased 7% to 1,088kt in 2022 compared to 1,017kt in 2021.

Fertiglobe recorded increasingly favorable pricing with **average ammonia and urea selling prices rising significantly versus last year.** As at year-end 2022, ammonia Middle East benchmark was up 85% YoY while the urea Egypt benchmark price increased 43% YoY.

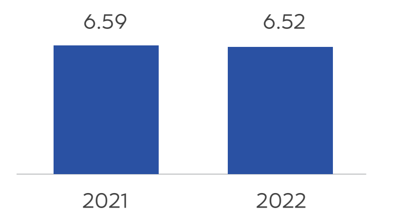
Year-to-date netbacks outperforming the benchmarks on both ammonia and urea.

Expanded sales portfolio via small **trial shipments of DEF into Europe.**

Update of our commercial strategy predicated on three pillars to capture demand growth and build the platform for increased supply (third-party product or upstream growth):

1. **Develop a fit-for-purpose downstream position in growth markets.**
   Rationale: Increase market penetration and build competitive edge through optimizing value chain position in Fertiglobe's markets.
2. **Expand product offering.**
   Rationale: Boost value proposition to Fertiglobe's strategic customers using portfolio diversification while improving resilience and netbacks.
3. **Boost supply chain organization using third-party trade volume or upstream growth.**
   Rationale: Build on flexible export platform in place today to tap into key growth opportunities.

Total Sales Volumes (MT)



Leadership in Sustainability

Announcement of **collaboration with Masdar and ENGIE** to study the co-development of a green hydrogen facility in the UAE to support the production of green ammonia.

Fertiglobe continued to run **pilot shipments of low-carbon ammonia** to key markets in Asia as well as its first shipment to Germany completed in 2022.

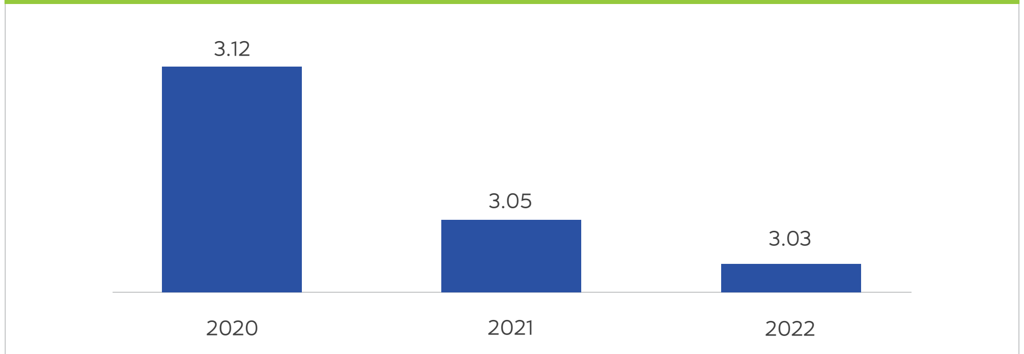
Kicked off the **commissioning of the first phase of Egypt Green Hydrogen,** the first integrated green hydrogen plant in Africa, which will, at full scale, produce up to 90 ktpa of green ammonia at the company's facilities in Egypt.

- In November 2022, the plant became one of the first to receive the prestigious ISCC PLUS Certification.

Signed Shareholders' Agreement and Engineering Procurement and Construction (EPC) contract for Ta'ziz low-carbon ammonia plant with Tecnimont S.p.A. in early 2023.

In late 2022 and in early 2023, Fertiglobe completed several trial shipments of diesel exhaust fluid (DEF) into Europe

GHG Intensity (ton CO2e/N-tons)



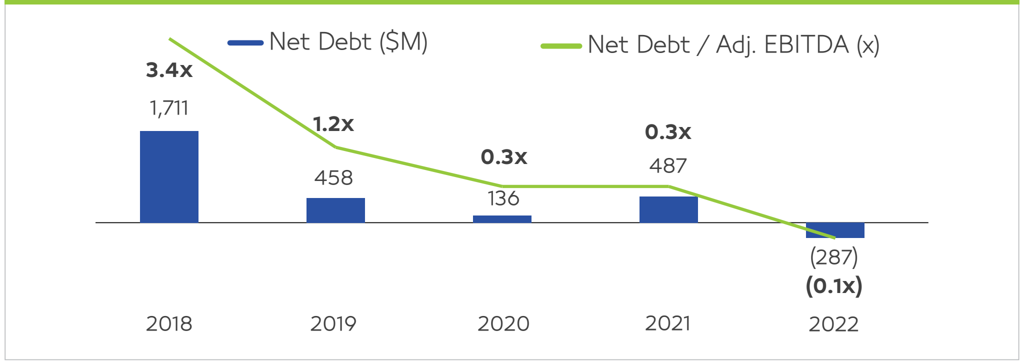
Dividends and Capital Structure

Fertiglobe **adheres to a clear dividend policy** which aims to distribute the company's excess free cash flow after providing for growth opportunities while maintaining its investment grade ratings.

During 2022, Fertiglobe distributed $1,090 million in cash dividends, including $340 million in April 2022 for H2 2021, and $750 million in October 2022 for H1 2022.

Fertiglobe announced H2 2022 dividends of $700 million, in line with management guidance. This takes its total dividends for 2022 to $1,450 million, positioning Fertiglobe as one of the highest dividend payers in our industry by dividend yield.

Strong Credit Profile



Financial Performance

Key Financial Performance Indicators

$ million	2022	2021	%Δ
Net Revenue	5,027.5	3,310.7	52%
Adjusted EBITDA	**2,473.0**	**1,550.5**	**59%**
Operating Profit	2,185.4	1,304.6	68%
Net Finance Costs	(125.8)	(33.1)	280%
Net Profit Attributable to Shareholders	**1,249.5**	**702.7**	**78%**
Adjusted Net Profit Attributable to Shareholders	1,287.1	736.6	75%

Sales Volumes

('000 metric tons)	2022	2021	%Δ
Own Product			
Ammonia	1,227	1,287	-5%
Urea	4,204	4,286	-2%
Total Own Product Sold	**5,431**	5,573	-3%
Third-Party Traded			
Ammonia	297	144	106%
Urea	791	873	-9%
Total Traded Third-Party Product	**1,088**	1,017	7%
Total Own Product and Traded Third-party	**6,519**	6,590	-1%

2022 Revenue by Segment

2022 Adjusted EBITDA by Segment

$ million	2022 Performance Highlights
Revenue	• **Sales volumes were down marginally year-on-year to 6.52 million metric tons compared to 6.59 million metric tons in 2021,** on a 3% reduction in own product sold for the year, which was partially offset by a 7% rise in third-party traded volumes sold. • **Selling prices** for urea and ammonia products improved significantly year-on-year supported by tight market balances and elevated feedstock prices globally throughout the year.
Adjusted EBITDA[1]	• **Adjusted EBITDA** grew 59% to record $2,473 million, owing to a 52% YoY increase in revenues for the year. • **Adjusted EBITDA margin** continued to improve, recording 49.2% in 2022 versus 46.8% in 2021. The improved EBITDA performance was supported by a strong pricing environment and the company's efficiency enhancement strategy.
Operating Profit	• **Operating profit** recorded $2,185 million, a 68% YoY expansion, primarily supported by a 67% YoY increase in gross profit. • **Gross profit growth** for the year came on the back of strong revenue growth for the year which more than offset a 41% YoY increase in cost of goods sold.
Net Finance Costs	• **Interest cost** increased by 69% to $83 million in 2022 , reflecting a full year's interest costs and amortization of transaction costs related to the $1.1 billion bridge facility and $300m RCF received in Q4 2021, of which $200 million were repaid over the course of 2022. • **Net foreign exchange** loss is $44 million related mainly to devaluation of the EGP against the USD.
Net Profit Attributable to Shareholders	• **Net profit attributable to shareholders** was $1,250 million, representing an 78% YoY increase from the $703 million net profit recorded in 2021. Improved net profitability reflects higher revenues and operational and cost efficiencies. • **Adjusted net profit[1] attributable to shareholders** recorded $1,287 million in 2022, compared to $737 million in 2021.

[1] Fertiglobe uses Alternative Performance Measures (APM) to provide a better understanding of the underlying developments of the performance of the business. The APMs are not defined in IFRS and should be used as supplementary information in conjunction with the most directly comparable IFRS measures.

Condensed Consolidated Statement of Cash Flows for the Years Ended 31 December

$ million	2022	2021
Cash and cash equivalents at 1 January	**899.1**	**534.9**
Cash flows for operating activities	2,477.3	1,423.8
Cash flows in investing activities	(115.5)	(85.4)
Cash flows in financing activities	(1,800.5)	(951.9)
Net cash flows	561.3	386.5
Currency translation adjustments	(18.4)	(22.3)

Net Debt (Cash) as at 31 December

$ million	2022	2021
Cash and cash equivalents at 31 December	**1,442.0**	**899.1**
Long-term interest-bearing debt	1,065.6	1,326.1
Short-term interest-bearing debt	89.6	59.6
Gross interest-bearing debt	**1,155.2**	**1,385.7**
Cash and cash equivalents	(1,442.0)	(899.1)
Net debt/(cash)	**(286.8)**	**486.6**

$ million	2022 Performance Highlights
Cash flows for operating activities	• **Cash flows from operations** recorded $2,477 million in 2022, an improvement compared to $1,424 million last year. This reflected Fertiglobe's improving profitability and the change in working capital in 2022 compared to 2021. • **Adjusted net profit attributable to shareholders**[2] increased to $1,287 million in 2022 compared to $737 million in 2021, an improvement of $550 million.
Cash flows in investing activities	• Cash flows used in investing activities increased by $30 million in 2022 versus the previous year, mainly reflecting maintenance and turnaround activities during the year. • Total capital expenditures stood at $116 million in 2022, up from $85 million recorded last year. Of the total, $102 million were related to maintenance capital expenditures in 2022 and $78 million in 2021.
Cash flows in financing activities	• As part of a capital structure reset, in October 2021, Fertiglobe closed a $1.1 billion bridge financing which was used to refinance existing debt and pay $850 million pre-IPO special dividends. In addition, a new 5-year $300 million Revolving Credit Facility (RCF) was put in place. • At the end of 2022, Fertiglobe refinanced the outstanding $900 million bridge facility with new 3-year ($300 million) and 5 year ($600 million) term facilities, and increased the capacity of its RCF from $300 million to $600 million, providing ample liquidity. • The new capital structure creates additional flexibility for Fertiglobe to pursue growth opportunities, while sustaining an attractive dividend pay-out through the cycle, and maintaining its investment grade credit ratings. • Total cash dividends paid to shareholders during 2022 amounted to $1,090 million. Meanwhile, dividends paid to non-controlling interests (NCI) recorded $462 million in 2022.
Free cash flow[2]	• Free cash flow before growth capital expenditure amounted to $1,912 million in 2022, compared to $1,182 million in 2021. The year-on-year improvement was mainly driven by the increased EBITDA during 2022.
Gross debt	• Gross interest-bearing debt decreased to $1,155 million in 2022 compared to $1,386 million in 2021, mainly reflecting the repayment of $200 million of the bridge loan facility over 2022.
Cash & cash equivalents	• On the back of robust free cash flow generation during the year, cash and cash equivalents increased to $1,442 million in 2022 from $899 million in 2021.
Net debt	• Strong earnings and cash generation saw Fertiglobe turn to a net cash position of $287 million in 2022 compared to net debt of $487 million as at December 2021.

[2] Fertiglobe uses Alternative Performance Measures (APM) to provide a better understanding of the underlying developments of the performance of the business. The APMs are not defined in IFRS and should be used as supplementary information in conjunction with the most directly comparable IFRS measures.

03

Sustainability Report

Fertiglobe is a world leader in the development of long-lasting solutions that enhance food security for the world's ever-growing population and low-carbon sources of energy for the world's most important industries.

Commitment to Sustainable Growth

Our Approach

Environmental, social, and governance (ESG) principles are ingrained in our mission and strategic objectives. As our products play a critical role in the global transition toward sustainable agriculture, fuel, and feedstocks, we are focused on powering the industries of tomorrow and leading decarbonization solutions. At the same time, we are committed to creating sustainable value for all stakeholders, including employees and communities. We are fostering the integration of sustainability principles in every aspect of our operations, focusing not only on climate change but also on promoting inclusiveness and diversity among our employees, guaranteeing high standard of health and safety practices, supporting our communities, and encouraging sustainable practices in our supply chain, wherever possible. With this in mind, we have strengthened our business model, integrating sustainability even further to our industrial strategy, strategic objectives, and executive compensation.

As a further step in our sustainability journey, we have joined the United Nations Global Compact Network in March 2023, committing to implement the 10 universal principles in the areas of human rights, labor, environment and anti-corruption. The Board has tasked Fertiglobe's leadership team with the management of Sustainability, supported by the Fertiglobe Sustainability Director and the newly created Sustainability Steering Committee (Steering Committee), in charge of the development and implementation of our sustainability targets and strategy.

Fertiglobe is moving forward with an ongoing commitment to sustainability, supported by concrete actions that reinforce our purpose-driven mission. To this end, we have defined sustainability goals that are representative of key issues and opportunities, as represented in the following page. Based on a continuous improvement approach, those goals may be revised and updated as our operating context evolves.

MISSION

As a global leader in the production and distribution of ammonia and urea, Fertiglobe aims to create sustainable value for all stakeholders and deliver sustainable solutions to its customers. The company takes a holistic approach to creating value as it works to optimize all available resources, thereby maximizing our positive financial, social, and environmental impacts for a greener future.

PURPOSE

We aim to responsibly drive sustainable agriculture and low-carbon fuel and feedstock by producing and distributing essential products to customers around the world.

DRIVING THE GLOBAL ENERGY TRANSITION

Enabling the hydrogen economy through our blue, green, and low-carbon ammonia platforms to facilitate the decarbonization of transport, feedstock, and industrial applications

Material Topics	Sustainable innovation and technology, climate change action
Main Goals	Being global leader in renewable and low-carbon ammonia, prioritizing product innovation to drive operational excellence and value chain decarbonization

	Sustainable Operations	Product Stewardship	Social Value
	Fostering sustainable operations carrying out programs to increase production efficiencies, reduce carbon footprint, minimize the impact of waste production, and ensure sustainable sourcing and use of water resources	Developing and promoting products and services to minimize the impacts and dependencies on the environment and maximize the impacts on society	Building an inclusive, stimulating and safe working environment that protects the wellbeing of our employees and allows them to express their potential. Promoting social development for the betterment of our communities and all stakeholders
Material Topics	• Climate change action • Water in our operations • Resource use and circular economy	• Product stewardship	• Health, safety, and wellbeing • Employee engagement, talent, and development of our own workforce • Diversity and inclusion in our workforce • Human and labor rights • Local community engagement
Main Goals	• Reduce our carbon footprint and our scope 1 and 2 GHG emissions intensity in line with our majority shareholder's targets • Zero freshwater consumption at all sites by 2023	• Reduce embedded carbon footprint of nitrogen fertilizers through use of renewable feedstocks and CCS • Develop products that will enhance nutrient use efficiency for reduction of crop loss and increase of yields • Collaborate across the value chain to promote sustainable intensification	• Zero injuries at all facilities • Increase gender diversity among our employees • Employee engagement, talent, and development of our own workforce • Maintain a healthy low voluntary turnover rate

RESPONSIBLE BUSINESS PRACTICES

Enacting policies and practices to promote ethical behavior and decision making, data protection, financial risk mitigation, and positive economic contribution

Material Topics	Responsible business practices
Main Goals	Committed to implementing our compliance framework globally, and to our procedures and trainings

2022 at a Glance

DRIVING THE GLOBAL ENERGY TRANSITION

2022 Main Achievements

- UAE Green Ammonia Pilot project: collaboration announced with Masdar and Engie to study the co-development of a globally cost competitive green hydrogen facility in UAE
- Kicked off the commissioning of the first phase of Egypt Green Hydrogen, the first integrated green hydrogen plant in Africa, which will, at full scale, produce up to 90 ktpa of green ammonia at the company's facilities in Egypt
- Fertiglobe is partnering with Ta'ziz, GS Energy Corporation and Mitsui & Co., Ltd, to develop a world scale 1 million ton low-carbon ammonia project in the UAE, with progress made in 2022, and EPC contract signed in early 2023
- Pilot to capture 18 ktpa of CO2 from Fertiglobe UAE plant to be UAE's first CCS facility to produce low-carbon ammonia

Sustainable Operations

GHG Intensity	Energy Intensity
2022	2022
3.03	**38.44**
tCO2e/N-tons	GJ/ton of ammonia produced
2021: 3.05	**2021: 37.76**

Freshwater Intake	Renewable Electricity
2022	2022
8%	**70%**
Freshwater intake/total water intake	Renewable electricity/total electricity purchased
2021: 11%	**2021: 0%**

Product Stewardship

Non-Compliance Concerning the Health and Safety Impacts of Products and Services
2022
0 incidents
2021: 0

Social Value

LTIR	TRIR
2022	2022
0.02	**0.27**
Per 200,000 hours worked	Per 200,000 hours worked
2021: 0.19	**2021: 0.28**

Female Leadership	Student Internship Program
2022	2022
18%	**14**
Females in senior roles	Number of participants
2021: 17%	**2021: 23**

RESPONSIBLE BUSINESS PRACTICES

% Completion Rate Anti Bribery & Corruption e-learning	Corruption Incidents	% Compliance Concerns Investigated
2022	2022	2022
83%	**0**	**100%**

Contributing to the UN SDGs

We are committed to ensuring that our activities make positive contributions to the UN SDGs, and we have identified several goals where we have positive impacts.

SDG 1: Zero Poverty

- Our initiatives to support farmers' self-sufficiency and profitability contribute to reducing poverty in the communities in which we operate.

SDG 2: Zero Hunger

- Our nitrogen fertilizers enable farmers to increase crop yields and improve food quality, contributing to increased food security and nutritional outcomes.

SDG 5: Gender Equality

- We strive to increase women's participation in traditionally male-dominated fields and support the economic prospects of women engaged in agriculture.

SDG 7: Affordable and Clean Energy

- We drive the clean energy transition by producing blue and green ammonia as a hydrogen carrier and low-carbon fuel input for downstream industrial processes.
- Where possible, we purchase renewable electricity, generated through wind and solar power.

SDG 8: Decent Work and Economic Growth

- We provide direct and indirect employment opportunities with commitments to maximize local employment and skill development, while consistently ranking the top quartile of annual compensation across our locations.
- Our workplace policies and practices, described in our Code of Conduct promote a safe, diverse, and equal-opportunity work environment.

SDGs 9: Industry Innovation, and Infrastructure

- We maintain state-of-the-art production facilities and invest in technologies to decarbonize our urea capacity to minimize our emissions and consequently reduce our impact on climate change.

SDG 12: Responsible Consumption and Production

- We maintain safe, environmentally responsible production sites that aim to protect local environments and communities.
- Our water management processes implement best available technologies wherever possible to reduce our water use and maximize reuse and recycling in our production processes to minimize our water discharge and our need for fresh water.

SDG 13: Climate Action

- Our green hydrogen initiative produces feedstock for renewable ammonia, reducing emissions across the value chain and supporting applications across a number of industries.
- Our land reclamation project in the Egyptian desert supports 50 acres of forestry for carbon sequestration.

SDG 14: Life Below Water

- Our responsible water management systems and freshwater reduction efforts support protection of freshwater and marine ecosystems.

SDG 15: Life On Land

- Our fertilizers enable higher crop yields and protect soil health, reducing the need to encroach on previously uncultivated land, thus protecting vital land-based ecosystems.

Sustainability Governance

Our corporate governance structure is designed in compliance with the requirements of the Securities and Commodities Authority (SCA), the Abu Dhabi Companies Regulations 2020, our articles of association, bylaws, and other applicable securities laws. All governance policies and procedures are published on our website. A full description of our corporate governance framework, Board composition, oversight and responsibilities, shareholders' rights, executive compensation and other governance topics can be found in the corporate governance section of this report beginning on page 107. Our ERM framework is described beginning on page 94 and our approach to climate risk is described on page 76. Our compliance framework, including our ethics and anti-corruption processes, is described beginning on page 103.

Sustainability Governance

Sustainability is embedded into all aspects of our organization, including our strategic objectives, risk management, capital allocation and financial planning, operational and commercial activities, and other medium- and long-term decision-making.

Dedicated Board Oversight

The Board of Directors has overall responsibility for Fertiglobe's strategy, business objectives, and risk management, including sustainability. This includes overseeing our approach to managing the risks and opportunities related to sustainability, climate change, our environmental impact, and our reporting on these topics in the annual report and sustainability report.

Management of Sustainability

The sustainability objectives, including the development and implementation of our sustainability targets and strategy, are supported by the newly created Sustainability Steering Committee (Steering Committee). The Steering Committee is chaired by the CEO and includes the COO, as well as Sustainability, Finance, Manufacturing, Human Capital, HSE, Risk Management and IT group functions.

Each production facility's leadership team is responsible for identifying and evaluating sustainability projects and opportunities, and report on their progress to the Sustainability Director during the site's monthly business reviews. The CapEx Committee reviews and approves sustainability related CapEx with a view to balance our sustainability goals with our other commitments and investment returns thresholds.

The CEO, supported by the Sustainability Director, oversees the group's sustainability function and execution of our group-wide sustainability strategy in close cooperation with other group functions and local leadership. The group finance function now includes a dedicated ESG reporting team.

In 2022, we expanded our work with state governments, politicians, and authorities across the regions in which we operate to advance our business objectives and facilitate the transition to clean energy, with a particular focus on the decarbonization projects being developed in line with our sustainability strategy. In the UAE and Egypt our ongoing discussions with relevant government entities includes advocating for required regulations and removal of obstacles in the service of accelerating our decarbonization strategy.

Risk Management of Sustainability

We perform a comprehensive assessment of our risks and opportunities associated with climate change, environment, and sustainability matters at the operating company level and at the corporate level, assessing relevance at each level according to extent and likelihood of impact. We incorporate sustainability considerations into our assessment and management of all other risks relevant to the topic, such as operations, finance, and regulatory risks.

Board of Directors
Overall responsibility for strategy, business objectives, and risk management, including sustainability

Sustainability Steering Committee
Development and delivery on sustainability strategy

OpCo Leadership Teams
Identifying and evaluating sustainability projects and opportunities; reporting on progress to the leadership team

CapEx Committee
Reviews and approval of sustainability-related CapEx

Global Industry Megatrends

We monitor key global megatrends that impact our business along with their associated risks, challenges, and opportunities to inform our strategy, better serve our customers, and develop the tools, products, and services that promote sustainable farm and fuel practices to holistically improve our global environmental and social impact.

Key Megatrends	Key Risks and Challenges	Key Opportunities
Food Security	• The current agricultural systems are at risk of not producing enough food to meet global demand by 2050. • Finite availability of arable land coupled with soil degradation increases the risk of deforestation and biodiversity loss. • Global shifts in dietary preferences may result in changes to crop production and agricultural patterns.	• As a leading producer of ammonia and urea and the world's largest exporter of ammonia and urea combined, we are well positioned to promote the efficient use of nitrogen fertilizers and best practices. • We enable soil health, high yields, reforestation, and proper irrigation to reduce water stress, maximize nutrient use efficiency, and minimize nutrient losses to the environment (air, groundwater, surface water).
Climate Change	• Impact of changing weather patterns and extreme weather events risks disrupting supply chains and farming seasons. • Global decarbonization efforts in pursuit of mitigating the impacts of climate change present myriad short- and medium-term challenges. • Climate change and demand growth from human and industrial consumption drives water stress.	• We are focused on growing our blue and green ammonia capacity as a key driver of the energy transition and a sustainable solution for our non-agricultural customers. • We develop more efficient agricultural ammonia and urea production, including low-carbon variants, inhibitors, and de-nitrification solutions. • We have the capability to produce nearly 0.5 million metric tons per year of diesel exhaust fluid (DEF), which eliminates harmful vehicle exhaust emissions. • We are increasing our renewable energy use to reduce our dependence on carbon emitting fossil fuels in our production processes.

Methodological Note

Materiality Assessment

Engagement with affected stakeholders is central to our materiality assessment. Stakeholders are involved in processes to identify and assess actual and potential negative impacts, which then informs the assessment process to determine the material impacts. Further information regarding stakeholder participation can be found on page 57.

Supported by an external consultant in 2022, we compiled a list of material ESG topics, based on peer benchmarks, our operating environment, internal and external expertise, and the regulatory landscape. We mapped the topics along the value chain: upstream, direct operations, and downstream.

Each ESG topic was assessed in terms of impact and financial materiality, cross-checked with our risk register and Enterprise Risk Management (ERM) principles, and grouped into ESG matters. ESG matters were validated with internal and external stakeholders through workshops and interviews. The results were approved by the Sustainability Steering Committee.

Double Materiality

Our assessment is based on the double materiality concept, which comprises two dimensions: impact materiality and financial materiality.

In identifying and assessing the impacts, risks, and opportunities in our value chain to determine their materiality, we focused on areas where outcomes are deemed likely to arise, based on the nature of the activities, business relationships, geographies, and other risk factors concerned.

We considered how we are affected by the dependence on available natural and social resources at appropriate prices and quality, independently of our potential impacts on those resources.

An ESG impact may be financially material from its inception or become financially material when it becomes investor-relevant, including due to its present or likely effects on cashflows, development, performance, and position in the short-, medium-, and long-term.

An ESG matter is deemed material when it meets the criteria defined for impact materiality or financial materiality, or both, as described in the following paragraphs.

Impact Materiality

An ESG matter is material from an impact perspective when it pertains to our actual or potential, positive or negative impacts on people or the environment over the short-, medium-, and long-term.

Impacts include those caused to or contributed by us as well as those which are directly linked to our own operations and products through our business relationships. Business relationships include our upstream and downstream value chain and are not limited to direct contractual relationships.

Impacts on people or the environment include impacts in relation to environmental, social, and governance matters.

For actual negative impacts, materiality is based on the severity of the impact, while for potential negative impacts, materiality is based on the severity and likelihood of the impact. Severity is based on the scale, scope, and irremediable character of the impact.

For actual positive impacts, materiality is based on the scale and scope of the impact, while for potential positive impacts, it is based on the scale, scope, and likelihood of the impact.

Scoring on impact materiality ranges from 0 – 21, with an impact materiality score above 7 deemed as material.

Financial Materiality

An ESG matter is material from a financial perspective if it triggers or may trigger material financial effects on our business. This is the case when the matter generates or may generate risks or opportunities that have or are likely to have a material influence on our cash flows, development, performance, position, cost of capital, or access to finance in the short, medium, and long term.

The financial materiality of an ESG matter is not constrained to matters that are within the company's control, but includes information on material risks and opportunities attributable to business relationships with other stakeholders beyond the scope of consolidation used in the preparation of financial statements. Dependence on natural and social resources create financial risks or opportunities. Topics are assessed on three parameters:

- Continuation of use of resource
- Reliance on the relationship
- Opportunities

The materiality of risks and opportunities are assessed based on a combination of the likelihood of occurrence and the scale of the potential financial effects.

Scoring on financial materiality ranges from 0 - 4. A financial materiality score above 1 is deemed as material.

Materiality Topics

The results of the materiality assessment are the basis for further strategy development and ESG reporting. While all topics in the materiality matrix are deemed material, we categorized the topics as follows:

01

Level 1 topics

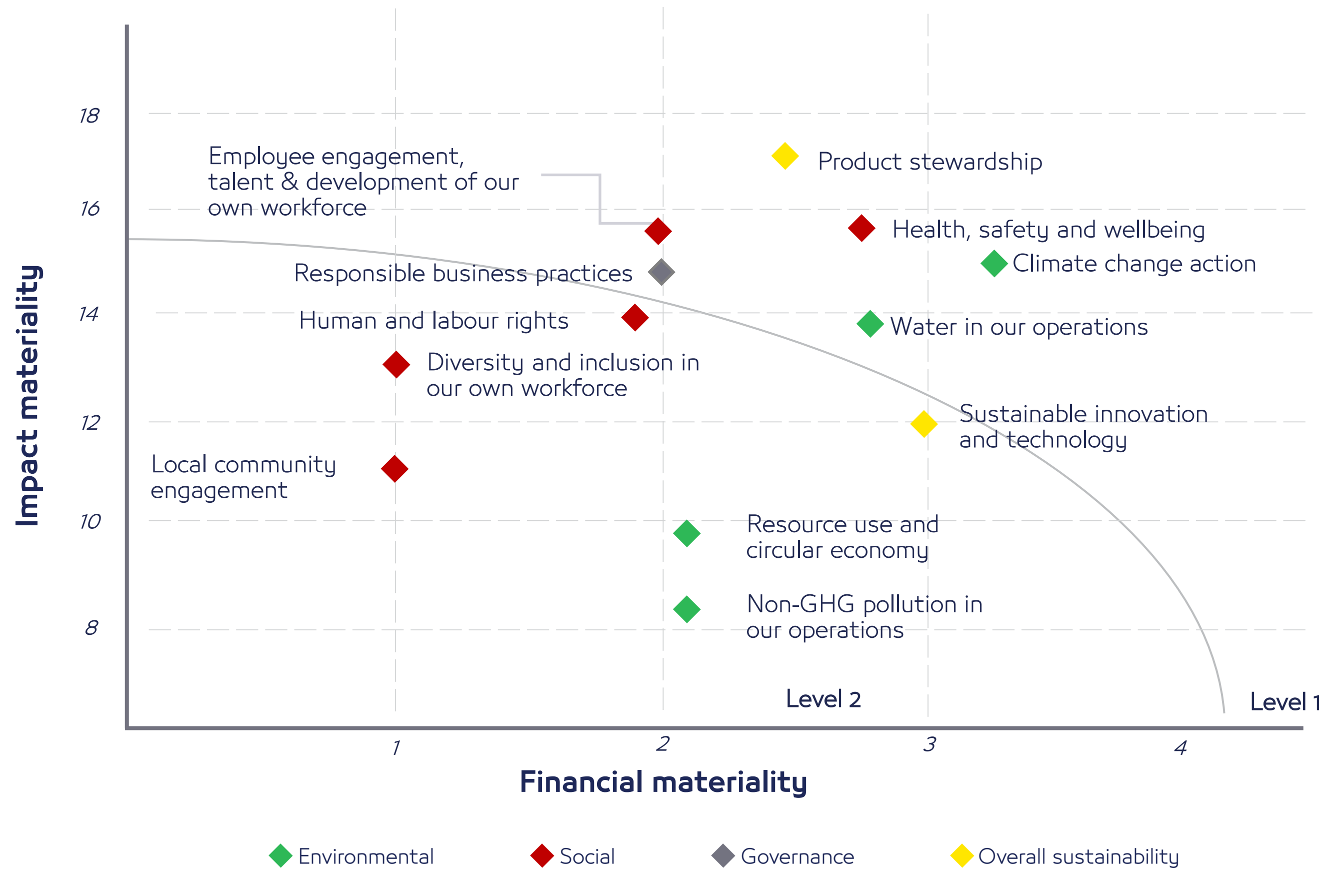
are strategically important and at the core of our strategy. These topics are reported through strategic KPIs, to the extent possible. For some level 1 topics, target- and KPI-setting is ongoing.

02

Level 2 topics

are materially important. Target setting and reporting are done according to required frameworks and regulations.

Fertiglobe's Material Issues 2022



The following table describes the interpretation of Fertiglobe's material topics and how these are addressed in our strategy:

Strategic Implication	Topic	Description	Upstream	Direct op.	Downstream
Level 1: • Topics are strategically important and at the core of our strategy. • Topics are reported through strategic KPIs, to the extent possible. Target- and KPI-setting is ongoing for some topics.	**Product stewardship**	Developing and promoting products and services that reduce dependencies on nonrenewable resources, minimize negative impacts on the environment, (e.g., activities that contribute to climate change, water and soil pollution, biodiversity loss, and ecosystem degradation) and maximize the impacts on society (e.g., activities that enhance food security, facilitate land use changes, and enable positive health and safety outcomes)			●
	Climate change action	Taking measures to reduce our cradle-to-gate GHG emissions in response to regulatory requirements and new business opportunities presented by the energy transition and net zero economy	●	●	
	Health, safety, and wellbeing	Promoting a healthy and safe working environment that protects the physical and mental wellbeing of our employees and contractors while at work		●	
	Water in our operations	Ensuring sustainable withdrawals of freshwater especially in areas with water stress, improving our water efficiency over time, and ensuring safe water discharge	●	●	
	Employee engagement, talent, and development of our own workforce	Attracting, retaining, and developing the best talent through policies and practices related to employees		●	
	Responsible business practices	Enacting policies and practices to promote ethical behavior and decision making, data protection, financial risk mitigation, and positive economic contribution	●	●	●
Level 2: • Topics are materially important. • Topics are targeted and reported upon according to required frameworks and regulations	**Diversity and inclusion in our own workforce**	Building an inclusive and diverse working environment and ensuring fair treatment and equal opportunities for all employees		●	
	Human and labor rights	Upholding and promoting the basic internationally recognized rights and freedoms of employees in our own workforce and across the value chain	●	●	●
	Sustainable innovation and technology	Promoting the use of digitalization, low-carbon technologies, and feedstocks, as well as prioritizing product innovation to drive operational excellence and value chain decarbonization	●	●	●
	Resource use and circular economy	Using circular feedstocks in our productions, minimizing waste, ensuring compliance in our operations, and safely disposing of hazardous waste	●	●	
	Non-GHG pollution in our operations	Minimizing any pollutants from our operations such as NOx, SOx, N2O, and VOC emissions, soil pollutants, substances of concern, and harmful substances		●	
	Local community engagement	Establishing and maintaining mutually beneficial relationships with the communities in which we operate		●	

Stakeholder Engagement

We regularly engage with our stakeholders to understand their expectations, needs, and interests through customer and investor meetings and calls, industry and investor conferences, customer service, employee meetings, surveys, portals and hotlines, community outreach programs, and governmental or regulatory interactions. In 2022, these conversations and activities with stakeholders extended to our materiality assessment. The table below illustrates engagement with each stakeholder group in our assessment process.

Stakeholders	Our Approach	Engagement
Employees	• We engage employees in corporate matters through several channels	• Internal sessions to determine the materiality of ESG topics: - 11 internal stakeholder groups were identified in addition to investor relations, sustainability, compliance, finance, human capital, manufacturing, HSE, procurement and local teams. • Interview and selection training • Diversity and inclusion workshop on inappropriate workplace behavior • E-learning compliance trainings covering code of conduct, diversity and inclusion, conflict of interest, global workplace harassment, anti-bribery, anti-corruption, and data privacy • Townhall meeting • Groupwide employee engagement survey planned for 2023
Customers	• We stay in regular contact with our customers	• Customer letters, direct communication by commercial leadership team, participation in industry events, proactive supply chain management, and product information and safety sheets published on our website
Investors	• We interact with our investors on a regular basis through investor meetings, calls, and conferences	• Investor meetings and conferences, conference calls with investors following publication of results, press releases, and annual general meetings
Communities	• We maintain mutually beneficial relationships with the communities in which we operate	• Engagement with local community groups and non-profits through sponsorship and donations • Local talent recruitment
Suppliers	• We stay in regular contact with our suppliers. We maintain a Business Partner Code of Conduct which outlines our expectations toward our suppliers with regards to the same compliance topics as are included in our Code of Conduct	• Interviews with suppliers to determine the materiality of ESG topics
Industry bodies	• We are an active member of several industry associations where we work with our peers to sustainably improve global standards in our industries and engage in dialogue on key global challenges related	• Interviews with industry bodies to determine the materiality of ESG topics • Refer to Industry and sustainability partnerships for an overview of our engagement with industry bodies
Governments	• We maintain relationships with state governments, authorities, and agencies in the countries where we operate, to advance our business objectives and our decarbonization strategy	• Bilateral meetings with elected officials and representatives of the executive branches of national and regional governments • Providing feedback and comments to legislative processes, through requests for comments and public consultations

Our Reporting Approach

Reporting Criteria

For the ESG information included in this report, Fertiglobe prepared it in accordance with the Global Reporting Initiative (GRI) Standards and self-developed reporting criteria as disclosed in this report. We comply with the local requirements in the United Arab Emirates and have taken the SASB standards and recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) into account.

Boundaries and Scope

The scope of the ESG information in this report covers the Fertiglobe Group during the fiscal year ending 31 December 2022, focusing on the material topics for Fertiglobe and its subsidiaries. This scope is the same as the previous year's report. Unless stated otherwise, references to Fertiglobe should be read as referring to the Fertiglobe Group and its subsidiaries.

The data in this report refers to Fertiglobe's performance and not to that of our contractors, unless stated otherwise.

How We Calculate GHG Intensity

Emissions Boundaries

Gross scope 1 and 2 greenhouse gas (GHG) emissions, stated in carbon dioxide (CO_2) equivalent terms, are calculated using the EU Emissions Trading System (ETS) methodology. This means that the CO_2 used in the production of urea and other downstream processes, which is defined as scope 3 per the GHG Protocol, is included in our inventory of scope 1 and 2. By including the CO_2 that goes into downstream processes here, we eliminate the fluctuations that may occur when we make any changes or experience downtime in our downstream product mix, thus presenting a transparent view of the CO_2 produced when making ammonia. This method also better aligns us to the methodology laid out by the Science Based Targets initiative (SBTi).

Production Boundaries

Gross ammonia and urea production is calculated on a nutrient ton basis. We believe this most accurately reflects the nitrogen content of our production portfolio, eliminates the possibility of double counting urea production, and normalizes for annual fluctuations in our product mix.

Emission Factors

For the emissions reporting, we use the below conversion factors: Global Warming Potential (GWP) values from the IPCC AR 4 report to convert N_2O and CH_4 data to CO_2e. Factors from the International Energy Agency (IEA) (2019), an autonomous body in the framework of the Organization for Economic Co-operation and Development (OECD), to convert electricity usage to CO_2e /Kwh. We use the factor steam reforming for Energy Intensity and GHG emissions from the prospective scenarios for the Chemical and Petrochemical Industry from JRC 2017.

Other KPIs

Energy intensity is not specifically calculated for the ammonia downstream plants. Occupational safety and health indicators are calculated incl. contractors and follow the US-OSHA definitions. The Process Safety Incidents (PSIs) follow the CEFIC/ICCA guidelines for 2022.

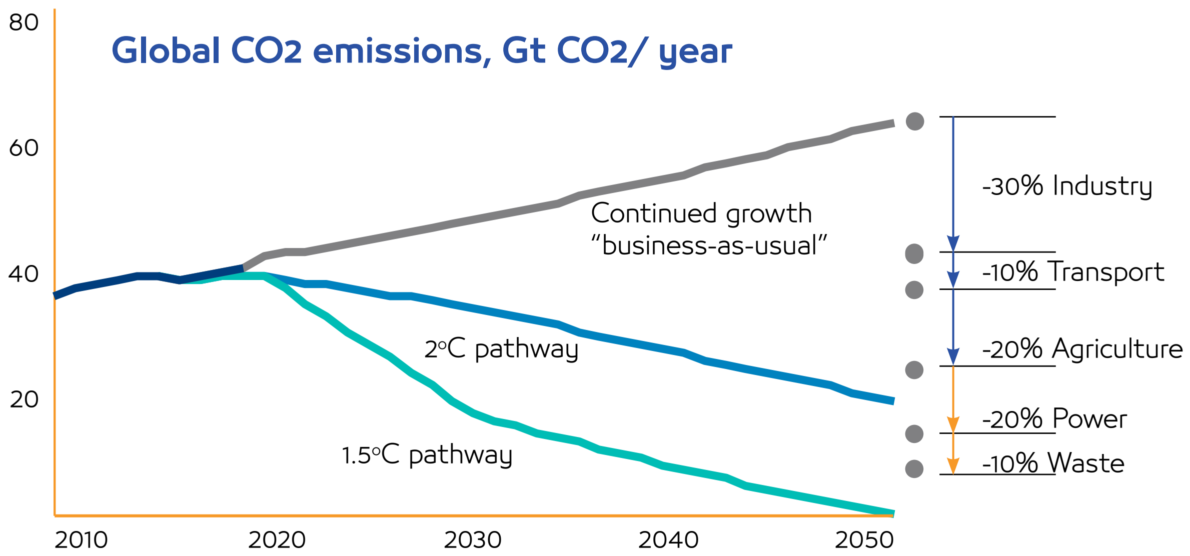
Driving the Global Energy Transition

The Role of Hydrogen

Hydrogen is critical to achieving carbon neutrality

Governments have set targets for the 1.5–2°C pathway, requiring a significant reduction in global CO_2 emissions. Low-carbon ammonia and hydrogen will enable a broad range of decarbonization opportunities, including reductions in emissions from marine fuel, power generation, transportation, construction, and agriculture. Leveraging our access to renewable energy sources, and the complementary expertise, resources, and relationships of our majority shareholders, ADNOC and OCI Global, Fertiglobe is looking to take on an increasingly central role in driving the development of the low-carbon and renewable ammonia industry and the decarbonization of the global economy.

To limit global warming, the world needs to rapidly reduce emissions. Fertiglobe's focus markets represent significant emission reduction potential.



Fertiglobe focus markets today
Fertiglobe's focus markets account for ~60% of emission reduction potential

Fertiglobe potential markets
Fertiglobe indirectly influences ~30% of further emission reduction potential

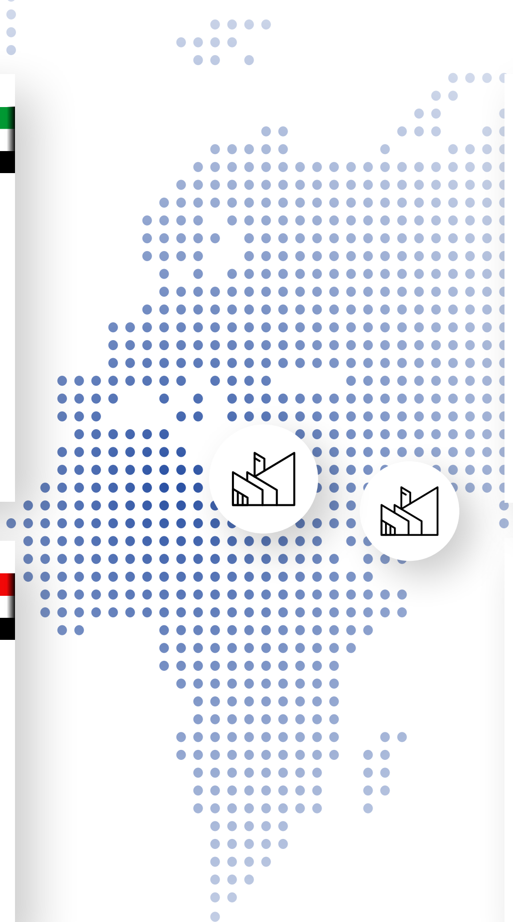
Low-Carbon Growth Initiatives

UAE Green Ammonia Pilot Project

- Collaboration announced with Masdar and Engie to study the co-development of a globally cost competitive green hydrogen facility
- **150 MW planned capacity electrolyzer project** to supply our ammonia production plants at Ruways, UAE to support production of renewable ammonia in the region
- Located in Abu Dhabi, where the project will benefit from the country's commitment to a low-carbon future, its unique renewables profile, and its strategic geographic location

Egypt Green Project

- Commissioning of the project's first phase in progress
- To include **100 MW electrolyzer capacity** at full scale
- Largest independent renewable hydrogen project in Africa
- Partnership between Fertiglobe, Scatec, the Sovereign Fund of Egypt, and Orascom Construction
- Strategically located at the Suez Canal's doorstep with direct pipeline connection to Ain Sokhna port
- FID for full scale 100 MW electrolyzer plant expected in 2023.



Low-Carbon Ammonia Project in the UAE

- World scale low-carbon ammonia facility in UAE, in partnership with Ta'ziz (majority owned by ADNOC and ADQ), GS Energy Corporation and Mitsui & Co., Ltd
- Located in Ta'ziz Industrial Chemicals Zone, adjacent to Ruways Industrial Complex, which will supply attractive hydrogen and nitrogen feedstocks
- Capacity of **up to 1,000ktpa of low-carbon ammonia** with focus on exporting to Asia and Europe
- Engineering, Procurement, and Construction (EPC) contract signed in February 2023 with Tecnimont S.p.A.

Low-Carbon Ammonia Pilot in the UAE

- Pilot to capture 18 ktpa of CO_2 from Fertiglobe's Fertil 2 plant to be UAE's first CCS facility to produce **low-carbon ammonia** with focus on exporting to Asia and Europe
- FID expected in Q2 2023.

Building the Green Hydrogen Ecosystem: Egypt Green Project

Egypt Green Hydrogen

Commissioning of the first phase of the Egypt Green hydrogen plant in Ain Sokhna, Egypt, was launched in November 2022 during COP27. Egypt Green, which is owned, built, and operated by Fertiglobe, Scatec ASA, Orascom Construction, and the Sovereign Fund of Egypt (SFE), marks an important milestone in the development of a green hydrogen ecosystem in Egypt and Africa.

Egypt Green is Africa's first integrated green hydrogen plant and marks a foundational step in Fertiglobe's green hydrogen and ammonia portfolio aiming to accelerate global climate action through emissions reduction. Green hydrogen, which is produced from water via electrolysis using renewable energy sources, has the potential to play a significant role in decarbonizing hard to abate sectors, such as heavy industries, power, and global shipping. Ain Sokhna has a strategic position close to the Suez Canal Economic Zone with the possibility of using renewable electricity to develop an industrial hub near global shipping lanes.

When fully developed, the project will consist of 100 MW capacity of electrolyzers powered by 260 MW of solar and wind energy plants. The tie-ins for the renewable hydrogen feed to be processed into renewable ammonia have already been installed at Fertiglobe's two existing ammonia plants in Ain Sokhna. At full scale, the facility will deliver up to approximately 15,000 tons of renewable hydrogen as feed-stock for production of up to 90,000 tons of renewable ammonia per year in Fertiglobe's existing ammonia plants FID for the full-scale 100 MW electrolyzer capacity is expected to be reached in 2023.

Fertiglobe reached a significant milestone with its Egyptian facility being the first green ammonia production site to receive the ISCC PLUS certification.

Renewable energy from solar, wind

100 MW electrolyzer capacity at full scale

Up to c. 15,000 tons of green hydrogen as feedstock for production of up to 90ktpa of green ammonia at Fertiglobe's existing ammonia plants

Global logistic capability

Contribution to SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

7 AFFORDABLE AND CLEAN ENERGY

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Fertiglobe
An ADNOC and OCI Company

THE SOVEREIGN FUND OF EGYPT

Scatec

ORASCOM CONSTRUCTION

Reducing Non-GHG Environmental Impacts

DEF – Improving Fuel Efficiency and Abating NOx Emission

DEF, which is marketed as AdGreen, is a non-hazardous aqueous urea solution consisting of approximately 67.5% deionized water and approximately 32.5% urea. DEF is used in Selective Catalytic Reduction (SCR) systems to reduce harmful vehicle exhaust emissions from diesel engines, with the added advantage of improving vehicle fuel economy by approximately 5%. DEF breaks down NOx emissions into nitrogen gas and water vapor, thereby eliminating environmentally harmful emissions from cars, trucks, buses, and other heavy-duty vehicles.

We have DEF production capabilities of approximately 450 thousand metric tons at Fertiglobe.

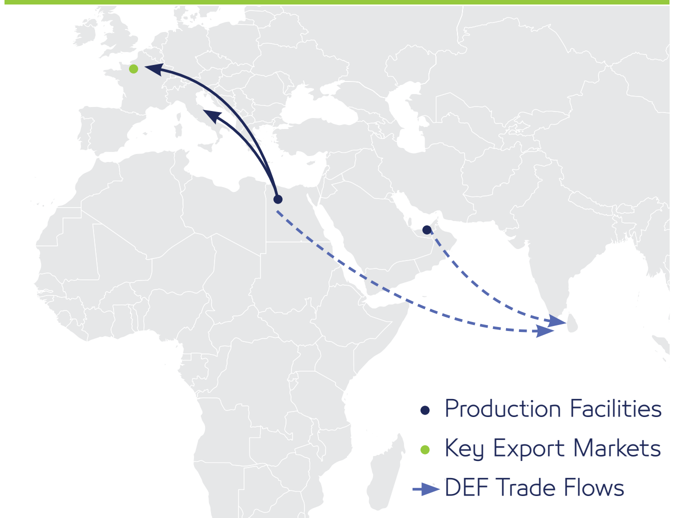
Regulations in the US, EU, and China are driving demand growth by requiring the replacement of older vehicles, particularly heavy-duty trucks, coupled with higher dosing rates in newer generation diesel engines.

We see this as being the only viable option for emissions abatement for truck and rail in the foreseeable future in light of the so-far unsuccessful transition to electric vehicles for heavy trucks and farm vehicles due to poor power-to-weight ratios.

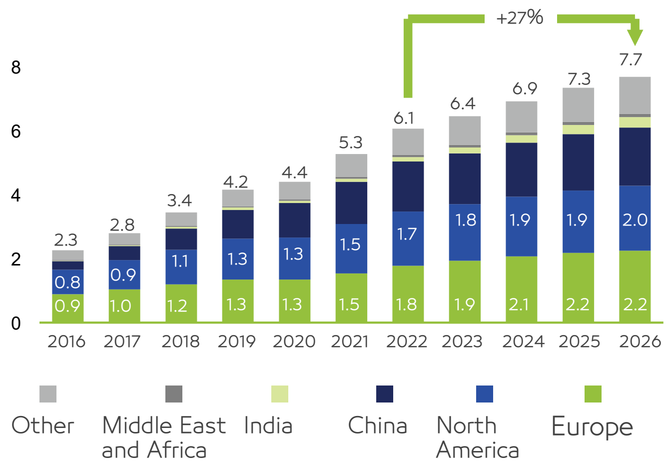
Fertiglobe Makes Trial DEF Shipments, Diversifying Product Offering

- **Diesel Exhaust Fuel (DEF),** also known as AdBlue® in Europe, is a urea solution used to **reduce NOx and particulate emissions from diesel combustion**
- DEF has demonstrated a **~5% improvement in fuel economy**
- Demand is supported by increasingly stricter emission regulations, making Europe a key market for AdBlue® sales.
- **Fertiglobe has the capacity to produce 0.5 million tonnes of DEF** at its facilities in Egypt and the UAE, and both facilities being able to quickly ramp up production.

Exports of trial shipments of AdBlue® from Fertiglobe's plant in Egypt to Europe in Q4 2022 and early 2023



Attractive Fundamental Drivers for DEF Demand
Global DEF Consumption, Million Metric Urea Equivalent Tons



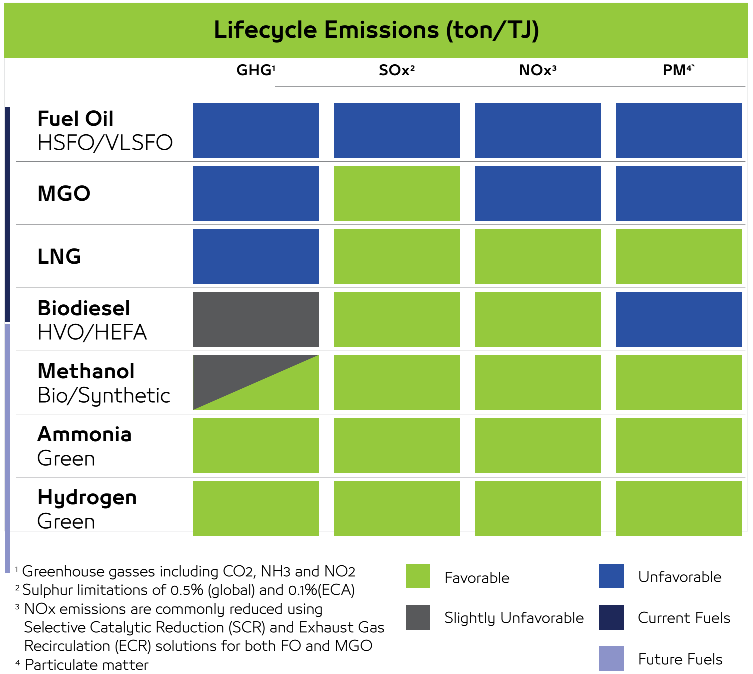
Sustainable Ammonia as Marine Fuels – Reducing Air Pollutants

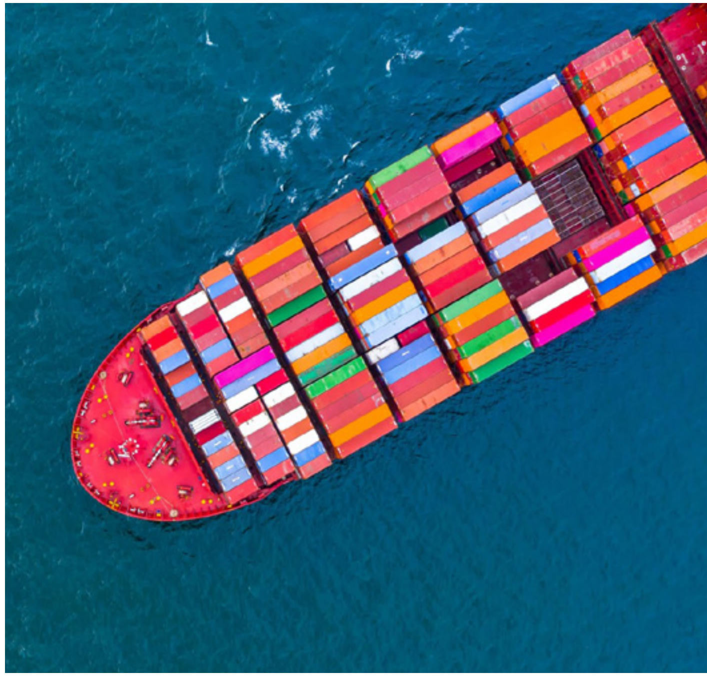
Shipping currently accounts for approximately 3% of global CO2 emissions. The sector is one of the most challenging to decarbonize due to the current cost effectiveness of heavy fuel oil (HFO). The International Maritime Organization (IMO) has set emissions targets that can only be achieved through the adoption of low-carbon fuels on new and existing vessels. The EU is poised to include shipping in the emissions trading system (EU ETS) with binding requirements to reduce CO2 by more than 40% by 2030. This push to decarbonize shipping is driven throughout the industry's value chain, with major consumer facing companies pledging to decarbonize their freight by moving cargo on ships using zero carbon fuels by 2040.

Of the various alternative low-carbon fuels available, ammonia is one of the only practical alternatives for long distance shipping. Green ammonia is particularly promising as it can be produced from solar and wind resources without producing carbon emissions. The ammonia engine on the vessels emits zero CO2, zero sulphur oxides (SOx), and the traces of NOx present in the flue gas can be neutralized to water and dinitrogen by up to 99%. This makes a green ammonia-fueled ship a zero-emission ship. Without carbon priced in, the grey and blue ammonia pathways are very close to cost parity compared to HFO. Use of blue ammonia in shipping would facilitate the decarbonization pathway with an improvement potential of more than 50% GHG reduction.

Most importantly, with global infrastructure in place, these products can bridge the transition from grey to green until the industry has fully scaled up to products based solely on renewable energy sources. The maritime fuel market for HFO is expected to grow to approximately 430 million metric tons by 2050, translating in ammonia equivalents of 650–900 million metric tons. This is 4-5x current global production and >35x merchant ammonia traded volumes, representing a significant growth opportunity for Fertiglobe.

Contribution to SDGs





Sustainable Operations

2022 Key Performance Indicators

GHG Intensity	Energy Intensity	Water Intensity	Freshwater Intake
tCO2e/N-tons	GJ/ton of ammonia produced	m3 Consumed/ton produced	Freshwater intake/total water intake
3.03[1]	38.44	2.45	8%
2022	2022	2022	2022
3.05	37.76	2.52	11%
2021	2021	2021	2021

[1] The decrease in GHG intensity, despite the increase in energy intensity, is due to the purchase of Renewable Electricty Certificates (RECs) in Egypt and the UAE.

Energy and Climate Change

Our Approach

As a producer of ammonia and urea, we generate greenhouse gases along our value chain. However, our products are essential to meet the global challenges of food security, decarbonized industrial processes, and cleaner fuel solutions. Our products contribute to the production of crop yields necessary to meet global food demand and ammonia is one of the most promising industrial products to enable the clean energy transition.

Accordingly, through their respective cycles, our products contribute positively to the fight against climate change by aiding in the sequestration of carbon in farming, land reclamation, and the reduction of transport emissions. We are unequivocal in our goal to reduce our environmental impact wherever possible and we have invested heavily in achieving this by both minimizing our environmental footprint through continuous investment in state-of-the-art technologies to maintain one of the world's youngest and most efficient asset fleets while maximizing our development of greener products through our blue and green ammonia platform and our DEF production capabilities.

We are committed to reducing our carbon footprint and our scope 1 and 2 GHG emissions intensity in line with our majority shareholder's targets. This highlights our commitment to reducing our climate impact throughout our value chain such as through further improvements to our production processes and feedstock sources, supply chain efficiencies, and product innovations. We aim to achieve these improvements through a comprehensive climate strategy that includes investing in low-carbon technologies and projects, recycling and reusing resources, and cooperating with all our stakeholders, industry peers, governments, and other institutions in the fight against climate change.

Decarbonization Roadmap

We are committed to reducing our carbon footprint and our scope 1 and 2 GHG emissions intensity in line with our majority shareholder's targets, through:

Operational excellence: Through a strong focus on energy efficiency and asset reliability, consisting of short- to medium-term quick wins at no or low capital expenditure requirements, while simultaneously generating annual incremental EBITDA over the next years.

Transitioning our facilities to renewable energy sources (RES) through power purchase agreements (PPAs) and renewable energy certificates (RECs) for our purchased electricity (scope 2).

New strategic, low-carbon, and renewable technologies that follow the transition pathway of blue and renewable, capitalizing on both new and established technologies such as electrolysis, carbon capture and storage (CCS), and purchased blue and renewable hydrogen.

Operational Excellence

The Global Operational Excellence Program

We continuously look for ways to maximize our production efficiencies, minimize our emissions and waste, and maintain our industry leading health and safety records. Operational excellence is integral to optimizing energy efficiency, which in turn is necessary to minimizing our scope 1 GHG emissions, the bulk of which are emitted through consumption of natural gas in ammonia production. Our assets hold global certifications recognizing the quality of our environmental management processes, such as ISO 14001 Environmental Management System and ISO 50001 Energy Management System. In 2022, Fertiglobe gained the world's first ISCC PLUS certificate for a renewable ammonia project. We are compliant with the applicable environmental regulations at each of our locations.

The program is founded on three key pillars that are tightly interlinked: **process safety, reliability, and energy efficiency,** underpinned by our commitments to minimize waste and maximizing resource productivity. The program is expected to yield significant reductions in GHG intensity.

Process safety enables reliability, which in turn enables energy efficiency to achieve lower GHG emissions

Process Safety	Reliability	Energy Efficiency
• **Leading process safety design elements** featured by Fertiglobe's young asset base • **Site-led improvement programs** reflecting site specific process safety priorities • **Groupwide leading performance KPI's** and best practices for process safety fundamentals	• **Site-led improvement programs** reflecting site specific priorities and a "focus and follow through" approach • **Global reliability program** focused on the identification and elimination of repeat issues • **Structured readiness reviews** for major turnarounds to improve completion times, competitiveness, and predictability	• **Energy-efficient designs** featured by Fertiglobe's young asset base • **Immediate focus on operational excellence,** supported by industry leading monitoring tools • **A review of energy and feedstock purchases** with the aim to increase our use of green or renewable sources, including increasing our purchase of renewable power, including solar and wind energy • **Identify and pursue further efficiency** through select value-accretive investments

Waste Heat Capture and Recovery

The waste heat and steam systems in all our plants are highly integrated and we endeavor to use all heat within our processes to make the most efficient use of energy possible.

CO_2 Capture and Storage

Our production facilities emit greenhouse gases directly from the conversion of natural gas into our products, and indirectly through the generation of purchased electricity and steam. We diligently work to minimize our CO_2 emissions by investing in reduction technologies and continue exploring CCS opportunities.

Contribution to SDGs

Our Renewable Energy Commitment

Renewable Electricity

Wherever possible, we strive to source from solutions with higher additionality available in the markets where we operate, such as Power Purchase Agreements (PPAs) and Energy Attribute Certificates (EACs) purchased in the same market where consumption takes place.

In 2022, we finalized our renewable energy market evaluation and developed a purchasing strategy based on best available options in the markets where we operate. For our sites in Egypt and the UAE, we are focused on EACs in the short-term, while monitoring the development of the corporate PPA market for the eventual availability of this option. We continue to assess new renewable sourcing opportunities in Algeria, in order to encourage the construction of new renewable projects.

In 2022, we began implementing our renewable electricity strategy in Egypt and the UAE and are pleased with our progress to date. The purchase of solar EACs (i-RECs) for 100% of our purchased energy consumption at our facilities in Egypt and the UAE, equivalent to 70% of Fertiglobe's overall purchased electricity, contributed to a reduction of 240,000 tCO2e of our scope 2 emissions in these geographies. This grounds our scope 2 emissions to zero in our Egyptian and UAE sites. Fertiglobe's overall scope 2 emissions have decreased by 70% driven by the implementation of our emission reduction strategy. Our GHG intensity has reduced by 1.3% compared to 2019 baseline levels and was recorded at 3.03 tCO2e/N-tons in 2022.

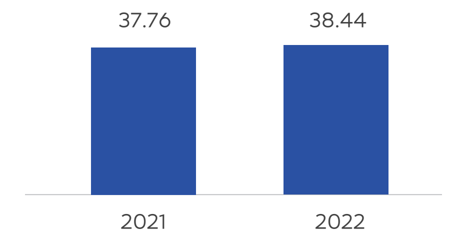
Our Climate Change Action Performance

2022 Energy and Air Emissions Scorecard

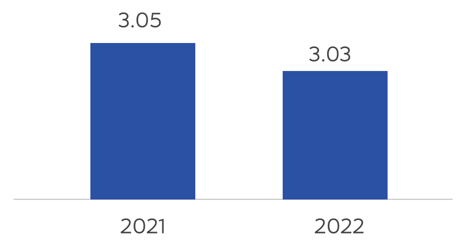
GHG Emissions and Energy Use	Unit	2020	2021	2022
Energy – Consolidated				
Energy consumption	TJ	158,958	161,537	162,654
Renewable electricity purchased	%	0	0	70
Energy – Ammonia				
Energy consumption	TJ	139,278	140,627	141,600
Energy intensity	GJ/ton gross product	38.81	37.76	38.44
Emissions				
GHG emissions (scope 1)	Million tons (Mt) CO_2e	5.18	5.80	5.87
GHG emissions (scope 1 – CO_2 to downstream)	Mt CO_2e	3.66	3.19	3.18
GHG emissions (scope 2)[1]	Mt CO_2e	0.39	0.35	0.13
Total GHG emissions (scope 1+2 EU ETS)	Mt CO_2e	9.23	9.35	9.18
GHG intensity (scope 1 and 2)	Ton CO_2e / N-ton	3.12	3.05	3.03

[1] The decrease in 2022 Scope 2 emissions and GHG intensity figures is due to the purchase of RECs in Egypt and UAE sites.

Energy Intensity – Ammonia (GJ/ton gross product)



GHG Intensity (ton CO_2e/N-ton)



Contribution to SDGs

Water in Our Operations

Each plant works to maximize water efficiency

1

Water is sourced from seawater, municipal sources, wells, and surface water.

2

Water is used in the production process in several ways, such as cooling water, steam, or as a raw material for our downstream products. Water is circulated and reused many times throughout our production cycles.

3

Following several cycles through our plants, water is recycled by neighboring plants where interconnections exist, or is safely released as unpolluted water vapor.

4

Water is treated at water treatment facilities to ensure it is safe and clean.

5

Water is safely discharged as per local regulations, or further recycled as irrigation water.

We are committed to **zero freshwater consumption** at all our sites by end of 2023.

Water Management Approach

Water is an essential but finite resource and water stress is an increasing threat globally, particularly in already vulnerable regions. We work diligently to maximize our water efficiency and are focused on reducing our water use wherever possible at all our sites. We primarily use water in our production processes for cooling, steam generation, or in our downstream aqueous products. Our water management processes implement best available technologies wherever possible to eliminate our need for freshwater and minimize our water discharge through maximizing reuse and recycling of water in our production processes. The majority of our water consumption is recycled several times in closed loop systems to reduce our intake of freshwater wherever possible and we use non-potable water sources such as seawater and treated water from industrial sources to reduce our impact. We have made significant investments to reduce our use of freshwater wherever possible, and we have installed desalination units to use seawater instead of freshwater at all our sites. Our production facilities in Algeria and the UAE source 100% of their water intake from the sea. In Q4 2022, our facilities in Egypt transitioned their freshwater consumption to a mixture of desalinated and non-potable ground water treated via reverse osmosis. Fertiglobe is now fully reliant on sustainable water sources and reliance on freshwater sources at all our MENA assets has been eliminated.

Actions being taken to address water sustainability in Egypt include:

- Increasing reliance on desalinated seawater purchased from a 3rd party and further treated in our own polishing units
- Increasing our access to sustainable groundwater wells through local investments
- Investing in increasing capacity and efficiency of our on-site reverse osmosis units, treating and upgrading groundwater
- Investing in wastewater plants to reuse and recycle more water from the production process
- Continuing to make use of any water discharge to grow our land reclamation project

Withdrawal and Discharge

We closely monitor our water withdrawals and discharges at every facility and ensure any discharged water is treated to meet applicable environmental requirements and safely discharged. We have invested in on-site pools to safely evaporate discharged water, or treat the collected water for irrigation, resulting in zero effluent discharge at EFC and Fertil.

Our Egyptian facilities also benefit from interconnections allowing them to safely recycle water for use in production processes. Both EFC and EBIC have also implemented a wastewater treatment and re-use closed loop system for cooling water that reduces water intake by approximately 5%.

We meet or exceed all water quality regulations and permits through our water management and treatment processes to ensure we do not impact local water sources. Water management and water quality is a key element of our overall HSE and resource use management systems and is monitored by the Board of Directors. We continuously review our water management processes, our water use, and evaluate ways in which we can improve our water stewardship at every facility.

Contribution to SDGs

Water in Our Operations: Case Study

Minimizing **freshwater consumption** in water stressed regions.

> As of October 2022, we fully substituted our freshwater consumption with desalinated water, eliminating Fertiglobe's dependence on freshwater at all sites.

As of October 2022, we fully substituted our freshwater consumption with desalinated water, eliminating Fertiglobe's dependence on freshwater at all sites. The desalinated water is supplied from a recently built desalination plant at Ain Al Sokhna to our facilities in Egypt on a contractual basis. The desalinated water is further treated in polishing units. A calcination unit is under construction for further treatment of the desalinated water for better operating properties. Remainder water supply comes from unpotable groundwater and is treated in reverse osmosis plants owned and operated by Fertiglobe.

Improved Water Efficiency

Desalinated water has better operating properties compared to previously used freshwater. Since transitioning to desalinated water, efficiency has improved remarkably leading to water savings. Blow down of cooling towers decreased by c.50%, reducing makeup water and wastewater discharge as a result. Wastewater flow reduced by c.30%.

Regeneration cycle was significantly improved, leading to a lower consumption of chemicals for water treatment. Overall water consumption decreased and led to higher reliability and efficiency of heat exchangers.

Zero Effluent Discharge

Both Fertil and EFC have implemented a novel solution to the large quantity of water produced as a by-product of the urea manufacturing process. The facilities invested in the construction of irrigation and evaporation ponds to avoid discharging effluents into the environment. EFC is the only plant in Egypt to do this, with three ponds capable of holding a total of 15,000 cubic meters of water. Fertil has two ponds capable of holding a total of 24,800 cubic meters of water.

Water Recycling and Reuse

During the year, EBIC implemented a wastewater treatment and reuse closed loop system for cooling water that reduces the plant's water intake by approximately 5%.

Land Reclamation in the Egyptian Desert

The water collected at EFC's irrigation ponds is used to irrigate 50 acres of forestry that was planted by EFC in the nearby desert, contributing to essential land reclamation in the Egyptian desert and creating an additional source of carbon sequestration. The 50 acres of forestry sequester an estimated 39 metric tons of CO_2 a year.

50

Acres of land reclaimed in the Egyptian desert through our water recycling efforts

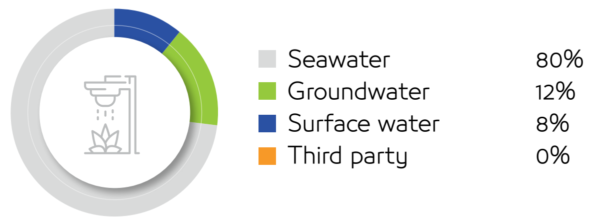
2

Million cubic meters of water reused for irrigation in the Egyptian desert

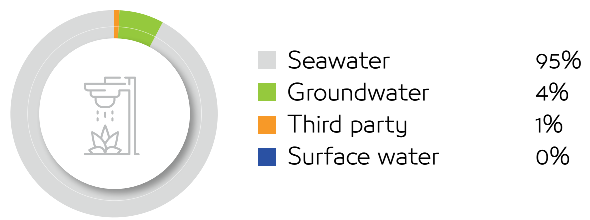
Our Performance: Water Intake and Discharge

	Unit	2020	2021	2022
Water				
Total intake by source	Million cubic meters (MCUM)	**65.29**	**63.33**	**63.27**
Groundwater	MCUM	9.94	9.86	7.59
Seawater	MCUM	48.00	46.21	50.79
Surface water	MCUM	7.35	7.26	4.89
Third party water	MCUM	0.00	0.00	0.00
Total discharge by destination	MCUM	**40.72**	**39.77**	**40.69**
Groundwater	MCUM	2.45	2.35	1.76
Seawater	MCUM	37.88	37.05	38.56
Surface water	MCUM	0.00	0.00	0.00
Third party water	MCUM	0.39	0.37	0.37
Total water intensity	m^3 consumed/ton produced	**2.73**	**2.52**	**2.45**
Water Stress				
Water withdrawn in regions with high or extremely high baseline water stress	%	100%	100%	100%
Water consumed in regions with high or extremely high baseline water stress	%	100%	100%	100%

2022 Water Intake by Source



2022 Water Discharge by Destination



3%

YoY reduction in water consumption per ton

Other Environmental Impacts

Local Biodiversity and Ecosystem Services

None of our production facilities are located near protected areas or areas of high biodiversity, and we are not required to maintain a biodiversity management plan for any of our sites. We comply with all relevant regulatory requirements and environmental policies when assessing new projects, which would include environmental and biodiversity impact assessments wherever relevant. Nitrogen fertilizer use helps improve agricultural efficiency, which protects biodiversity by maximizing yields of existing farmland thereby reducing the need to sequester new land for farming.

Non-GHG Emission in Pollution in Our Operations

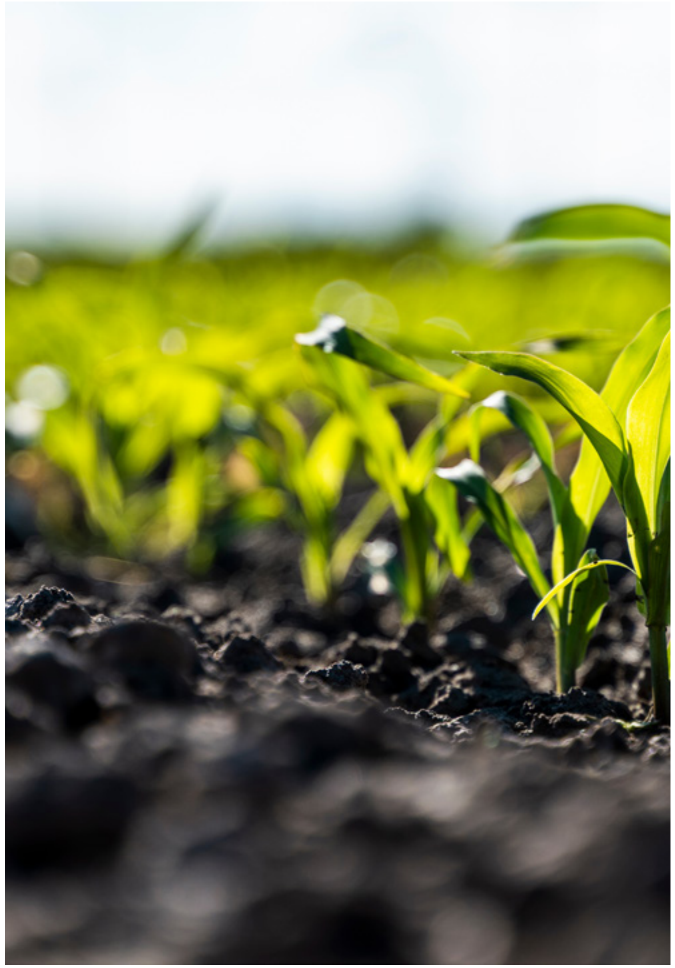
We have installed the necessary equipment at our facilities in line with our policy to minimize our environmental impact. Accordingly, we emit no N2O and minimal amounts of SO2, NOx, particulates, and volatile organic compounds (VOCs), as reported on page 206.

Resource Use and Circular Economy

Our production processes produce limited by-products and are not waste intensive. Our distribution processes are primarily bulk shipments with minimal packaging required.

> "Nitrogen fertilizer use helps improve agricultural efficiency, which protects biodiversity by maximizing yields of existing farmland thereby reducing the need to sequester new land for farming."

Almost all the waste we produce is non-hazardous and primarily result from maintenance activities. Each facility monitors and minimizes its hazardous and non- hazardous waste through active waste management programs. The primary source of hazardous waste is spent catalyst, which is disposed of safely as per local regulations. We minimize potential waste leakage, effluents, or spills through primary and secondary containment systems that are regularly inspected. All processes undergo regular reviews by our HSE teams to identify and implement waste reduction opportunities where possible. In 2022, our facilities reported zero environmental incidents (EI), representing an environmental incident rate (EIR) of zero.



Climate Change Risks and Opportunities

Climate change presents us with both physical and transitional risks. Our ERM framework equips us with policies and procedures to facilitate the evaluation and management of risks across our organization. We also consider SASB Chemicals Sustainability Accounting Standards along with TCFD recommendations when assessing our climate-related risks. We assess and monitor the physical and transitional risks presented by climate change as one of our primary risks and are confident that we have adequate strategies to maximize the opportunities to develop our business sustainably and help mitigate climate change. Please refer to pages 94-102 for a detailed explanation of our ERM framework, executive and board responsibilities, and descriptions of our other primary risks and mitigation strategies.

Physical risks caused by rising global temperatures include extreme weather events such as droughts and floods, changing weather patterns, increased water stress, and rising sea levels. These occurrences can impact our supply chain, disrupt planting cycles and growing conditions, and impede farmers' abilities to apply crop nutrients.

Transitional risks associated with transitioning to a lower carbon economy are primarily related to changes in carbon-linked regulations and policies, such as the proposed European Carbon Border Adjustment Mechanism (CBAM) and other potential carbon taxation mechanisms, the costs associated with transitioning to lower emissions technology and resource efficiency, and dietary shifts to more plant-based nutrition.

Potential Impact of Physical and Transitional Risks

- Rising insurance costs and lower pay-outs
- Unplanned downtime
- Supply chain interruptions
- Changing weather patterns impacting factors such as water supply and farming patterns
- Commodity price volatility
- Higher capital expenditure and technology development risks associated with the transition to lower emitting technologies
- Higher or new taxation measures on carbon-related products
- Changes to crop demand to accommodate dietary shifts to more plant-based nutrition
- Risk of strategic projects not receiving adequate regulatory support or not capturing anticipated benefits

Fertiglobe's Mitigants and Opportunities

- Implementation of our **decarbonization strategy** as described on pages 66
- Development of our **blue and green ammonia** capacity to accelerate our path to decarbonization, as described on pages 59-61
- Improvements to our **water efficiency** and use of seawater, as described on pages 71-73
- Production of **lower carbon urea** to help reduce agricultural emissions while continuing to provide a key nutrient to maximize soil health and feed the crops that are favored by global dietary shifts

Our Approach to Product Stewardship

We aim to **develop and promote products and services to minimize the impacts and dependencies on the environment** (e.g., climate change, air, water and soil pollution, biodiversity and ecosystems) and maximize the impacts on society (e.g., food security, land use changes, health and safety).

Our approach to product stewardship has three pillars, underpinned by our commitment to product safety.

1

Providing **low-carbon and renewable products** through our decarbonization initiatives to help decarbonize downstream

- Food: Renewable nitrogen fertilizers using blue and renewable hydrogen as feedstocks
- Feedstocks: Low-carbon industrial chemicals allowing customers to decarbonize a wide range of products in the chemical value chain
- Fuels: Low-carbon green fuels, such as ammonia, which help our downstream value chain minimize emissions

2

Enhancing nutrient use efficiency through innovative products and services

- Supporting farmer education programs (e.g., 4Rs)
- Driving the adoption of more sustainable practices and products
- Developing fertilizers with urease and/or nitrification inhibitors. These products are among the most credible pathways to reduce N2O emissions during field applications, which conventionally contribute to over 50% of GHG emissions in the nitrogen fertilizer value chain
- Evaluating the introduction of sulfur to our products for better nutrient use efficiency

3

Mitigating environmental impacts beyond GHG emission reduction

- Reducing air pollution from transport and shipping:
  - Marine shipping: Green Ammonia as the fuel of the future that has significantly lower NOx, SOx and particulate matter (PM) pollutants compared to conventional fuels
  - DEF to abate NOx emissions from diesel
- Enhanced fertilizers have positive impacts on water, soil, air pollutions, and biodiversity

Product safety: Ensures that our products and their raw materials, additives, and intermediate products are processed and manufactured, handled, stored, distributed, and used in a way that safeguards health, occupational and public safety, and the environment.

Our Approach to Food Security

Food security is one of the most pressing issues of our time, with the need to increase food production to keep up with rising demand. Now, more than ever, given global supply shortages and disruptions, the fertilizer industry has a crucial role to play in supporting global food security and sustainability by enabling farmers to increase crop yields and help feed the world's ever-expanding population.

That's why advancing global food security is at the heart of what we do, with our nitrogen fertilizer products providing the key nutrient for crops.

Specifically, our products, including nitrogen fertilizers make a significant contribution to sustainable crop production, given that nitrogen is an essential element for plant growth and development and accounts for approximately 70% of any crop's nutritional needs. It is required in every crop cycle and cannot be substituted, with nitrogen fertilizer making up 60% of global fertilizer usage. Our unique global nitrogen fertilizer production footprint gives us unparalleled agility in responding to volatile market conditions, which means we are one of the few producers to continue to provide essential nitrogen fertilizers to our European agricultural customers. This has allowed us to help address potential grain shortfalls and be part of the solution to a very real, human, global problem, helping to alleviate concerns around food security concerns by producing as much product as possible and filling in any supply gaps that may arise. Moving forward, we are focused on running our plants efficiently to fill supply gaps that may arise and as such help address potential grain shortfalls and overall food security concerns.

> "We enhance nutrient use efficiency through innovative products and services, strenghtening our leadership position in the production and export of urea and ammonia."

Enhancing Nutrient Use Efficiency and Food Security

Enabling pathways to global food security is core to our mission. We work with our global customers to maximize yields, strengthen crops, prevent soil degradation, promote sustainable agricultural practices, and accelerate growth to meet the world's rising food demands.

Agriculture is both a contributor to and casualty of climate change. Industrial agriculture is responsible for approximately 30% of global GHG emissions. Simultaneously, agriculture bears significant impacts of climate change including effects of rising temperatures, extreme weather events, shifting agroecosystem borders, and invasive species, all of which threaten to reduce crop yields and nutritional quality, and decrease livestock productivity. Ensuring food security for a growing population is a global challenge as it is estimated that the world's food production will require a 70% increase by 2050 to adequately feed an estimate nine billion people.

We are actively working on solutions to address environmental impacts and improve yields across the value chain. Our strategy is three-fold: 1) reducing embedded carbon footprint of nitrogen fertilizers through use of renewable feedstocks (e.g., green hydrogen) and CCS; 2) developing products that will enhance nutrient use efficiency for reduction of crop loss and increase of yields; and 3) collaborating across the value chain to promote sustainable intensification.

Fertilizer use is essential to maximize yields, minimize soil degradation, and sequester carbon dioxide.
Nitrogen fertilizers are the key nutrient for crop growth and development. High quality soil maximizes farm yields and ensures healthy crops, naturally sequestering carbon dioxide in the process.

Efficient farming through correct fertilizer application enables farmers to maximize the use of existing farmland and reduce land sequestration. Fertiglobe's fertilizer products facilitate sustainable agriculture by providing an effective and environmentally sound source of nitrogen. By using nitrogen fertilizers effectively, farmers can:

- Grow more food on their land;
- Reduce soil nutrient loss and improve soil quality; and
- Reduce the need for new farmland to be sequestered, which therefore reduces GHG emissions by limiting deforestation.

The absence of annual nitrogen fertilizer application for the replenishment of soil nutrients can contribute to soil erosion leading to poor yields from a qualitative and quantitative perspective, biodiversity loss, and other negative economic and ecological consequences.

Promoting Sustainable Intensification

Inappropriate fertilization practices can lead to the loss of nutrients to the environment. If those nutrients are not replaced, soil health will decline and eventually lead to soil degradation increasing risk of agricultural expansion into previously uncultivated land. In order to prevent this land encroachment, avoid further loss of biodiversity, and the release of sequestered carbon, it is crucial to supply existing agricultural land with a sufficient amount of nutrients. The importance of healthy soils for agricultural production is particularly critical in the current geopolitical context, in which serious threats to food security are compounded by an abrupt reduction in fertilizer production globally, with consequences across the whole agri-food supply chain. By applying sustainable intensification practices, farmers will be able to maximize the use and efficiency of existing farmland while minimizing the environmental impact on the same land area.

Sustainable intensification can therefore represent an effective and valid approach to the sustainability of the agri-food supply chain, while contributing to food security. Such sustainable intensification measures can be characterized by:

- The use of harmonized standards and indicators such as the Nitrogen Use Efficiency (NUE) Indicator, developed by the EU Nitrogen Expert Panel, which is able to provide information about resource use efficiency.
- The use of precision farming tools and techniques that enable farmers to effectively assess crop nutrient requirements.
- An increase in the replacement of conventional mineral fertilizers with Enhanced Efficiency Fertilizers (EEFs) to improve fertilizer use efficiency, mitigate climate change, and significantly reduce nitrogen losses to the environment.
- The adoption of "4R" principles and application of the right fertilizer source at the right rate, at the right time and in the right place.
- The use of targeted fertigation techniques.
- The use of low-carbon and renewable ammonia in fertilizer production, helping to reduce overall scope 1 GHG emissions.

We work with industry associations to educate farmers on fertilizer application, and storage, and encourage sustainable farming practices.

Contribution to SDGs

2 ZERO HUNGER | 13 CLIMATE ACTION | 14 LIFE BELOW WATER | 15 LIFE ON LAND

Product Safety

Product Stewardship & Chemical Safety

Product stewardship ensures that our products and their raw materials, additives, and intermediate products are processed and manufactured, handled, stored, distributed, and used in a way that safeguards occupational and public health and safety and the environment, and ensures security.

Approach

Product stewardship and chemical safety is supervised by the Board, and subject experts from each facility contribute to risks assessments and internal audits of the HSE impact of our product portfolio.

We use the best available technologies to minimize our carbon footprint and implement the product stewardship guidelines developed by International Fertilizer Association (IFA) throughout our production processes to monitor and minimize our environmental, health, and safety impact from feedstock to farmer. We comply with international standards as members of IFA, the Arab Fertilizer Association, and other associations.

We are committed to our obligations regarding any environmental and health regulatory aspects of the chemicals we handle, and we closely monitor regulatory and safety developments for all our chemicals. Our products do not include ozone depleting substances, persistent organic pollutants (POPs), polyaromatic hydrocarbons (PAHs), or polychlorinated biphenyls (PCBs), and do not contain any chemical classified by the European Commission's registration, evaluation, authorization, and restriction of chemicals (REACH), or equivalent regulation, as substances of very high concern (SVHC). We strive to substitute any identified SVHC as raw material or intermediate where possible and if a product cannot be substituted, we comprehensively assess the risk potential of the substance by weighing the degree of HSE risk and regulatory restrictions or classification, technical and financial feasibility of developing a substitute, and stakeholder concerns, among other considerations. We fulfill our obligations by enforcing strict process and occupational safety and product handling measures to minimize risks of exposure to health and to the environment. We carefully monitor and manage any chemicals of concern in our production processes in line with regulatory processes and our HSE, product stewardship, and chemical compliance policies and procedures. We also assess alternative substances and regulatory actions for these chemicals.

Safe Product Handling

We publish safety data sheets (SDS) on our website for all our products and substances. We continuously monitor and evaluate the environmental, health, and safety data, and regularly update the information published in the SDS section of our website. SDSs provide safe handling, storage, disposal, and personal protection equipment (PPE) information and disclosure on potential health and safety effects due to exposure or mishandling. All SDSs and product labels comply with applicable laws and regulations, including but not limited to REACH, US EPA, CEPA, and CLP.

Stem Cell Technology, Nanotechnology, Genetic Engineering, and Other Emerging Technologies

We do not make use of stem cell technology, nanotechnology, genetic engineering, or any other emerging technologies.

Genetically Modified Organisms (GMOs) and Neonicotinoids

We do not produce GMOs or neonicotinoids (pesticides), nor do we make use of the technology.

Animal Testing

We do not conduct animal testing.

Social Value

Fertiglobe is unwavering in its dedication to promoting social development for the betterment of our communities and all stakeholders. The Group's social value creation strategy targets opportunities to enhance livelihoods and educational prospects of community members and to ensure diversity and inclusion throughout our workforce.

2022 Key Performance Indicators

LTIR	TRIR	Female Leadership
2022	2022	2022
↓ 0.02	↓ 0.27	↑ 18%
Lost Time Injuries per 200 thousand working hours for employees and contractors	Total Recordable Injuries per 200 thousand working hours for employees and contractors	Improved Representation of Females in Senior Roles
2021: 0.19	2021: 0.28	2021: 17%

How We Create Value for Our Communities

Local Community Engagement

Our activities directly and indirectly create significant economic opportunities for the communities in which we operate, through payments for goods and services, taxes, research and development, job creation, improved farmer productivity, and donations.

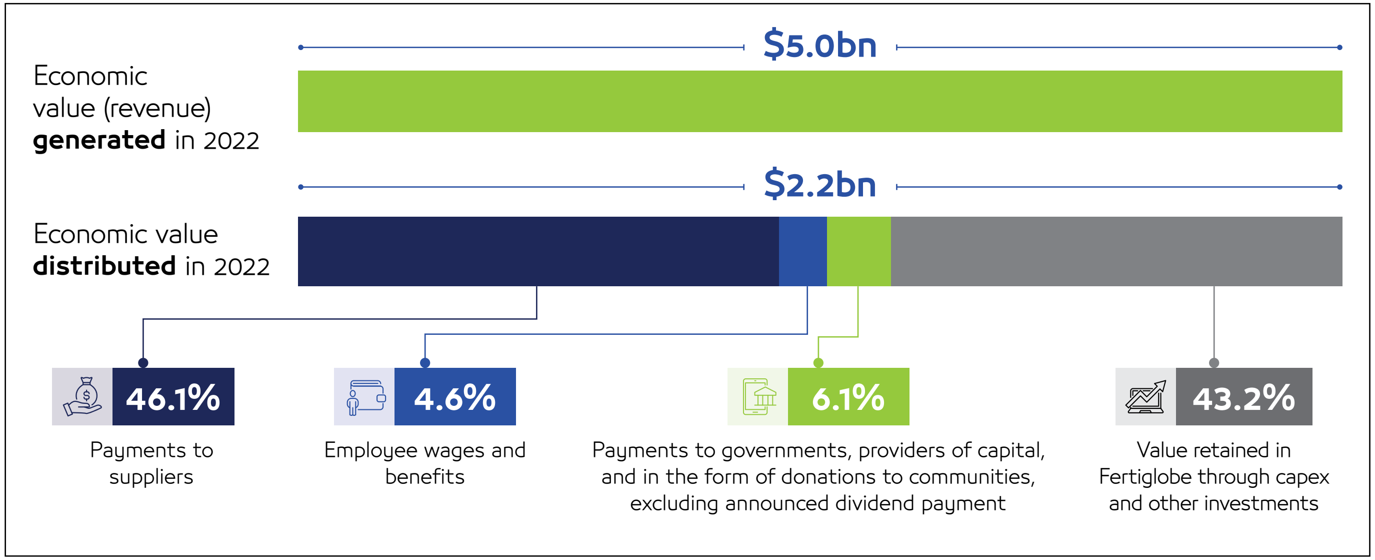
In 2022, we created $5.0 billion in value (revenues), of which 56.8% was redistributed. The balance was reinvested in Fertiglobe, primarily as capex, and is to be distributed in the form of dividends, with $1,450 million announced for 2022. (H1 2022 dividend of $750 million paid in October 2022, H2 2022 dividend of $700 million payable in April 2023).

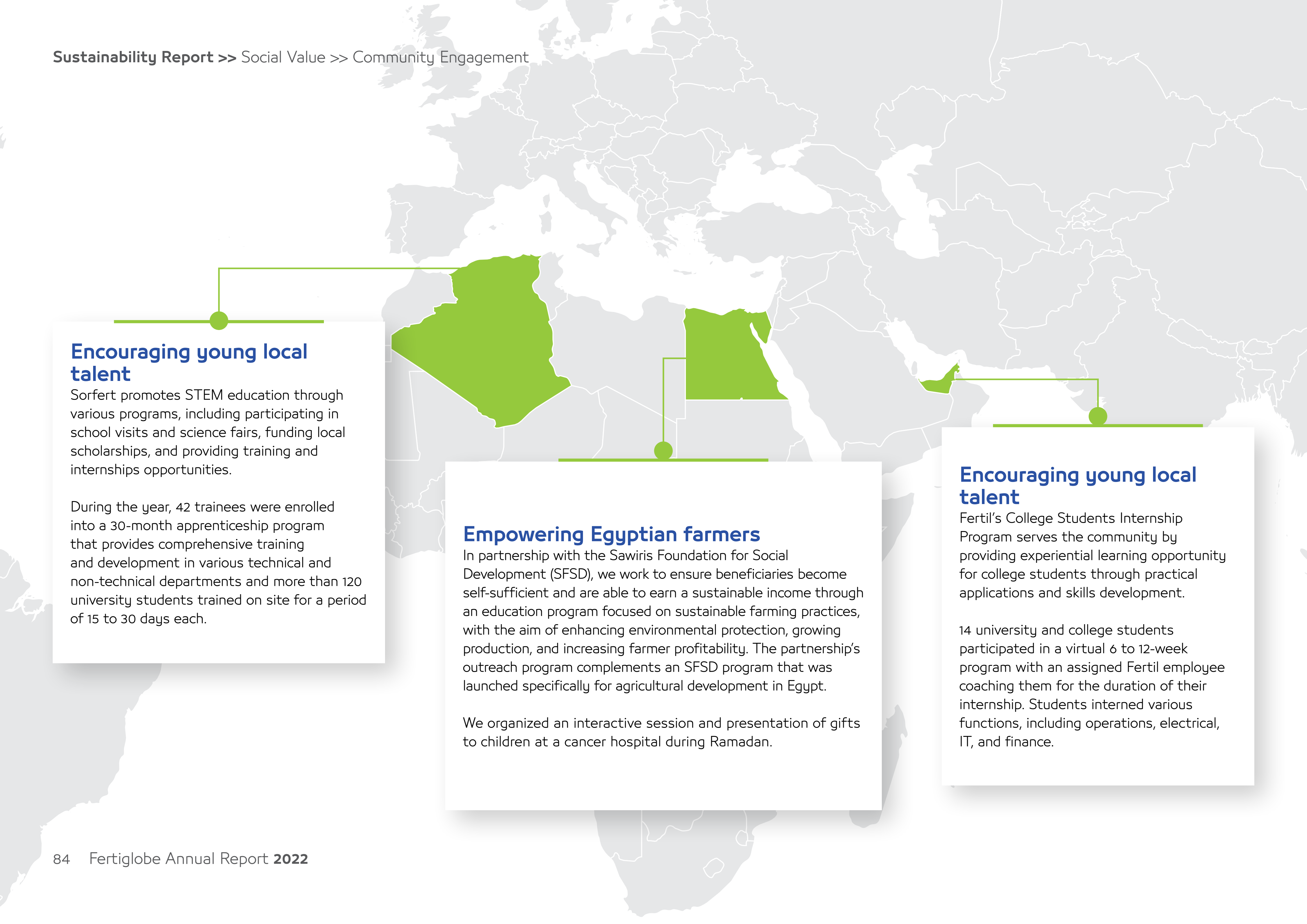
A Tailored CSR Approach to Each Community

We are firm in our commitment to creating positive social development impacts for the communities in which we operate and serve as providers of local employment opportunities. Our social development programs are tailored to the specific needs of each of these local communities to maximize the impact of our efforts. In addition to our financial contributions and sponsorships, we invite our employees to participate in fundraisers and volunteer events.

The Group is deeply committed to education as a pillar of social progress and is particularly focused on enhancing educational opportunities in science, technology, engineering, and mathematics (STEM) disciplines. We endow time and resources into the entire education value chain by donating school supplies to children in need, participating in school visits and science fairs, funding scholarships, and providing on-site training opportunities. We lead dedicated programs at each of our locations to encourage young local talent through on-site and virtual training and internship opportunities in various technical and non-technical functions.

Contribution to SDGs





Encouraging young local talent

Sorfert promotes STEM education through various programs, including participating in school visits and science fairs, funding local scholarships, and providing training and internships opportunities.

During the year, 42 trainees were enrolled into a 30-month apprenticeship program that provides comprehensive training and development in various technical and non-technical departments and more than 120 university students trained on site for a period of 15 to 30 days each.

Empowering Egyptian farmers

In partnership with the Sawiris Foundation for Social Development (SFSD), we work to ensure beneficiaries become self-sufficient and are able to earn a sustainable income through an education program focused on sustainable farming practices, with the aim of enhancing environmental protection, growing production, and increasing farmer profitability. The partnership's outreach program complements an SFSD program that was launched specifically for agricultural development in Egypt.

We organized an interactive session and presentation of gifts to children at a cancer hospital during Ramadan.

Encouraging young local talent

Fertil's College Students Internship Program serves the community by providing experiential learning opportunity for college students through practical applications and skills development.

14 university and college students participated in a virtual 6 to 12-week program with an assigned Fertil employee coaching them for the duration of their internship. Students interned various functions, including operations, electrical, IT, and finance.

Employee Engagement, Talent, and Development of our Own Workforce

Our Approach

Our employees are fundamental to our success. We strive to create a safe and encouraging workplace underpinned by mutual trust and respect toward and among employees. We promote excellence in every aspect of our operations by investing in the professional development of our team.

A Local Employer, Globally

We cultivate a strong community-focused identity as a local employer with 2,761 employees around the world. We commit to maximizing the use of local resources whenever possible by recruiting and developing local talent, and by procuring supply materials and other services from local partners where possible.

Living Wage

We affirm that employees are more motivated to succeed when compensation covers their families' basic needs and supports discretionary expenses. While our local compensation frameworks use each country's living wage as a baseline, we consistently rank among the top quartile of employers by annual compensation in each of the communities in which we operate.

In addition to top quartile compensation, we offer all employees a range of benefits, including health insurance, retirement plans, parental leave, and other non-financial benefits in line with local employment laws.

Talent Development, Succession Planning, and Retention

We recognize the importance of training and development of new employees, improving the performance of experienced employees, and building future leaders. We encourage employees to seek opportunities for professional growth and enrichment, and we invest in a variety of training and development programs for our team. Opportunities are tailored to the needs of each employee and include practical training programs, higher education sponsorship, online courses, mentoring, and leadership programs.

Our succession planning process for critical roles across the organization is key to talent retention and development, and to mitigating potential human capital risks. We continuously monitor and support the development of our employees to build a robust leadership pipeline capable of filling a meaningful percentage of key vacancies with internal candidates wherever possible.

Our Employee Engagement Priorities

- Diversity: increase gender diversity and inclusion across the Group
- Development: increase training and development opportunities for all employees
- Dedication: maintain a healthy low voluntary turnover rate
- Drive: provide employees with the resources they need to feel engaged, empowered, and driven to deliver

Average Annual Employee Compensation in 2022

$79k

2021: $73k

Diversity and Inclusion

We are committed to fostering a diverse and inclusive corporate culture. Our employment strategy has resulted in a diverse workforce encompassing 41 nationalities, with multiple ethnicities, religious beliefs, cultures, ages, and other traits working together respectfully and with a shared sense of purpose.

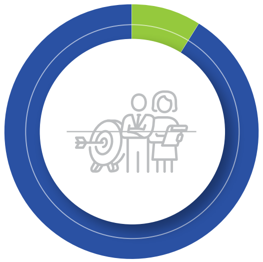
Our code of conduct requires all employees to act with honesty and integrity to foster a business environment that protects the rights and interests of all stakeholders. Our code of conduct includes a zero-tolerance policy for any form of harassment or bullying. Employees are required to treat all individuals with respect, tolerance, dignity, and without prejudice to create a mutually respectful, collaborative, and positive working environment. We do our utmost to provide employees with a safe environment to address issues directly with management, and through our whistleblowing policy we provide a confidential procedure to raise any concerns, instances of discrimination, and other breaches to our code of conduct.

Our groupwide Diversity and Inclusion program aims to ensure fairness, equality, and diversity in recruiting, compensating, motivating, retaining, and promoting employees. We have internal benchmarks and targets for improving our recruitment processes, conducting de-biasing training, providing sponsorship and mentorship to minority employees, and developing employee networks. Though we operate in traditionally male-dominated industries, we are working to improve our gender diversity in both technical and non-technical roles throughout all levels of our organization. In 2022 we focused on increasing female representation in technical roles, which improved by 4% compared to 2021. Approximately 18% of leadership positions across the organization are held by women, and female representation on our Board of Directors is 9%. We continue to work toward increasing the gender diversity of our team while committing to merit-based hiring and promoting practices.

> "Our employment strategy has resulted in a diverse workforce encompassing multiple ethnicities, religious beliefs, cultures, ages, and other traits working together respectfully and with a shared sense of purpose."

Our Employees - A Snapshot

Gender

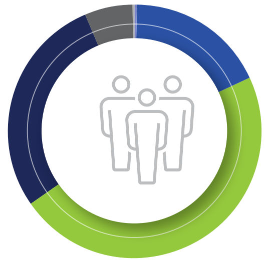


	2022	2021
Female	9%	8%
Male	91%	92%

Location

	2022	2021
Egypt	42%	43%
Algeria	30%	30%
UAE	28%	27%

Age Profile

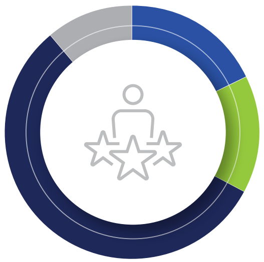


	2022	2021
Under 25	0%	1%
25-34	18%	20%
35-44	48%	50%
45-54	28%	25%
55-64	6%	4%
65+	0%	0%

New Hires

	2022	2021
Female	26%	10%
Male	74%	90%

Years of Service



	2022	2021
0-5 years	18%	12%
6-10 years	15%	25%
11-20 years	56%	56%
21+ years	11%	7%

Contract Type

	2022	2021
Full-time	100%	100%
Part-time	0%	0%

Contribution to SDGs

Human Rights and Working Conditions

We are committed to respecting and promoting human rights and safe working conditions.

We conduct all business activities responsibly, efficiently, transparently, and with integrity toward all stakeholders. This expectation extends to our suppliers and business partners, who are required to conduct their business according to the principles included in our business partner code of conduct.

These principles are based on global human rights standards, including the International Bill of Human Rights, the International Labor Organization's declaration on Fundamental Principles and Rights at Work, and the United Nations International Children's Emergency Fund (UNICEF). Accordingly, our suppliers cannot use forced or child labor or engage in slavery or human trafficking.

These principles also form part of our human rights policy, which falls within our compliance framework and aims to ensure that salient human rights issues potentially arising through our supply chain are tackled effectively. We perform customary due diligence to ensure our suppliers and business partners are compliant and we have an anonymous reporting hotline for employees to report suspected violations throughout our supply chain. No risks of violation of human rights have been identified during the ERM risk identification and assessment review sessions, conducted on a quarterly basis. Further details on due diligence and ERM are available in the Risk Management & Compliance section of the Annual Report.

Unions and Works Councils

Our employees may join a union, works council, employee association, trade union, or similar labor organizations in line with local regulations. As such, approximately 30% of our total workforce is covered by collective bargaining or unions. We strive to maintain productive relationships with the labor organizations representing our employees and engage with them regularly.

Our Human Rights Policy Principles

- No forced or child labor
- No harassment or discrimination
- Safe and healthy workplace
- Fair compensation and living wage
- Equal employment
- Freedom of association and collective bargaining in line with local laws

Health, Safety, and Wellbeing

The health and safety of our employees is essential to the sustained growth of our business and is in the best interest of all our stakeholders. Ensuring the health and safety of our employees and contractors is treated with the highest priority.

Our Approach Focuses on the Following HSE Priorities:

1. Commitment to zero injuries
2. Focus on operational excellence
3. Continuous improvement of our processes
4. Health and wellness of all employees

HSE Governance, Policies, and Standards

Fertiglobe's HSE policy is set, approved, and supervised by the Board. Our HSE policy provides our sites, employees, and contractors with a framework of guidelines and procedures based on industry standards and global best practices. This policy applies to all employees and contractors, regardless of employment type.

Each facility implements additional initiatives and supplemental procedures to enhance HSE standards according to their specific needs and technologies. These measures are reviewed and approved by the Group HSE team.

HSE Performance Monitoring

The Group HSE team reviews and monitors all facilities' site-specific programs and performance metrics, which are implemented, maintained, and reported on by the facility's management team in compliance with our HSE Policy. The Group HSE team supports in implementing the Fertiglobe HSE policy across all sites, and reports performance on a quarterly basis to the Executive Committee, which sets site-specific targets annually. Fertiglobe's leadership team reviews each site's HSE performance and trends with local site leadership during monthly business reviews. Each site periodically undergoes an HSE audit to assess the implementation of Fertiglobe's HSE policy.

1. Commitment to Zero Injuries

Safety is a core focus in every aspect of our operations. Our goal is to achieve leadership in safety and occupational health standards across our operations by fostering a culture of zero injuries at all our production facilities, and continuously improving health, safety, and environmental monitoring, prevention, and reporting across our plants.

Achieving zero injuries optimizes plant operation, quality control, cost reduction, and efficiency. This goal is imbedded into the corporate values and integrated into the programs and policies of each of our production facilities.

Occupational Safety

We are proud of our track record on safety and commend all employees and contractors whose diligent efforts have supported progress in nearly every injury indicator on which we report. Notably, 2022 completed with zero LTI reports among our employees. The LTI rate for employees and contractors combined fell from 0.19 in 2021 to 0.02 in 2022.

The Group reports a total recordable injury rate of 0.27 in 2022, compared to 0.28 in the previous year. Zero major injuries were reported. In our efforts to promote a strong safety culture across our organization, inclusive of employees and contractors, we remain committed to continually assessing our processes and providing sufficient resources to enable our goal of zero injuries.

Emergency Preparedness

Each of the Group's facilities has regularly trained and tested on-site emergency response teams and emergency preparedness plans in place. All sites align closely with local police, fire, and other emergency response providers. Facilities located on shared industrial sites also coordinate closely with the industrial site facilities management teams. Each site conducts annual emergency response drills and tabletop exercises as required by their local regulatory agencies.

2. Focus on Operational Excellence

Fertiglobe promotes excellence in every aspect of its operations to ensure a safe and healthy work environment, protect our communities, and optimize operational costs. We continuously train all employees to implement best practices and maintain focus on operational excellence.

Process Safety

Across our sites we implement a process safety management (PSM) framework, which was developed based on international industry best practices and standards including the US Occupational Safety and Health Administration (OSHA) PSM regulations and the American Institute of Chemical Engineers (AIChE) Center for Chemical Process Safety (CCPS) guidelines. Our PSM is further enhanced by industry incident case studies and lessons learned.

We track process safety incidents (PSIs) in three categories of severity and treat all incidents with the utmost diligence. In 2022 we recorded a 50% PSI reduction, achieving a process safety incident rate (PSIR) of 0.16. Zero incidents were categorized as major, and most incidents were related to minor leaks or the release of substances resulting from equipment failure or operator error. All such incidents were immediately contained with no further impact. We continue to work diligently to reduce the number of PSIs across our sites.

Global Management and Quality Assurance Standards

Our assets hold global certifications recognizing the quality of our products and management processes, including ISO 9001 Quality Management Systems, ISO 14001 Environmental Management Systems, and ISO 45001 Occupational Health and Safety Management Systems.

3.Continuous Improvement of Our Processes

We regularly assess our HSE management systems to ensure our processes enable operational excellence. We do so through internal and external HSE audits, insurance reviews, performance reviews, incident analysis, and groupwide knowledge sharing. We reward HSE excellence, encourage best practice knowledge sharing across our sites, and provide additional support wherever needed to ensure all sites meet or exceed our determined standards.

Groupwide Knowledge Sharing

We have set up several avenues to enhance and facilitate communication and knowledge sharing across our groupwide HSE community. Examples include:

- Monthly groupwide safety calls to share learnings of occupational and process safety incidents and to discuss companywide improvement initiatives.
- Regular internal communications reporting on incidents, near misses, and lessons learned generated at all sites and shared with colleagues during monthly PSI-sharing teleconferences.

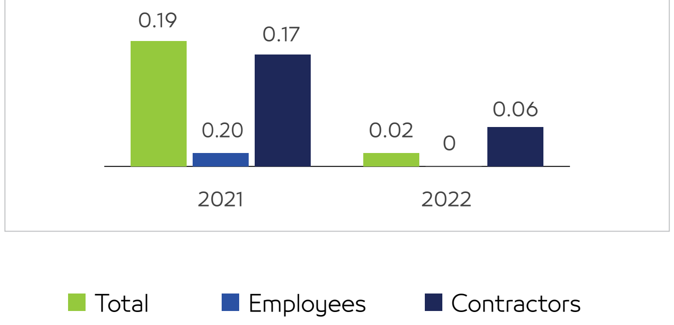
4.Health and Wellness of All Employees

Occupational health and general wellbeing are integral to our overall HSE management, and we implement wellness programs across the organization. A fitness for duty process is set up to ensure that each employee can safely perform the essential physical and mental requirements of the job. A health risk assessment process is in place to estimate the nature and probability of adverse health effects to individuals by identifying the risks associated with exposure to hazardous agents or the work environment.

Plant Certifications

Plant	ISO 9001	ISO 14001	ISO 45001	ISO 50001	Others
EFC	•	•	•	•	DEF added to ISO 9001
EBIC	•	•	•	•	
Fertil	•	•	•	•	RC 14001 – Responsible Care Management System

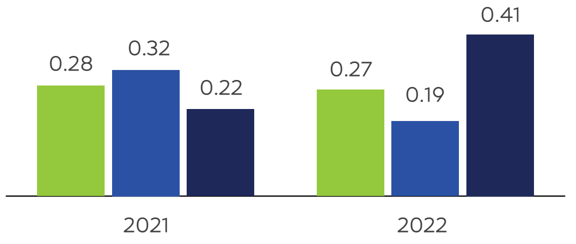
Lost Time Injury Rate
UoM per 200,000 hours worked



2022 Safety Scorecard

	Unit	2021	2022
Safety			
Lost Time Injury Rate – total	Per 200,000 hours worked	0.19	0.02
Lost Time Injury Rate – employees	Per 200,000 hours worked	0.20	0
Lost Time Injury Rate – contractors	Per 200,000 hours worked	0.17	0.06
Total Recordable Injury Rate – total	Per 200,000 hours worked	0.28	0.27
Total Recordable Injury Rate - employee	Per 200,000 hours worked	0.32	0.19
Total Recordable Injury Rate - contractors	Per 200,000 hours worked	0.22	0.14
Fatalities	Count	1	0
Process Safety Incidents	Count	14	7
Process Safety Total Incident Rate	Per 200,000 hours worked	0.33	0.16
Significant Process Safety Incidents	Count	14	7
Major Process Safety Incidents	Count	0	0

Total Recordable Injury Rate
UoM per 200,000 hours worked



Promoting a Stronger Safety Culture: Case Study

Fertiglobe implemented several safety culture initiatives in 2022. These resulted in three notable achievements:

Zero

LTIs reported among employees

70%

reduction of injuries beyond medical treatment cases

50%

reduction on the number of PSIs

A campaign to ensure full compliance with PPE drove the reduction in rate and severity of injuries. The implementation of the process safety lagging performance indicators further contributed to the reported decline in PSIs. Periodical management review of the integrity and performance of our safety systems enables the Group to maintain focus on minimizing operation risk exposure and enhancing safety across our operations.

The success of these initiatives is directly attributable to the participation and engagement of our employees and contractors, as well as the strong support of the Group's leadership. We look forward to continued cooperation with our stakeholders as we continue striving to be industry leaders in workplace health and safety.

04

Risk Management & Compliance

Fertiglobe follows a bottom-up and top-down approach that aims to identify, manage and report all relevant business risks that are identified, managed, and reported in a timely and comprehensive manner.

Enterprise Risk Management (ERM) & Internal Control

Risk management is a company-wide activity with roles and responsibilities allocated across all levels of the group to secure our in-control position. Equipped with updated insights from the market, industry and geopolitics, we follow a bottom-up and top-down approach that aims to identify, manage and report all relevant business risks that are identified, managed, and reported in a timely and comprehensive manner. The ERM and Internal Control team are tasked with providing reasonable assurance to the Audit Committee that this risk management approach is designed and working effectively throughout the year.

The Board has the overall responsibility of maintaining a sound and effective risk management and internal control program. The Audit Committee supports the Board in monitoring our risk exposure, including the design and effectiveness of our internal control program. The internal audit and internal control teams assist the Audit Committee, Company management and local management by facilitating the identification of risks and the promotion of risk awareness and ownership across our organization.

The internal control team is integrated across operating companies and is centrally managed at the Group level to ensure our ERM and internal controls are properly embedded, applied, and aligned with our external auditors.

Each quarter, executive management monitors and assesses the consolidated group risk profile comprising of strategic, operational, financial and compliance risks with the involvement of key stakeholders. Our internal control framework aligns with the Internal Control Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and is designed to provide reasonable assurance that the risks we face are properly evaluated and mitigated, and that management is provided with all information necessary to make informed decisions.

Our Internal Audit and Internal Control teams performs fraud risk assessments across the organization which are built into our ERM and Internal Control Framework. Our fraud risk assessments include the identification of internal controls that mitigate fraud risks.

Entity	Operating Companies	Corporate Management	Internal Audit	Board Oversight
Key responsibilities	• First line of defense responsibility to establish an effective control environment based on corporate directives and policies. • Operational management reporting, risk assessment and mitigation. • Internal controls implementation and self-assessment.	• Risk reporting, assessment, and mitigation. • Steering and supervision of the Compliance Framework. • Identification of and capitalization on key opportunities. • Assessment of key market, financial, regulatory, and technological developments against strategy execution.	• Independent and objective assurance about the effectiveness of governance, risk management, compliance, and internal controls. • Substantiation of management's in-control position. • Initiating, coordinating, and executing special assignments and investigations as required.	• Defines risk appetite and oversees risk management strategies and activities. • Delegates responsibility to senior leadership and provides resources to achieve the objectives of the organization. • Oversees an independent internal audit function.
Review and reporting processes	• Detailed monthly review of performance, financials, operating issues, and key risks. • Quarterly risk assessments and reporting of business risk profiles to corporate leaders and executive directors. • Local Internal Control Officer supports local management on the effective implementation of internal controls. • Local management signs the Non-Financial Letter of Representation to annually certify the in-control position in relation to the Code of Conduct, Corporate policies, and other non-financial requirements, which includes an assessment of our business conduct in relation to the treatment of the environment, people, and our policies and procedures to address corruption. • Operational, health, safety, environmental, quality, security and emergency preparedness systems are in place at each subsidiary.	• Consolidated budget and forecasts are used by management to evaluate KPIs, investment strategy, and operations. • Each quarter, senior management monitors and assesses the consolidated group risk profile comprising of strategic, operational, financial, sustainability, and compliance risks with the involvement of key executives and corporate function heads. • The Risk Management function maintains a central repository to monitor mitigating actions and trends in relation to each risk, and reports to the Board on the results from the OpCo and Group risk assessments. • Management is responsible for compliance with Fertiglobe's policies, internal control system and risk management process. Internal Audit & Risk facilitates, supervises and provides proactive advice on the internal control system and the risk management process. • Quarterly reporting by the Internal Control department to the Audit Committee of the results from internal control testing. • Additional control leadership from other corporate functions including Corporate Technical and HSE, Compliance, Legal, Tax, Strategic Planning, and Group Controller.	• Quarterly reporting by Internal Audit to the Audit Committee of the results of internal audits, status of outstanding risks and issues, and highlighting effectiveness of risk remediation action plans. • Periodic independent internal audits of subsidiaries. Management is engaged in the identification and remediation of control gaps. • Internal Audit provides assurance on the effectiveness of the Risk Management function, including the effective implementation of the Internal Control Framework. • Internal Audit assists the compliance function in carrying out investigations on Ethics violations as deemed necessary. • The progress of audit action plans is monitored by the Internal Audit department, local internal control officers and by local as well as Corporate senior management.	• Board of Directors is given a full financial and operational update by senior leadership at each Board meeting. • Audit Committee (on behalf of the Board) monitors and reviews the internal control and risk management system and provides guidance or investigates specific topics as needed. • The Board oversees the performance of both the internal and external auditor, and receives regular updates and reports from both functions.

Our risks are classified in four main categories that allow management to identify and manage risk and protects our ability to create long-term value.

Strategic	Operational	Financial	Regulatory
Description Risks that may impede our ability to achieve strategic objectives that we believe are critical to our performance and growth. These are risks that are considered strategic matters and may impact the company as a whole. **Risk appetite** As a leading player in our markets, we can take certain calculated strategic risks that create opportunities to maximize our ability to deliver outstanding value to our stakeholders while maintaining a good reputation in the markets where we operate. We take a measured approach to strategic risk management with clear thresholds set by our Board for required investment returns, market risk appetite, growth capital expenditures, and corporate actions.	**Description** Risks that may impede our ability to achieve operational objectives and performance. These risks can be internal or external, and are typically directly managed and monitored by the local management teams of each operating company and supervised by our leadership team. **Risk appetite** We aim to minimize operational risks while maximizing our ability to capitalize on our leadership positions in our markets. We strive to maximize operational excellence across our company, striving to recruit, develop and retain a diverse and talented workforce, while fostering a 'safety first' culture across our organization and facilities with a zero-tolerance approach to HSE risks. We continually assess and update our IT security controls and IT defense strategies to maintain data integrity, data privacy, and cybersecurity.	**Description** Risks related to financial, accounting, and reporting controls and processes that may impede our ability to meet financial commitments, obligations. **Risk appetite** We implement a financial strategy to maintain an efficient balance sheet whilst securing good access to financing. Our risk appetite and key policies are described throughout the annual report.	**Description** Risks related to non-compliance with or changes in laws and regulations that may require changes in the way we do **Risk appetite** We comply with applicable laws and regulations everywhere we do business. All employees are bound by our Compliance Framework, which we are continuously embedding throughout our organization. It is in our core values to act with honesty, integrity and fairness to foster a business climate that maintains such standards.

Strategic Risks

Risk	Risk Trend	Risk Appetite	Description	Risk Management Approach
Political and geopolitical risk, risk of unilateral sovereign actions, and macroeconomic changes	●	Moderate	Our assets are in emerging markets, which means that we are exposed to some countries where there is a risk of political or socioeconomic instability, including the risk of adverse sovereign actions. Accordingly, developments in any of the countries in which we operate can create an uncertain environment for investment and business activity and may adversely impact our business. This includes certain partnerships and joint ventures that involve various economic, operational, and legal risks that are different from the risks involved in owning facilities and operations independently. In addition, as our products and key inputs are global commodities, we are exposed to the impacts of global geopolitical instability. The macroeconomic and geopolitical volatility caused by the Russian-Ukrainian war combined with political instability around the world has resulted in economic and market disruptions, as well as global inflationary pressures. Our businesses may also be affected by potential unilateral actions by governments to control socioeconomic impacts.	We actively monitor economic, political, and regulatory developments. As part of our effort to be a "local" player in each of our markets, we have strategically partnered with sovereign-backed entities and maintain positive relationships with governmental bodies in the countries where we operate. Our legal and compliance teams diligently monitor and review our practices, to ensure we stay complaint with any changes in relevant laws or regulations. Management maintains contingency plans for various unforeseen events and adverse scenarios. We proactively perform due diligence procedures and continuously assess and monitor our customers, suppliers, service providers and business partners to ensure our and our partners' compliance with sanction legislation and mitigate the risk of supply disruptions. Evaluation of credit exposure and credit limits, supply alternatives and back-up solutions are other enablers to ensure business continuity.
Risks related to climate change, adverse weather conditions, and natural disasters	●	Moderate	Climate change and adverse weather conditions can negatively impact field work and fertilizer application seasons, which may affect the demand for our products. Climate change also poses a global transition risk which may result in changes to market dynamics, legislation, and technology. Refer to page 76 for a description of the risks and opportunities presented by climate change. Adverse weather conditions and natural disasters such as flash floods, health epidemics or pandemics, and other extraordinary events could result in property damage, loss of life, production interruptions, and supply chain disruptions.	We have a diversified geographic split, both in terms of customer base and location of our production assets. Our global customer reach extended across 35 countries in 2022, meaning we can mitigate against regional seasonal cycles, supply/demand drivers, customers, competitors, and other factors that might affect prices and demand patterns. Our production capacity is evenly distributed across three countries, reducing the risk of local or regional weather events. In terms of natural disasters and pandemics, we have comprehensive emergency preparedness systems in place that allow us to quickly react to extraordinary events, and our assets have business interruption insurance policies in place that cover natural disasters.

● Risk decreasing ● Risk stable ● Risk increasing

Operational Risks

Risk	Risk Trend	Risk Appetite	Description	Risk Management Approach
Changes to conditions affecting our markets and commodities	●	Moderate	Our products are global commodities with little or no product differentiation, and supply-demand dynamics can be affected by global trends such as dietary patterns and population growth affecting demand for food, swings in crop and agricultural prices, global production capacity for our products, and the availability and pricing of the raw materials required to produce our products – particularly natural gas.	As the largest global seaborne exporter of urea and ammonia combined, the largest producer in the MENA region, and a top three global exporter of ammonia globally, we benefit from significant market reach, freight advantages, and economies of scale. This allows us to service large-sized orders and sell our products at higher netback prices compared to competitors, while benefiting from first quartile cost curve positioning as a result of our favorable gas price contracts, lower conversion costs and strategic freight locations. We have policies in place to respond to competitive factors and maintain mutually beneficial relationships with our key customers and suppliers to effectively compete and achieve our business plans. Management performs planning and in-depth analysis for critical relationships, such as the current gas supply agreements. We have a centralized sales, marketing, distribution, and logistics team that works diligently to expand our sales channels, develop new and repeat customer relationships, negotiate favorable contracts, and create market contacts by attending various industry and trade conferences. Our manufacturing teams work diligently to ensure our plants operate efficiently to produce high quality products that meet or exceed international standards. In terms of the availability and cost of our key feedstock – natural gas – we manage our global exposure to natural gas price fluctuations through long-term contracts in the United Arab Emirates, Egypt and Algeria.

● Risk decreasing ● Risk stable ● Risk increasing

Operational Risks - Continued

Risk	Risk Trend	Risk Appetite	Description	Risk Management Approach
Business inter-ruption and production	●	Low	Our production facilities may experience unplanned shutdowns or utilization rate reductions, which may result in lower production volumes, lower revenue, and unplanned costs. Examples of our risk exposure include reduced reliability, ineffective maintenance programs, delays in procurement, and poor management of major turnarounds.	We have a state-of-the-art asset base. Our facilities use the best available global technology and we have continuously invested in constructing, improving and maintaining our facilities at state-of-the-art levels. Approximately 50% of our combined urea and ammonia production capacity is under 10 years old, which supports above average utilization rates and low maintenance costs. We have a defined turnaround schedule for all plants, which have been completed as per schedule historically. We have a large dedicated in- house maintenance team with world class experience, bringing together expertise across all sites to share knowledge and best practices, and our plants use overlapping technologies, allowing cost-efficient and synergistic maintenance. Last year, we launched an operational excellence plan to improve production efficiency, improve the effectiveness of the purchase to pay process, and reduce unplanned shutdowns. Our plants also have business interruption insurance for large and extended shutdowns.
Cybersecurity	●	Low	Despite our IT security measures, our information technology and infrastructure may be vulnerable to cyber-attacks or breaches. Any such breach could result in business disruption or compromise our systems and result in downtime or a leak of personal and/or business sensitive data adversely affecting our reputation.	We continuously assess and update security controls and defense strategies to strengthen our security posture and minimize our vulnerabilities to cyber-attacks. Our IT team is focused on the monitoring and enhancement of our group IT security posture for both our IT infrastructures and Operational Technology. In addition, we invest in internal resources and engage with external security experts to support the implementation of various action plans that are part of our comprehensive cyber security management system. Throughout the year, we run several internal and external security assessments across the group to ensure that our risk levels are appropriate. Additionally, we regularly run IT audits and security assessments to ensure the continuous effec-tiveness of our security measures.

● Risk decreasing ● Risk stable ● Risk increasing

Operational Risks - Continued

Risk	Risk Trend	Risk Appetite	Description	Risk Management Approach
Human capital	● (Risk decreasing)	Low	Our ability to compete effectively and meet market demands depends heavily on the competence, engagement, enablement, and performance of our employees. Our ability to recruit, develop and retain talented employees is essential in maintaining our high-quality operations, strategic expansion opportunities and to meet the expanded social and governance demands.	We have been able to attract, motivate and retain knowledgeable and experienced employees thanks to our reputation and market position, our in-house training and talent development programs, and our compensation packages. Additionally, we have engaged in strategic partnerships with industry leaders, which offer employees exposure to high profile projects and advanced technologies. The success of our company is dependent on positive employee relationships across diverse backgrounds. We continue to foster a positive and respectful working environment and equal opportunity workplace, through our expanded diversity and inclusion program, code of conduct training, tuition reimbursement and employee engagement surveys. We also provide training to our employees, to raise awareness on these topics. We are instituting employee succession programs for key positions across the group to ensure effective knowledge transfer in support of the continuity of our business operations.
Ability to maintain our health, safety and environment (HSE) standards	● (Risk stable)	Low	Securing safe and healthy working conditions is our highest priority. Our production sites are large industrial plants, and many of our raw materials are classified as substances dangerous and hazardous to health. Such a working environment contains potential occupational health risks, as well as process and occupational safety risks to employees and contractors working on site.	We are committed to a culture of zero injuries and work tirelessly to improve health and safety. Furthermore, we aim to minimize the probability and consequences of process safety and product safety accidents negatively affecting people, environment, and our assets. We strive to promote the highest standard of environmental responsibility with few to no incidents that cause environmental damage. We implement strict HSE training and operating discipline at every plant to minimize HSE risks, and we ensure monitoring, prevention and reporting across all our plants through regular management site visits and HSE audits, in addition to comprehensive knowledge sharing across the group. We have rolled out several campaigns dedicated to fostering a healthy work environment, which we are continuing to run and develop. Our safety and emissions records meet or exceed international standards, underscoring our commitment to providing our employees with a safe, secure, and environmentally conscious workplace. In addition, the Board supervises our HSE activities supported by Internal Audit's assurance over the established HSE Management System.

● Risk decreasing ● Risk stable ● Risk increasing

Financial Risks

Risk	Risk Trend	Risk Appetite	Description	Risk Management Approach
Capital structure, allocation, and currency fluctuations	●	Moderate	Our ability to deploy and raise capital effectively can impact our ability to achieve our strategic priorities or capitalize on business opportunities. We are experiencing extremely volatile debt markets with a high cost of capital for acquisitions, capital projects and debt refinancing. This could therefore have an adverse impact on our business prospects, earnings and/or our financial position. In addition, a portion of our consolidated revenue, operating expenses and long-term debts denominated in foreign currencies. Significant changes in the exchange rates of certain operational currencies, such as the Egyptian Pound, UAE Dirham, and the Algerian Dinar, can have a material effect on our financial performance.	We have a robust capital allocation strategy that aligns to our strategic priorities, with governance and decision-making measures in place to balance opportunities and risks. We strive to maintain a strong financial position and credit worthiness with our creditors. We closely monitor our cash position and credit lines to ensure our financial flexibility. We have also diversified our funding sources to avoid dependence on a single market, staggered our debt maturity profile to reduce repayment burdens and have implemented other working capital improvement programs. We also have robust in-house financing expertise and a proven track record in both refinancing debt and accessing new funding.

● Risk decreasing ● Risk stable ● Risk increasing

Regulatory Risks

Risk	Risk Trend	Risk Appetite	Description	Risk Management Approach
Changes in regulatory conditions in the markets in which we operate	●	Low	Changes in laws, regulations and the related interpretations may alter the environment in which we do business. This includes changes in governance, health and safety, competition and product-related laws and regulations, as well as changes in accounting standards and taxation requirements. This also includes the impact of proposed climate change related regulations at both the international and national levels. Failure to comply with these laws may result in substantial fines, penalties, or other sanctions such as the obligation to invest in newer equipment, permit revocations or facility shutdowns. Consequently, we may experience delays in obtaining or be unable to obtain required permits, which may delay or interrupt our operations. In addition, global geopolitics have created uncertainty around tariff implementation in key markets (such as the EU and China), which may affect product or feedstock pricing. Our ability to manage regulatory, tax and legal matters and to resolve pending matters within current estimates may impact our results.	We actively monitor regulatory developments to ensure we comply with the laws and regulations of the countries where we operate. We continue to closely monitor and maintain flexibility to change trade flows that minimize tariffs while continuing to comply with regulations. We also perform internal gap assessments supported by external consultants to ensure our processes and practices are compliant with relevant laws and regulations.

● Risk decreasing ● Risk stable ● Risk increasing

Compliance

We strive to conduct all business activities responsibly, efficiently, transparently, and with integrity and respect toward stakeholders. In doing so, we promote a culture of performance, collaboration, and responsibility. These values underpin everything we do and form the compliance framework, which defines the day-to-day attitudes and behaviors of our employees.

The Compliance Framework comprises of policies and principles that outline in specific terms what we stand for as a company and the conduct required in the workplace, in how we deal with business partners, serve our customers, and the broader responsibilities we have to the communities in which we work and live. The Compliance Framework also sets out rules on important topics such as the prohibition of bribery, dealing with confidential information and conflicts of interest, competition law, third-party due diligence, the importance of accurate record keeping and reporting, and explains the possibility of disciplinary measures when in breach of the framework. The Company's HR and compliance teams work closely with each operating company to ensure our compliance framework and core values are communicated to all employees and reflected in any local policies that may be tailored to reflect local regulations and customs. All employees are trained on the key principles and applications of the Compliance Framework through a group-wide e-learning platform and can raise any concerns and breaches through a safe and confidential whistleblowing and incident reporting procedure. An anonymous reporting procedure is also available, through which employees can report to a whistleblower hotline hosted by a third-party hotline provider. All reports are handled with the utmost care and confidentiality, regardless if reported internally or via the anonymous reporting hotline.

In addition, we hold our business partners to the same level of accountability, transparency, and respectability as we do ourselves to ensure our entire value chain secures the salient rights of every individual, as codified in our Business Partner Code of Conduct. We provide a clear reporting mechanism for suspected Business Partner misconduct through our whistleblowing platform, which includes an anonymous reporting procedure via a hotline hosted by a third-party hotline provider.

All reports are treated confidentially. Investigations are executed in line with our procedures which ensure prompt, objective and fair investigations. We do not tolerate retaliation and, should retaliation occur, treat this as a disciplinary matter.

> "Fertiglobe strives to conduct all business activities responsibly, efficiently, transparently, and with integrity and respect toward stakeholders."

During 2022, 38 compliance incidents were investigated. Reported incidents were mainly related to conflicts of interest, workplace behavior and human resources matters. Of these reports, 13 were closed as substantiated and 24 as unsubstantiated, and 1 case is still open at the time of finalization of this Annual Report. None of these compliance incidents qualified as material. All investigators handling these cases were independent from the chain of management involved in the matters. Where required, remediation actions have been taken which include process and control improvements and learning and awareness initiatives.

Governance of Compliance

The Board of Directors is responsible for supervising ethics and compliance. The Fertiglobe Compliance Officer supports the Board of Directors, in implementing our group Compliance Program and ensures that our Compliance Framework remains in line with applicable regulations and is properly applied.

Management of Operating Companies and staff departments are responsible and accountable for raising compliance awareness within their respective businesses and departments and are supported by a Local Compliance Officer. The Local Compliance Officer reports to both operations management and to Fertiglobe Compliance Officer on the implementation of the Compliance Framework in the operations and any compliance incidents or issues. Additionally, the Audit Committee receives a Quarterly Compliance Report on the progress of corporate compliance projects and developments within the group and on the status and outcome of compliance incidents and investigations.

At the start of every year the Fertiglobe Compliance Officer, in collaboration with operating company management, sets the annual compliance agenda. The agenda consists of continuous and new compliance activities and requirements, to ensure growth in maturity of the Compliance Program. These activities and requirements are concrete and measurable, and are reported internally on a quarterly basis, and can be tested on their effectiveness. Through this annual agenda, compliance controls are continuously developed and enhanced for effectiveness.

Our Code of Conduct Extends Across Our Supply Chain

Our governance and compliance policies and expectations of ethical business practices extend beyond our operations throughout our supply chain through our Business Partner Code of Conduct.

We promote sustainable agriculture and nutrient stewardship through our supply chain, which begins with sourcing natural gas and ends at our agricultural and industrial customers. We work diligently to ensure every aspect of our business operates optimally and promote best practices through our Business Partner Code of Conduct.

We seek to award business to suppliers and business partners with whom Fertiglobe has a supplier relationship (collectively, Business Partners) who are committed to act fairly and with integrity toward their stakeholders, who have adopted and promoted the implementation of strong business principles, and who observe the applicable laws of the country in which they operate.

Our Business Partner Code of Conduct summarizes the values and expectations we require all Business Partners to adhere to and aligns to international laws and standards on ethics, labor, and human rights such as those set out by the International Labor Organization (ILO) and the United Nations International Children's Emergency Fund (UNICEF), the United Nations Guiding Principles on Business and Human Rights, and others.

Screening and Due Diligence

As part of our Integrity Due Diligence Program, we screen our prospective third parties to identify potential issues regarding bribery & corruption, violations of sanctions laws, human rights, labor conditions and other compliance issues. Where required, we perform additional in-depth due diligence and take action to remediate risks or do not engage with a certain third party. When a third party is included in our Integrity Due Diligence tool, it is subject to ongoing monitoring which means that we receive alerts on any new potential compliance issues. Third party screening is currently a centralized corporate function that is being further matured at the operating companies. Our Compliance team is responsible for conducting screening and due diligence.

A new add-on to our Integrity Due Diligence Program is vessel sanctions screening, whereby all sea freight vessels and their associates, are screened against various sanctions watchlists prior to vessel appropriation as of 31 December 2022.

The effectiveness of our Business Partner screening processes is monitored by the compliance team and the local internal control officer of each site and assessed by Internal Audit and Internal Control teams as part of their regular compliance and audit cycles, which also includes Business Partner audits as part of contractual arrangements.

Our Learning & Awareness Program

All employees, including our new joiners are trained on our Code of Conduct and are required to participate in various training sessions through webinars or in person sessions on key topics such as Conflicts of Interest, Diversity & Inclusion, Anti Bribery & Corruption. We have also provided risk-based training to relevant audiences on specific topics including international sanctions. We have regularly communicated on our Compliance Framework to our employees.

Global Minimum Tax Law

On 20 December 2021, the jurisdictions of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting ("OECD BEPS") released the so-called Pillar Two Model Rules (also referred to as the "Anti Global Base Erosion" or "GloBE" Rules) which are designed to ensure that large multinational enterprises ("MNEs") pay a minimum level of tax of 15% on the aggregated qualifying income arising in each jurisdiction where they operate ("Pillar Two"). On 15 December 2022, the EU Member States unanimously adopted an EU directive ensuring a global minimum level of taxation and agreed to apply these rules for fiscal years starting on or after 31 December 2023.

The UAE is a member of the OECD BEPS Inclusive Framework and is committed to addressing the challenges faced by tax jurisdictions internationally. The UAE

Federal Tax Authority ("FTA") has published the Corporate Tax FAQs and confirmed that until such time as the Pillar Two rules are adopted by the UAE, multinationals will only be subject to CT under the regular UAE CT regime.

A taxpayer will fall within the scope of the Pillar Two rules if it has foreign presence, more than EUR 750 million in consolidated revenues and is not listed as an out-of-scope entity. A qualifying taxpayer calculates its effective tax rate for the aggregated activities in each jurisdiction where it operates and pays top-up tax for the difference between its effective tax rate per jurisdiction and the global minimum tax rate of 15%. Any resulting top-up tax is generally charged in the jurisdiction of the ultimate parent of the MNE (OCI Global).

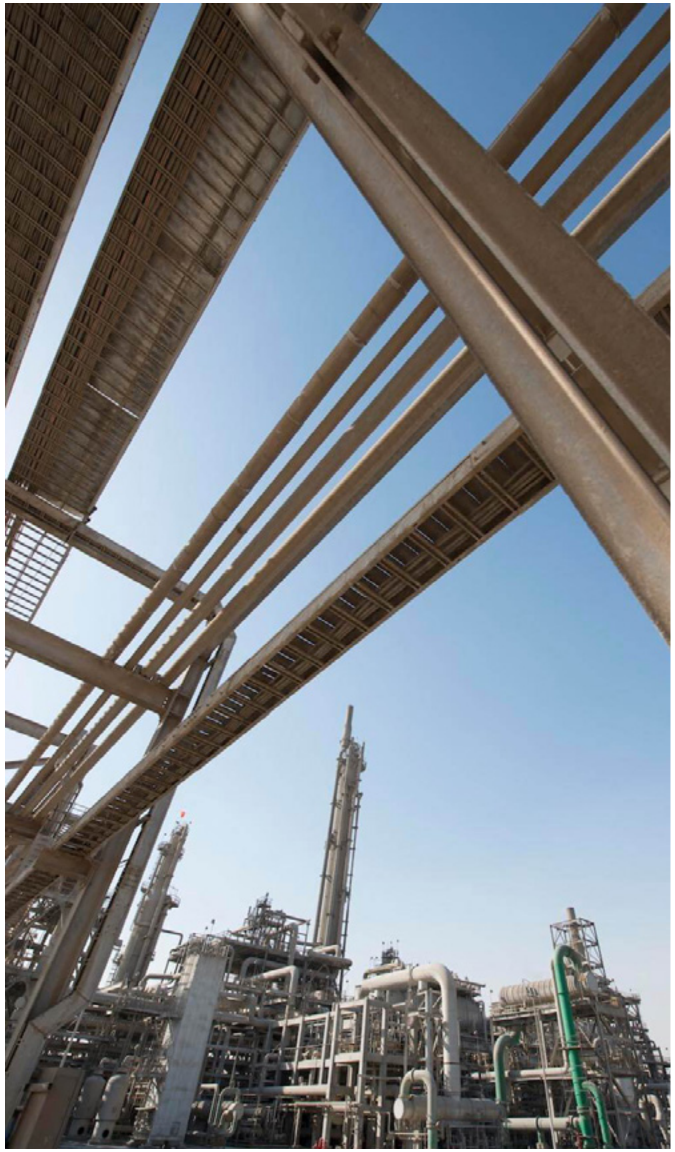
However, as an intermediate holding jurisdiction under the Partially Owned Parent Entity rules, the Fertiglobe PLC group could instead be at risk of a top-up tax in case the effective tax rate in a relevant jurisdiction is below 15% as determined under the Pillar Two rules. As the Pillar Two rules also allow for a levy by the source jurisdiction under the so-called Qualifying Domestic Minimum Top-up Tax, it remains uncertain in which jurisdiction the top-up tax will need to be remitted as well as based on which ownership percentage. It is expected that in the course of 2023 the relevant jurisdictions will announce further guidance on the implementation of the Pillar II rules in their respective jurisdictions.

UAE Tax Law

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

A rate of 9% will apply to taxable income exceeding a particular threshold to be prescribed by way of a Cabinet Decision (expected to be AED 375,000 based on information released by the Ministry of Finance), a rate of 0% will apply to taxable income not exceeding this threshold and a rate of 0% on qualifying income of free zone entities. In addition, there are several other decisions that are yet to be finalized by way of a Cabinet Decision that are significant in order for entities to determine their tax status and taxable income. Therefore, pending such important decisions, the Group has considered that the Law, as it currently stands, is not substantively enacted as at 31 December 2022 from the perspective of IAS 12 – Income Taxes. The Group shall continue to monitor the timing of the issuance of these critical Cabinet Decisions to determine their tax status and the application of IAS 12 – Income Taxes.

The Group is currently in the process of assessing the possible impact on the consolidated financial statements, both from current and deferred tax perspective, once the Law becomes substantively enacted.



05

Corporate Governance Report

Fertiglobe's Board of Directors provides invaluable guidance and support while guaranteeing accountability and sustainable value creation.

Board Profile

Our Board of Directors provides strategic leadership, determines the fundamental management policies of the Company, and oversees the performance of the business. The Board consists of 11 Directors of which there are two Executive Directors and nine Non-Executive Directors, six of whom are independent Directors. Please visit our website for their full biographies.

H.E. Dr. Sultan Ahmed Al Jaber

Chairperson – Independent

Appointment date

30 September 2019, reappointed at IPO

Committee membership

N/A

Current external appointments

- Group Chief Executive Officer and Managing Director of ADNOC
- Member of the UAE Cabinet and Minister of Industry and Advanced Technology
- UAE's Special Envoy for Climate Change
- Member of the Supreme Council for Financial and Economic Affairs
- Chairman of several ADNOC Group companies, Masdar and Emirates Development Bank
- Chairman of the Board of Trustees of Mohammed bin Zayed University of Artificial Intelligence
- Board Member at Emirates Global Aluminum, Emirates Investment Authority, First Abu Dhabi Bank and Khalifa University

Mr. Nassef Sawiris

Executive Vice – Chairperson

Appointment date

30 September 2019, reappointed at IPO

Committee membership

N/A

Current external appointments

- Executive Chair of OCI Global since 2020
- Executive chairman of Aston Villa FC
- Supervisory director of Adidas AG
- Member of the J.P. Morgan International Council
- Member of the Cleveland Clinic's International Leadership Board Executive Committee
- Member of the University of Chicago's Board of Trustees
- Member of Partners Council of Exor N.V.

Mr. Ahmed El-Hoshy
Chief Executive Officer and Director

Appointment date
30 June 2020, reappointed at IPO

Committee membership
N/A

Current external appointments
- Chief Executive Officer of OCI Global (since August 2020)
- Executive Director on the Board of OCI Global
- Steering member of the Hydrogen Council
- Board member of the International Fertilizer Association
- Member of the WSJ CEO Council

Mr. Hassan Badrawi
Director

Appointment date
30 September 2019, reappointed at IPO

Committee membership
AC, NRC

Current external appointments
- Chief Financial Officer of OCI Global
- Executive Director on the Board of OCI Global

Mr. Jeffrey Ubben
Director – Independent

Appointment date
28 October 2021

Committee membership
N/A

Current external appointments
- Founder, Managing Partner, and the Portfolio Manager of Inclusive Capital Partners
- Director of Enviva Inc., and Exxon Mobil Corporation

Mr. Charles David Welch
Director – Independent

Appointment date
30 June 2020, reappointed at IPO

Committee membership
AC

Current external appointments
- Non-Executive Independent Director on the Board of OCI Global
- Currently serves on several non-profit boards

Mr. Khaled Salmeen
Director – Independent

Appointment date
1 March 2021, reappointed at IPO

Committee membership
NRC

Current external appointments
- Executive Director of Downstream Industry, Marketing and Trading at ADNOC
- Member of the board of directors of ADNOC Logistics and Services, ADNOC Refining, ADNOC Gas Processing, ADNOC LNG, Borouge ADP, ADNOC Global Trading and ADNOC Distribution PJSC
- Chairman of Borouge PTE, ADNOC Trading, TA'ZIZ, Abu Dhabi Gas Distribution and NGSCO Board of Directors

Mr. Mohamed Saif Ali Abed Alaryani
Director – Independent

Appointment date
30 September 2019, reappointed at IPO

Committee membership
N/A

Current external appointments
- Executive Vice President, ADNOC International
- Board member at ADNOC Drilling and EDGE, ADNOC Oil and Gas Pipeline Companies

Mrs. Wafa Ibrahim Ali Alhammadi

Director – Independent

Appointment date

30 September 2019, reappointed at IPO

Committee membership

AC

Current external appointments

- Senior Vice President, Finance and Accounting ADNOC Gas
- Former Chief Financial Officer of ADNOC Gas Processing

Mr. Philippe Ryckaert

Director

Appointment date

23 December 2018, reappointed at IPO

Committee membership

EC

Current external appointments

- Group Vice President of Business Development & Investments at OCI Global

Mr. Rainer Seele

Director – Independent

Appointment date

10 January 2022

Committee membership

NRC

Current external appointments

- Member of the Board of Tatweer Petroleum Bahrain
- CEO SCG GmbH Germany
- Vice President of the International Business Congress

Executive Management

Our executive management team is responsible for the day-to-day management of our operations. Please visit our website for their full biographies.

Mr. Ahmed El-Hoshy
Chief Executive Officer

Appointment date | 2021

Biography

- Chief Executive Officer of Fertiglobe (since listing in October 2021), and OCI Global (since August 2020)
- Previously Chief Operating Officer of OCI Global and since joining OCI Global in 2009 has held various other positions including CEO of OCI Americas and CEO of OCI Partners LP
- Prior to joining OCI Global, was a member of the Goldman Sachs investment banking and special situations groups

Mr. Haroon Rahmathulla
Chief Operating Officer

Appointment date | 2019

Biography

- Formerly Managing Director at Barclays in the Chemicals team and headed the European Chemicals Investment Banking team of Jefferies Financial
- He has a wide range of experience across commodity and specialty businesses in the chemicals sector, and significant experience in the fertilizers and agriculture sectors across nitrogen, potash, phosphates and crop chemicals

Mr. Andrew Tait
Chief Financial Officer

Appointment date | 2019

Biography

- Formerly Head of Finance for PDO (Oman's State Oil and Gas Company) and CFO for Basrah Gas Company (creating Iraq's largest public / private venture)
- He has close to 30 years' experience in finance, including six years at Ernst & Young, 22 years with Shell and two years with ADNOC

Board report

1. Corporate Governance Framework

Introduction

Fertiglobe plc (Fertiglobe or the Company) is a public company limited by shares incorporated in the Abu Dhabi Global Market (ADGM) and subject to the Abu Dhabi Global Market Companies Regulations 2020 (as amended) ("Companies Regulations") and other applicable laws and regulations in the ADGM. The Company was established on 23 December 2018 pursuant to ADGM Company Regulations of 2015 and was listed on the Abu Dhabi Securities Exchange (ADX) on 27 October 2021.

Fertiglobe is committed to the principles of good corporate governance. The Board believes that good corporate governance practices align the interests of all stakeholders by having structures in place that ensure the business is managed with integrity and efficiency, thereby maximizing the profitability and long-term value creation of the Company for all stakeholders. This report gives an overview of Fertiglobe's corporate governance framework for the year ended 31 December 2022.

2. Corporate Governance Structure

Fertiglobe designed its corporate governance structure in compliance with its articles of association, the ADX listing rules, the requirements of the Securities & Commodity Authority's (SCA) Governance Guide as modified or exempted for UAE free zone companies, the Companies Regulations, and other applicable laws, rules and regulations of the ADX and international best practices. The corporate governance framework identifies the responsibilities of the Board, individual Directors, Committees, Executive Management, and the organization's support and control functions. Fertiglobe's governance framework, governance policies, and several of Fertiglobe's compliance policies and procedures are available on our website under Corporate Governance.

Organizational and corporate structure

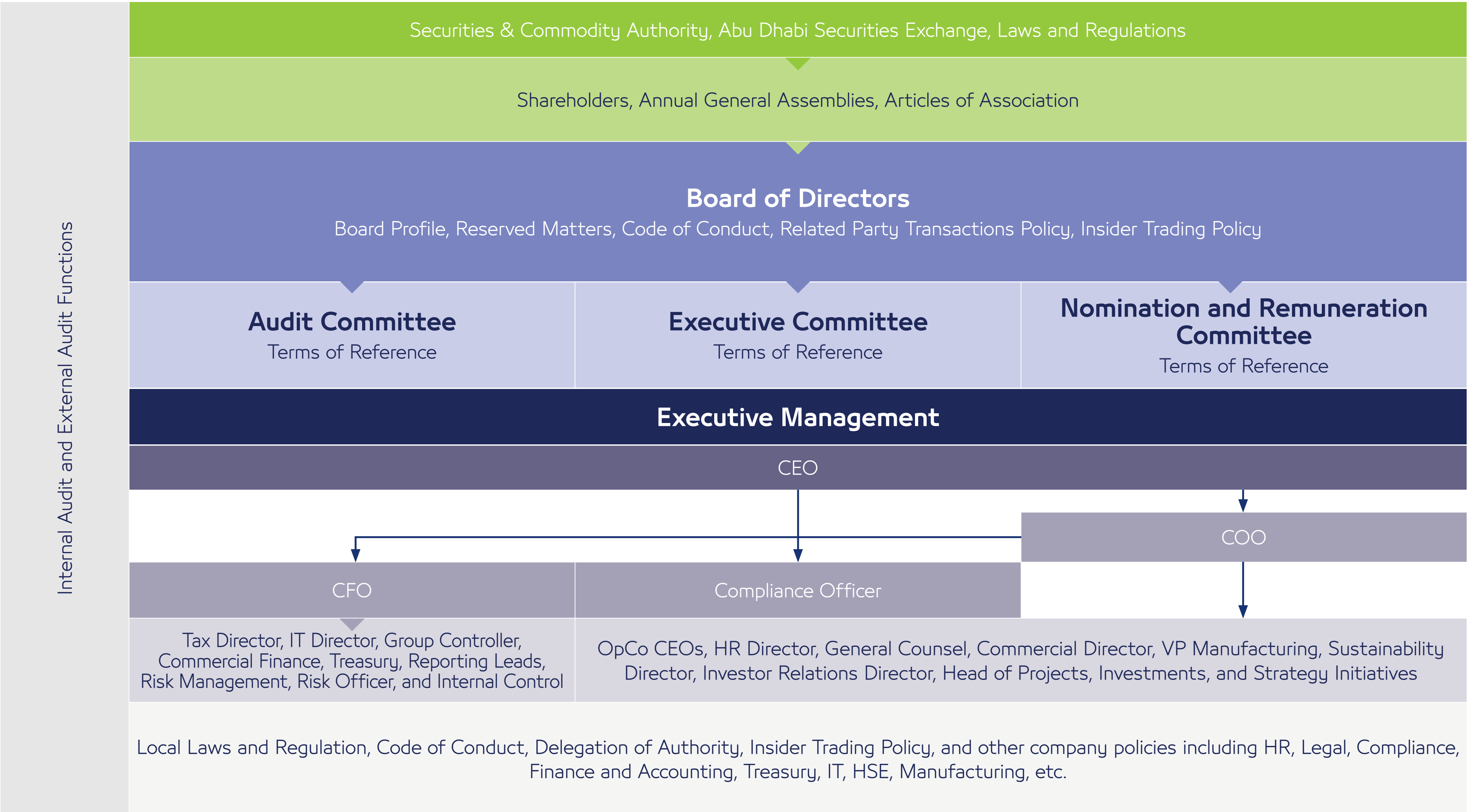
Fertiglobe is organized by its two primary functional and financial segments, own-produced and third party traded products. The Board sets the strategic mandate with operational, financial, and sustainability goals relayed to management.

> "The Board is committed to having structures in place that ensure the business is managed with integrity and efficiency, thereby maximizing the profitability and long-term value creation."

The Board is committed to having structures in place that ensure the business is managed with integrity and efficiency, thereby maximizing the profitability and long-term value creation.

The Executive Management team manages the achievement of these goals and the day-to-day operations. In executing the goals, the Executive Management team are supported by several corporate functions and local management and their teams. Each principal subsidiary is led by a general manager and a finance director who report to the Executive Management team.

Fertiglobe's simplified organizational structure is as follows, illustrating our governance framework's application:



Governance, Internal Controls, and Risk Management

The Board of Directors bears the responsibility of the internal control system comprising of Risk Management, Internal Control, Compliance and Internal Audit, and oversees its implementation and effectiveness through the Audit Committee. The Internal Audit function assists the Audit Committee by providing independent and objective assurance on the effectiveness and efficiency of risk management, internal controls, and operations.

The Board acknowledges its responsibility for overseeing the implementation of the internal control systems of the Company and for the periodic review of this system and its effectiveness through the Board-level Audit Committee in accordance with the relevant provisions of Governance Guide.

The Internal Audit function is led by Samir Ezzine, Internal Audit Director who reports independently to the Audit Committee of the Board. Mr. Ezzine is a certified Auditor in the Netherlands (RE) and is an active member of the NOREA in the Netherlands. He also holds CISA and CRISC certifications and active membership from ISACA. He is a member of the Institute of Internal Auditors (IIA), member of the Chief Audit Executives (CAE) forum in the Netherlands and member of the Global Oil Companies (GOC) Internal Audit (IA) Forum founded by ADNOC. An engineer by training, Mr. Ezzine holds multiple degrees, including an MBA from the Amsterdam Business School and two masters degrees.

The Internal Control function, as a subset of corporate finance, assists the Company management and local management by facilitating the implementation of the risk management and internal control frameworks and the promotion of risk awareness and ownership across our organization thereby improving the control environments in the organization and its components.

The Internal Control team is integrated across operating companies and is centrally managed at the Group level, to ensure our Enterprise Risk Management (ERM) and internal controls frameworks are properly institutionalized and applied, and we are aligned with our external auditors.

Our Internal Control framework is aligned with the Enterprise Risk Management Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and is designed using the IIA's Three Lines model to provide reasonable assurance that the risks we face are properly evaluated and mitigated, and that management is provided with all information necessary to make informed decisions.

During 2022, Internal Audit delivered 23 audits including special reviews and 4 quarterly internal audit reports to the Audit Committee summarizing the findings from the audits conducted during each quarter, status of risk mitigation action plans and follow-up of previously reported matters that require attention of the Committee.

The Internal Audit's quarterly audit report was discussed during all meetings of the Audit Committee in 2022. There were no significant issues or material control failures reported in 2022.

The following graphic summarizes our ERM framework and implementation of our three lines of defense. For more information, please refer to the Enterprise Risk Management and Compliance section of our 2022 Annual Report.

Board of Directors				External audit
Audit Committee				
	First	Second	Third	
Line of defense	Business units, corporate functions	Group ERM, Internal Controls, and compliance functions	Internal Audit	
Responsibility	Own and manage risks	Oversight and support	Assurance	

3. The Board of Directors

Fertiglobe's governance framework is supervised by the Board of Directors consisting of eleven Directors, of which there are two Executive Directors and nine Non-Executive Directors, six of whom are independent Directors.

The Board is collectively responsible for Fertiglobe's management and strategy. The Board promotes a culture of openness and accountability within the Board and throughout the entire organization. The tasks, responsibilities and procedures of the Board are set out in our Articles of Association.

The Board has delegated the operational management of the business to the Executive Management, apart from certain reserved matters as set out in the appropriate documentation and resolutions and is authorized to represent Fertiglobe.

Composition

The composition of the Board strives to arm Fertiglobe with leadership that is diverse in skills, experience, gender and background, thereby maximizing the Board's ability to independently and critically act without emphasis on particular interests. The composition of the Board of Directors and its terms of reference comply with the requirements of the ADGM Companies Regulations 2020 (as amended), Resolution No. (3/R.M.) of the SCA (Governance Guide) and our Articles of Association. Best practices and standards related to the functioning of the Board are also applied to the extent possible to increase its effectiveness.

We adhere to the terms of reference set out by the Board of Directors in relation to its composition, operating procedures and responsibilities. The independent Board members confirmed their independent status and the Company verified that the legal requirements regarding the minimum number of independent Board members are satisfied.

Female Board Representation

Fertiglobe acknowledges the importance of diversity within its Board and the organization generally, and in line with the United Arab Emirates' (UAE) approach to empower women, has worked diligently to increase female representation throughout the organization, including on the Board. On 30 September 2019, Mrs. Wafa Ibrahim Ali Mohamed Alhammadi was appointed as an independent director.

Appointment, Retirement and Re-election

Under the Articles of Association, the members of the Board of Directors as at the date of listing, 27 October 2021, shall serve from the date of listing until the third annual general meeting. Jeffrey Ubben and Rainer Seele were appointed as directors on 28 October 2021 and 10 January 2022 respectively, for the remainder of the Board appointment period for the directors they replaced. Mr. Seele was appointed as the free float director representing public shareholders on the Board, such shareholders individually holding less than 5% of the total issued shares.

- The Board Nomination and Remuneration Committee evaluates the composition of the Board annually to review the skills required for Board membership and considering the required capabilities and qualifications for board membership, including the time required by a member to carry out his/ her duties as a Board member;
- In accordance with Fertiglobe's Articles of Association, any shareholder holding at least five percent (5%) of the total number of issued shares (or members together holding at least such number of shares) shall be entitled to nominate one or more candidate(s) for election as director(s). Any existing director may also nominate any one or more candidate(s) (including themselves) for election.

> "Fertiglobe's Board brings a diverse set of skills, experience, gender and background, thereby maximizing its ability to act independently and effectively."

The entire Board of Directors shall be elected at every third annual general meeting. Notwithstanding the preceding sentence, in relation to the Board holding office as at the date of listing, 27 October 2021, the first Board appointment period shall expire on the date of the third annual general meeting following 27 October 2021.

Induction, Orientation, and Training

Upon appointment, new board members receive an induction tailored to their respective needs, duties, and responsibilities.

Board Summary of Skills and Experience

	H.E. Dr. S. Al Jaber	N. Sawiris	A. El-Hoshy	H. Badrawi	J. Ubben	K. Salmeen	M. Alaryani	R. Seele	W. Alhammadi	P. Ryckaert	D. Welch
Independent	•				•	•	•	•	•		•
International business experience	•	•	•	•	•	•	•	•	•	•	•
Commercial/marketing		•	•			•		•	•		
HSE	•	•	•			•		•	•		•
Strategic management	•	•	•	•	•	•	•	•	•	•	•
Financial expertise: banking		•	•	•	•	•	•	•	•	•	
Nitrogen experience	•	•	•	•						•	
Emerging markets experience	•	•	•	•		•	•	•	•	•	•
Tax/legal/compliance		•		•	•				•	•	
HR & executive compensation	•	•	•		•			•			
Risk management/internal control & audit			•	•	•	•	•	•	•		•
Government/regulatory knowledge	•		•	•		•		•		•	•
Sustainability	•	•	•	•	•			•		•	•
Change management/business	•	•	•	•	•	•	•	•	•	•	•
Technology/IT			•	•				•	•		

The Committees

The Board maintains three committees as part of its supervisory role: the Audit Committee, the Executive Committee, and the Nomination and Remuneration Committee (collectively, the Committees).

All terms of reference of the Committees are approved either by the Board of Directors or by the concerned committee and these terms of reference are all consistent with the requirements of the Governance Guide, as is the composition of each committee's membership. The terms of reference of the Board committees include, but are not limited to, the role and responsibilities of the committee, its authority, the requirements for its composition and constitution, and its operating procedures. Members of the Board Committees acknowledge their responsibility for the Committees' systems in Fertiglobe, review of their work mechanism, and ensuring their effectiveness. The Chairman of the Remuneration Committee also acknowledges his responsibility for the Committee's system, review of its work mechanism and ensuring its effectiveness.

The following table summarizes how the duties of the Board and the Committees were carried out during 2022, including the focus topics that were reviewed, discussed and advised on.

	Board of Directors	Audit Committee[1]	Nomination and Remuneration Committee[2]	Executive Committee[3]
Tasks, responsibilities, and procedures	Set out in the Articles of Association	Set out in the Terms of Reference of the Audit Committee	Set out in the Terms of Reference of the Nomination and Remuneration Committee	Set out in the Terms of Reference of the Executive Committee
Members	11 Directors[4]	Mr. Charles David Welch - Chairperson Mrs. Wafa Alhammadi Mr. Hassan Badrawi Mr. Khalfan Al Dahmani Mr. Robertus Swarts	Mr. Khaled Salmeen - Chairperson[5] Mr. Hassan Badrawi Mrs. Maud de Vries Mrs. Ayesha Al Hammadi Mr. Rainer Seele	Mr. Philippe Ryckaert - Chairperson Mr. Bart Voet Mr. Hesham Abdelsamie Mr. Ahmed Alsheebani Mr. Ahmed Abdulla
Number of meetings held	Four with 100% attendance	Five meetings with 100% attendance	Two meetings with 100% attendance	Eleven meetings with 95% attendance
Focus topics	• Medium and long term strategy • HSE • Sustainability • Projects strategy and execution • Financing strategy • Dividend strategy • Commercial strategy, sales and inventories strategy / market developments • Operational performance and cost optimization • Internal controls and key internal audit findings	• Evaluation Risk Management including the key risks facing the Group • IT and IT (cyber) security • Monitoring the group internal control framework • HSE performance and assessments • Tax review • Dividend strategy • Financing • Evaluation Group's Compliance Framework and effectiveness • Monitoring of material claims and litigation • Assessment of the functioning of the external auditor, its appointment, including scope, risk assessment and materiality • Internal Audit Plan and Internal Audit findings	The Committee's principal role is to assist the Board in setting and overseeing the nomination, remuneration and diversity & inclusion policies of the Company	The Committee's principal role is reviewing and, if requested by the Board in relation to a specific matter, endorsing to the Board (prior to the Board taking a formal decision) matters relating to the HSE, commercial, financial and operational performance, function and planning of the Group, reviewing (and, where considered appropriate, approving) Specified Related Party Transactions, and receiving, providing, and/or reviewing information and reports.

[1]The Chairman of the Audit Committee acknowledges his responsibility for implementing the Committee's charter, reviewing its methods of operation, and ensuring its effectiveness.
[2]The Chairman of the Nomination and Remuneration Committee acknowledges his responsibility for implementing the Committee's charter, reviewing its methods of operation, and ensuring its effectiveness.
[3]The Chairman of the Executive Committee acknowledges his responsibility of implementing the Committee's charter, reviewing its methods of operation, and ensuring its effectiveness.
[4]Fertiglobe's members of the Board of Directors are listed on pages 108-111 of the report.
[5]As of 12 January 2023, Mr. Rainer Seele was appointed Chairman of the N&RC.

The following table details the attendance of the Board members per meeting in 2022:

	H.E. Dr. S. Al Jaber	N. Sawiris	A. El-Hoshy	H. Badrawi	J. Ubben	K. Salmeen	M. Alaryani	R. Seele	W. Alhammadi	P. Ryckaert	D. Welch
14 February 2022		•	•	•	•	•	•	•	•	•	•
31 March 2022 (resolution by circulation)	•	•	•	•	•	•	•	•	•	•	•
11 May 2022	•	•	•	•	•	•	•	•	•	•	•
1 August 2022	•	•	•	•	•		•	•	•	•	•
2 November (resolution by circulation)	•	•	•	•	•	•	•	•	•	•	•
5 December 2022	•	•	•	•	•	•	•	•	•	•	•

Insider Trading

The Insider Trading is managed and monitored by the General Counsel and Compliance Officer. The Company has an Insider Trading Policy and Register in place in accordance with regulatory requirements. The Register is updated on a regular basis.

Remuneration and Allowances

As at 31 December 2022, the Board of Directors of the Company consists of 11 Board members appointed by the shareholders.

On 13 June 2022, the annual general assembly approved the payment of AED 19,354,993 as remuneration for the Board of Directors for the year ended 31 December 2021.

A proposal for the remuneration for the Board of Directors for 2022 will be submitted to shareholders for approval at the upcoming AGM.

Transactions Report

The below table sets out the ownership and transactions of the members of the Board of Directors, their spouses and their children in the company's securities as at 31 December 2022.

Name	Position	Shares owned by Board members as at 31 December 2022	Shares owned by spouses and children of the Board	Total sale	Total purchase
H.E. Dr. Sultan Ahmed Al Jaber	Chairperson	-	-	-	-
Mr. Nassef Sawiris	Executive Vice- Chairperson	-	-	-	-
Mr. Ahmed El-Hoshy	Chief Executive Officer and Director	-	-	-	-
Mr. Jeffrey Ubben[1]	Director	-	-	-	-
Mr. Charles David Welch	Director	-	-	-	-
Mr. Hassan Badrawi	Director	-	-	-	-
Mr. Khaled Salmeen	Director	-	-	-	-
Mr. Mohamed Saif Ali Abed Alaryani	Director	42,286	-	-	-
Mr. Philippe Ryckaert	Director	-	-	-	-
Mrs. Wafa Ibrahim Ali Mohamed Alhammadi	Director	-	-	-	-
Mr. Rainer Seele	Director	-	-	-	-
Mr. Guy Moeyens[2]	Director	-	-	-	-

[1]Mr. Jeffrey Ubben is the founder, managing partner, and portfolio manager of Inclusive Capital Partners. Inclusive Capital Partners owned 115,215,686 shares as of 31 December 2021 and 42,907,318 as of 31 December 2022.
[2]Mr. Guy Moeyens resigned from the board of directors with effect from 10 January 2022.

4. The Executive Management Team

The Executive Management team is charged with the day-to-day management of the Company. They are responsible for the Company's continuity, to pursue the strategies set by the Board, the optimization of its business, and creating a culture that contributes to long-term sustainable value creation for stakeholders. Each Executive has an individual responsibility for certain business segments, functional areas, projects and tasks.

The Company has a Delegation of Authority in place authorizing the delegation of board duties and powers exercised by board members to Fertiglobe's management team and subsequently to the Fertiglobe operating companies.

It governs which internal approvals are required for which actions leading to an efficient yet controlled process. Checks and balances have been set by implementing three authorizing steps for entering into external commitments; consisting of consultation, internal approval and a dual signing authority of two individuals that commit in the name of the Company.

Remuneration Report

Fertiglobe's remuneration rationale is to attract, motivate and retain the qualified individuals that it needs to achieve its strategic and operational objectives. Fertiglobe is committed to promote the interest of the company in the medium and long-term and encourages a "pay for performance" culture. To that end, the compensation structure for the Executive Management team contains a mix of fixed and variable performance-based pay. Fixed pay is aligned to the external market to ensure that senior leadership is adequately compensated. Variable pay is linked to performance – achievement of results as per the elements of the Company Scorecard (Safety, Financial, People, Operational) to create strong alignment between rewards and the interests of our stakeholders. This focus on sustainable value creation is reinforced by our remuneration rationale, wherein our targets include not just financial targets, but environmental, social, and operational goals as well.

Fertiglobe's Nomination and Remuneration Committee assists the Board in setting the policy for granting bonuses, privileges and salaries to the Executive Management as well as making recommendations to the Board ensuring these remuneration elements are reasonable and in line with the Company's performance.

Accordingly, we believe the 2022 remuneration for the Executive Management team reflects good alignment between the remuneration of the Executive Directors and shareholders' long-term interests.

The following table lists the members of the Executive Management Team, their appointment dates, salaries and other remuneration received during 2022:

Name	Position	Appointment date	Total salaries and allowances paid in 2022 (AED)	Total bonuses paid for 2022 (AED)	Any other cash / in-kind bonuses for 2022 or due in the future (AED)
Ahmed El-Hoshy[1]	Chief Executive Officer	2021			
Haroon Rahmathulla	Chief Operating Officer	2019	2,327,634	1,483,690[4]	2,034,807[2]
Andrew Tait	Chief Financial Officer	2019	1,440,000	734,500	734,500[3]

[1] The remuneration of the CEO, Ahmed El Hoshy is not included in the above table as his benefits are covered by OCI Global, and are not recharged to Fertiglobe. His total remuneration is disclosed in the financial statements of OCI Global, which are publicly available. The percentage of this remuneration to Fertiglobe, based on Fertiglobe's share in the total production capacity of the subsidiaries of OCI Global, is 43%. The CEO is also receiving a remuneration for his role as an executive board member from Fertiglobe, which is included in the Board of Directors remuneration disclosed.

[2] Total amount of deferred cash bonuses (total amount of deferred portion of bonuses for 2020, 2021 and 2022).

[3] Total amount of deferred portion of bonuses for 2022.

[4] This amount includes AED 198,315 bonus paid in 2022 related to 2019 deferred bonus.

5. Specified Related Party Transactions in 2022

Fertiglobe entered into fourteen new Specified Related Party Transactions (SRPT) in 2022. All SRPTs are within the Company's usual course of business and were reviewed and approved by Fertiglobe's non-conflicted Executive Committee members to whom the Board of Directors has delegated the power to approve the SRPTs

The following SRPTs have a value of more than 5% of Fertiglobe's share capital:

1. Amended Hydrogen Purchase Agreement Term Sheet between Fertiglobe plc, Scatec ASA, Orascom Construction SAE and TSFE Infrastructure & Utilities Sub fund (as Project Shareholders) and Egyptian Fertilizers Company SAE (as Buyer) in respect of the sale of Green Hydrogen by the Electrolyser Company and purchase thereof by the Buyer.
2. Amended & Restated Project Framework Agreement (A&R PFA) between Fertiglobe plc, ADNOC, Mitsui & Co., Ltd and GS Energy Corporation (JV Parties) in connection with Project Harvest.
3. Renewal of Annual Supply Ammonia Agreement between FDL and OCIN and OCI FTL.

The remaining SRPTs each have a value of less than 5% of Fertiglobe's share capital:

1. EPC contract between EFC and OC for preparation work, hydrogen tie-ins between Electrolyzer and EBIC/EFC plants and utility tie-ins from EFC to l00MW plant.
2. Amended Joint Development Agreement between Fertiglobe plc, Scatec ASA, Orascom Construction SAE and Infra Green Investment B.V, for the joint development of an Electrolyser Project in Ain Sokhna, Egypt
3. EPC contract between EFC and OC in relation to the building and infrastructure of the New Polishing Water Unit and associated auxiliaries and systems at EFC.
4. Fertiglobe France SAS and OCI Agro France - SLA on Logistics and Human Services renewal
5. Heads of Term Agreement (HoT) between Fertiglobe plc and Abu Dhabi Chemicals Derivatives Company RSC LTD (TAS) in connection with the utilization by the Harvest JVCo of logistics services to be provided by a TAS Service Management Company to tenants of the TA'ZIZ Industrial Zone.
6. Entry by Fertil into a Heads of Agreement (HOA) and subsequent services agreement for Integrated Tier 2 Oil Spill & Hazardous Noxious Substances Response Services (Tier 2 Services) with ADNOC and ADNOC L&S.
7. New Agency Agreements between OCI Agro France, OCIN and FDL and OCIN and Fertiglobe France.
8. Intercompany settlement of Lafarge payment.
9. Two purchase agreements between Fertiglobe Distribution Limited and N-7 LLC (a JV between OCI Global and Dakota Gasification Co., based in Beaumont, USA)
10. Purchase Agreement of test cargoes of AdBlue between OCI Nitrogen B.V. and Fertiglobe Distribution Limited.
11. Orascom Construction S.A.E., OCI Global, Fertiglobe plc - Reimbursement Agreement.

Other related parties transactions disclosed in note 25 of the consolidated financial statements represent the performance of obligations under contracts signed prior to 2022.

6. Violations Committed by the Company during 2022

The Company did not commit any material violations with respect to the Governance Guide and other applicable regulations during the year ended on 31 December 2022.

7. Conflicts of Interest

Fertiglobe's Articles of Association and Code of Conduct require its employees and directors to disclose any conflicts of interest that may be actual, perceived or potential in accordance with the decisions, laws and regulations issued by the Securities and Commodities Authority and other regulatory and legislative bodies. A series of procedures for compliance with laws regarding conflicts of interest management have been developed.

> Fertiglobe is committed to sustainability principles, with environmental, social, and governance matters fully integrated into our strategic objectives with direct supervision by our Board of Directors

8.External Auditor

Brief background on the external auditor

KPMG is a global network of professional services firms providing audit, tax and advisory services to a wide range of public and private sector organizations across all major aspects of business and the economy. KPMG Lower Gulf is part of KPMG International Cooperative's global network of professional member firms. KPMG Lower Gulf has been operating for almost 50 years and employs over 1,900 people, including about 188 partners and directors across the UAE and Oman.

The foundation of KPMG Lower Gulf is based on the three pillars of providing exceptional quality of services, an unwavering commitment to the public interest, and building empowered teams.

External Audit Fees, Services, and Costs

The following table shows the services provided by the external auditor during 2022 and the fees charged for these services:

Name of Audit Firm	KPMG Lower Gulf Limited
Name of Partner Auditor	Emilio Pera
Number of years spent as an external auditor of the Company	4 years
Number of years spent by the Partner Auditor in auditing the Company's Accounts	2 years
Total audit fees for the financial statements for the year ended on December 31, 2022 (In AED)	1,126,000

The External Auditor performed other audit related services amounting to AED 157,000 during 2022, in addition to AED 904,353 which relates to ongoing audit related services being provided by the External Auditor.

The fees for services, which were delivered to the Company in 2022 by other Audit firms (other than the Company's auditors) amounted to AED 4,636,503. These fees were against advisory services, including professional services, immigration, accounting and tax support, compliance, ICFR testing and fees for PMO support. The firms which delivered these services were EY Consulting LLC, PwC, Ernst & Young Middle East and Deloitte LLP.

External auditor's opinion on the financial statement

The Company's external auditor did not have any reservations to any item of the Interim and annual financial statements during 2022.

9. Sustainability Report

Fertiglobe is committed to sustainability principles, with environmental, social and governance matters fully integrated into our strategic objectives with direct supervision by our Board of Directors. We believe our products are essential to achieving sustainable agriculture and clean fuel and feedstocks, have integrated sustainability principles into our policies and operations, and encourage sustainable practices in our supply chain and communities wherever possible.

As a local employer in each of our communities, we are proud to have strong stakeholder engagement programs in place that allow us to identify and participate in the social development causes that matter most locally.

Accordingly, we have cultivated local social development programs tailored to the specific needs of each of our communities to maximize the impact of our donations. In addition to our sponsorships and financial contributions to various causes, our employees personally invest their time in our local communities by participating in fundraisers and volunteering at events.

We endow time and resources into the entire education value chain with a focus on Science, Technology, Engineering and Mathematics (STEM), by donating school supplies to children in need, participating in school visits and science fairs, and providing on-site training opportunities. We have dedicated programs at each of our locations to encourage young local talent by providing on-site and virtual training and internship opportunities in various technical and non-technical functions.

Please refer to the Sustainability Report (Section 3 of this report) for more information.

10.Shareholding and Share Price Information

Share Price

The following table presents the Company's highest and lowest share price at the end of each month for the year 2022:

2022	High (AED)	Low (AED)	Close (AED)
January	3.85	3.52	3.83
February	4.05	3.75	3.87
March	5.83	3.94	5.01
April	5.87	5.06	5.57
May	5.61	4.80	5.32
June	5.60	4.81	4.81
July	4.80	4.25	4.75
August	5.73	4.95	5.62
September	5.98	5.40	5.73
October	5.80	5.01	5.09
November	5.05	4.50	4.61
December	4.61	3.99	4.23

Source: Abu Dhabi Securities Exchange

The following chart presents the Company's and performance and against the general market index and sector index for the year 2022:

Source: Abu Dhabi Securities Exchange, Bloomberg

Statement of Distribution of Shareholders' Ownership as on 31 December 2022

The following table shows the distribution of shareholders' ownership (Individuals – Companies – Governments), categorized as follows: (Local – Gulf – Arabic – Foreign) as of 31 December 2022:

Investor/Shareholder	Type	Number of Shareholders	Shares Held	% Ownership	Total Shares
Local	Government	3	73,141,831	1%	**3,514,569,205**
	Companies	86	3,167,294,769	38%	
	Individuals	1,981	274,132,605	3%	
Gulf	Government	3	39,396,261	1%	**111,175,857**
	Companies	59	68,860,489	1%	
	Individuals	24	2,919,107	0%	
Arab	Government	0	0	0%	**27,320,862**
	Companies	4	405,040	0%	
	Individuals	521	26,915,822	0%	
Foreign	Government	0	0	0%	**4,648,253,001**
	Companies	267	4,639,816,932	56%	
	Individuals	1,071	8,436,069	0%	
Total		**4,019**	**8,301,318,925**	**100%**	**8,301,318,925**

Overview of Shareholders Whose Ownership Percentage Exceeds 5% of the Company's Capital as on 31 December 2022

The following table shows the shareholders whose ownership percentage exceeds 5% of the Company's capital as of 31 December 2022:

Name	Number of Owned Shares	Percentage of Owned Shares of the Company's Capital
OCI Fertilizers B.V.	4,150,659,464	50.0%
Abu Dhabi National Oil Company (ADNOC)	3,005,077,450	36.2%

Source: Abu Dhabi Securities Exchange

Statement of Distribution of Shareholders According to their Ownership Percentage as of 31 December 2022

The following table shows the shareholders whose ownership percentage exceeds 5% of the Company's capital as of 31 December 2022:

Ser.	Share (s) Ownership	Number of Shareholders	Number of Owned Shares	Percentage of Owned Shares of the Capital
1	Less than 50,000	3,164	17,953,851	0.2%
2	From 50,000 to less than 500,000	566	96,010,495	1.2%
3	From 500,000 to less than 5,000,000	246	378,620,463	4.5%
4	More than 5,000,000	43	7,808,734,116	94.1%

Source: Abu Dhabi Securities Exchange

Controls of Investor Relationships with the Listed Companies

We place great importance on maintaining active dialogue with existing and potential shareholders, banks, and analysts. We are committed to providing relevant, high-quality and timely information to all stakeholders, and to giving current and potential shareholders, analysts and financial press broader insight into the Company and the industries in which we operate. We ensure that relevant information is provided equally and simultaneously to all interested parties through our website, which includes a dedicated Investor Relations section to promote efficiency and effectiveness in accordance with the SCA's applicable requirements and controls of investor relations management. This can be found here: https://fertiglobe.com/investor-relations/

In addition, the Company's Investor Relations function is staffed with industry veterans who have the required qualifications and experience to clearly and effectively communicate with all stakeholders. Their qualifications include but are not limited to:

- Experience in the fields of banking, research, accounting and public relations.
- Full knowledge of the Company's activities and opportunities.
- Familiarity with the relevant legal and legislative requirements of the relevant authorities.
- Ability to use different channels of communication and skills to communicate with investors and other stakeholders.
- Ongoing development by participating in training workshops on Investor Relations.

Contact details for the investor relations team are as follows:

Rita Guindy Director	rita.guindy@fertiglobe.com
Fertiglobe, Al Sila Tower, Jazeerat Al Maryah, Abu Dhabi Global Market Square, Abu Dhabi, United Arab Emirates	investor.relations@fertiglobe.com

11. Resolutions Presented to the General Assembly During 2022

On 13 June 2022, the annual general assembly in accordance with the ADGM Companies Regulations 2020 approved the following:

1. Approve the Board of Directors' report on the Company's activity and its financial position for the financial year ended 31 December 2021.
2. Approve the external auditor's report for the financial year ended 31 December 2021.
3. Approve the Company's audited accounts (standalone and consolidated) for the financial year ended 31 December 2021.
4. It was noted that the Company will file the required reports and financials pursuant to the ADGM Companies Regulations.
5. Ratify the Board of Directors resolution regarding the interim dividend of $340 million (equivalent to AED 1.247 billion, amounting to approximately AED 0.15 per share) which was previously declared by the Board of Directors as the last dividend for the financial year ended on 31 December 2021.
6. Approve the payment of AED 19,354,993 to the Board of Directors as remuneration for the year ended 31 December 2021, in addition to any applicable VAT.
7. Absolve the members of the Board of Directors of liability for the financial year ended 31 December 2021.
8. Absolve the auditors of liability for the financial year ended 31 December 2021.
9. Approve the reappointment of KPMG Lower Gulf Limited as the external auditors of the Company for the financial year 2022, and to determine their fees at $ 272,000 plus any applicable VAT.

On 29 September 2022, the general assembly in accordance with the ADGM Companies Regulations 2020 approved the following:

1. Ratify the Board of Directors resolution regarding the distribution of a cash dividend of USD 750 million (equivalent to AED 2.75 billion, amounting to approximately AED 0.33 per share) for the first half of the current financial year 2022.
2. Approve the authorization of the Board of Directors of the Company, and/or any person so authorized by the Board of Directors, to adopt any resolution or take any action as may be necessary to implement the above first resolution.

12. The Board Secretary

The Board Secretary plays an important role in organizing the Company's corporate governance, the Board's meetings and Committees, and communicating key decisions with the management team. The Board Secretary's key responsibilities include:

- Working closely with the Board of Directors and Executive Management to plan meetings and coordinate attendance.
- Drafting and distributing board and general meeting agendas.
- Drafting, distributing, confirming, and archiving meeting minutes, board reports, and other legal documents.
- Maintaining the board and company calendars.
- Following meeting procedures, decision-making rules and governance policies
- Managing communication and correspondence with the Board of Directors and its committees, the Company's management team, and external stakeholders.
- Supporting the Board of Directors' evaluation process.
- Assisting in the preparation and review of key regulatory filings, corporate annual reports, and other reports, as well as other announcements regarding material events.

Mr. Ahmed Tolba, Fertiglobe's former General Counsel and Company Secretary resigned in May 2022. Following Mr. Tolba's resignation, the position of the Board Secretary was held by Mr. Ahmad Ma'abreh from Allen and Overy LLP, an international law firm with over 2,800 lawyers in 40 offices worldwide.

13. Material Events During 2022

Fertiglobe announces material events and information by publishing press releases on its website and submitting regulatory disclosures to the ADX. Please visit www.fertiglobe.com for all press releases and disclosures. Key events during 2022 include:

January 2022
Fertiglobe Announces collaboration agreement with Masdar and ENGIE to co-develop green hydrogen for ammonia production.

March 2022
ADNOC and Fertiglobe announce memorandum of understanding agreements for low-carbon demonstration cargos with German partners.

November 2022
Fertiglobe announces trial DEF shipment to Europe, diversifying product offering Fertiglobe, Scatec, Orascom Construction and The Sovereign Fund of Egypt start commissioning of "Egypt Green", Africa's first integrated green hydrogen plant, during UN Climate summit.

December 2022
Fertiglobe announces refinancing of $900 million outstanding bridge loan and upsizing RCF to $600 million.

14. Emiratization Percentage in the Company for the Year 2020, 2021 and 2022
The below table sets out the Emiratization percentage for the Company's UAE-based operations for the years 2020, 2021, and 2022:

%	2020	2021	2022
Emiratization ratio	61.13%	59.79%	57.74%

15. Initiatives and Innovations During 2022
As one of the world's largest ammonia producers and distributors, we believe we are uniquely positioned to help the world decarbonize through the transition to a hydrogen economy. Ammonia has emerged as one of the most promising products to enable this transition as it complements the hydrogen economy across the value chain – as a feedstock for production, as an efficient hydrogen carrier, and as a key input to decarbonize multiple end products.

We are actively growing our portfolio in green ammonia / green hydrogen and are evaluating several new projects. For example, we are currently in the evaluation / development phase of the following projects:

Egypt Green Hydrogen
Fertiglobe, in partnership with Scatec, the Sovereign Fund of Egypt and Orascom Construction announced in 2022 the commissioning of the first phase of Egypt Green Hydrogen. The project is planned to include 100MW electrolyzer capacity at full scale, and would be the largest independent green hydrogen project in Africa.

The consortium is in the process of finalizing engineering and technology choices for the full-scale 100 MW plant, aiming to reach Final Investment Decision (FID) on the facility in 2023.

Green Hydrogen Project in the UAE
In 2022, Fertiglobe announced a collaboration with Masdar and Engie to study the co-development of a globally cost-competitive green hydrogen facility. The project is planned to include an electrolyzer with a capacity of up to 150MW to supply Fertiglobe's ammonia production plants at Ruways, UAE and support the production of green ammonia in the region. The partners are working toward FID in 2023.

Low-Carbon Ammonia Project in the UAE
In partnership with ADNOC and ADQ (Ta'ziz), GS Energy Corporation, and Mitsui & Co., Ltd, Fertiglobe is studying the development of a 1 million tons low-carbon ammonia plant in Ta'ziz Industrial Chemicals Zone, adjacent to Ruways Industrial Complex with focus on exporting to Asia and Europe. EPC contract signed in February 2023.

Low-Carbon Ammonia Pilot in the UAE
A pilot project to capture 18 ktpa of CO2 from Fertiglobe's Fertil 2 plant to be used for CCS to produce low-carbon ammonia with focus on exporting to Asia and Europe. FID is expected in Q1 2023 and targeted to be operational by Q3 2023.

Corporate Governance Report Approved by the Board of Directors on 20 March 2023

H.E. Dr. Sultan Ahmed Al Jaber
Chairman of the Board of Directors

Mr. Rainer Seele
Chairman of the Nomination and Remuneration Committee

Mr. Charles David Welch
Chairman of the Audit Committee

Mr. Philippe Ryckaert
Chairman of the Executive Committee

Mr. Andrew Tait
Chief Financial Officer

Mr. Samir Ezzine
Internal Audit Director

06

Financial Statements

Director's report

Company overview

Fertiglobe is the world's largest seaborne exporter of urea and ammonia combined, and an early mover in clean ammonia. Fertiglobe's production capacity comprises of 6.6 million tons of urea and merchant ammonia, produced at four subsidiaries in the UAE, Egypt and Algeria, making it the largest producer of nitrogen fertilizers in the Middle East and North Africa (MENA), and benefits from direct access to six key ports and distribution hubs on the Mediterranean Sea, Red Sea, and the Arab Gulf. Headquartered in Abu Dhabi and incorporated in Abu Dhabi Global Market (ADGM), Fertiglobe employs more than 2,700 employees and was formed as a strategic partnership between OCI N.V. ("OCI") and the Abu Dhabi National Oil Company ("ADNOC"). Fertiglobe was listed on the Abu Dhabi Securities Exchange ("ADX") on 27 October 2021 under the symbol "FERTIGLB" and ISIN "AEF000901015".

Key assets within the Company perimeter include:

Egyptian Fertilizer Company (EFC): The largest private sector granular urea producer in Egypt, with a capacity to produce 1.7 million tons per annum of urea and 0.9 million tons per annum of ammonia.

Egypt Basic Industries Corporation (EBIC): Fertiglobe has a 75% stake in the ammonia plant EBIC, with a production capacity of 0.7 million tons per annum.

Sorfert Algeria S.P.A: Fertiglobe has a 51% stake in Sorfert, an Algerian producer of ammonia and urea, with a capacity of 1.6 and 1.3 million tons per annum, respectively.

Ruwais Fertilizers Industries LLC (Fertil): Headquartered in Abu Dhabi, Fertil is manufacturing ammonia and urea through two plants (Fertil-1 and Fertil-2). The business has a capacity to produce 2.1 million tons per annum of urea and 1.2 million tons per annum of ammonia.

Fertiglobe Distribution Limited and Fertiglobe Fertilizer Trading Limited (previously OCI Fertilizer Trading Limited): Fertiglobe established a trading platform based in the U.A.E., supported by an export logistics network, strategic partnerships / relationships in Brazil, Spain, France and the USA.

Fertiglobe aims at achieving value through synergies which include:

Commercial synergies: Timing of sales and increased premiums over benchmark prices, reduced reliance on traders through a wider distribution network and access to key end markets (including Brazil, India and East Africa), re-routing of volumes through freight and logistics optimization, reduced freight rates, and sharing of best practices across the Group platform.

Technical synergies: Shared maintenance expertise, coordinated turnarounds, procurement optimization and spare parts pooling.

Director's report continued

Members of the Board of Directors:

The Board consists of 11 Directors of which there are two Executive Directors and nine Non-Executive Directors, six of whom are independent Directors, as follows:

- Dr. Sultan Ahmed Sultan Essa Al Jaber
- Nassef Onsi Naguib Sawiris
- Ahmed Khaled El Hoshy
- Hassan Hossam Hassan Badrawi
- Jeffrey Ubben
- Charles David Welch
- Khaled Salmeen Anber Salmeen
- Mohammad Saif Ali Abed Alaryani
- Wafa Ibrahim Ali Mohamed Al Hammadi
- Philippe Ryckaert
- Dr. Rainer Seele (appointed on 10 January 2022)

Current year's results:

In 2022, Fertiglobe continued to show resilience despite the uncertain economic climate. The company achieved USD 5,027.5 million in revenues during the year (2021: USD 3,310.7 million) by selling 5.0 million tons of urea (2021: 5.2 million tons) and 1.5 million tons of ammonia (2021: 1.4 million tons), resulting in total net profit of USD 1,820.4 million on a consolidated basis (2021: USD 975.9 million). Total assets increased to USD 5,530.6 million at 31 December 2022 (2021: USD 5,168.5 million).

Statement of disclosure to auditors:

The Directors of Fertiglobe certify that as far as they are aware, there is no relevant audit information of which the company's auditor is unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board,

Hassan Badrawi
Board member

Consolidated Statement of Financial Position

AS AT

$ millions	Note	31 December 2022	31 December 2021
Assets			
Non-current assets			
Property, plant and equipment	7	2,837.9	2,942.2
Right-of-use assets	17	76.8	81.6
Goodwill	8	604.8	604.8
Trade and other receivables	9	37.7	29.1
Total non-current assets		**3,557.2**	**3,657.7**
Current assets			
Inventories	11	124.9	133.8
Trade and other receivables	9	406.5	477.9
Cash and cash equivalents	12	1,442.0	899.1
Total current assets		**1,973.4**	**1,510.8**
Total assets		**5,530.6**	**5,168.5**

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position continued
AS AT

$ millions	Note	31 December 2022	31 December 2021
Equity			
Share capital	13	1,328.2	1,328.2
Reserves	14	(1,135.1)	(37.6)
Retained earnings	14	1,865.1	555.6
Equity attributable to owners of the Company		**2,058.2**	**1,846.2**
Non-controlling interests	15	1,110.1	659.8
Total equity		**3,168.3**	**2,506.0**
Liabilities			
Non-current liabilities			
Loans and borrowings	16	1,065.6	1,326.1
Lease obligations	17	73.7	79.9
Trade and other payables	18	19.5	17.7
Deferred tax liabilities	10	382.6	540.7
Total non-current liabilities		**1,541.4**	**1,964.4**
Current liabilities			
Loans and borrowings	16	89.6	59.6
Lease obligations	17	17.4	11.3
Trade and other payables	18	371.1	422.4
Provisions	19	107.4	134.2
Income tax payables	10	235.4	70.6
Total current liabilities		**820.9**	**698.1**
Total liabilities		**2,362.3**	**2,662.5**
Total equity and liabilities		**5,530.6**	**5,168.5**

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

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H. Badrawi (Board Member)

Consolidated Statement of Profit or Loss
FOR THE YEAR ENDED

$ millions	Note	31 December 2022	31 December 2021
Revenues	20	5,027.5	3,310.7
Cost of sales	21	(2,675.4)	(1,903.7)
Gross profit		**2,352.1**	**1,407.0**
Selling, general and administrative expenses	21	(168.8)	(102.4)
Other income		3.0	-
Other expenses		(0.9)	-
Operating profit		**2,185.4**	**1,304.6**
Finance income	22	67.1	19.6
Finance cost	22	(192.9)	(52.7)
Net finance cost		**(125.8)**	**(33.1)**
Profit before income tax		**2,059.6**	**1,271.5**
Income tax	10	(239.2)	(295.6)
Profit for the year		**1,820.4**	**975.9**
Profit attributable to:			
Owners of the Company		1,249.5	702.7
Non-controlling interests	15	570.9	273.2
Profit for the year		**1,820.4**	**975.9**
Earnings per share (in USD)			
Basic earnings per share	24	0.151	0.085
Diluted earnings per share	24	0.151	0.085

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

Consolidated Statement of Other Comprehensive Income
FOR THE YEAR ENDED

$ millions	Note	31 December 2022	31 December 2021
Profit for the year		**1,820.4**	**975.9**
Other comprehensive income:			
Items that are or may be reclassified subsequently to profit or loss			
Foreign operations - foreign currency translation differences		32.4	(41.7)
Other comprehensive income/(loss), net of tax		**32.4**	**(41.7)**
Total comprehensive income		**1,852.8**	**934.2**
Total comprehensive income attributable to:			
Owners of the Company		1,264.9	680.9
Non-controlling interests	15	587.9	253.3
Total comprehensive income		**1,852.8**	**934.2**

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity
FOR THE YEAR ENDED

$ millions	Note	Share capital (Note 13)	Reserves (Note 14)	Retained Earnings (Note 14)	Equity attributable to owners of the Company	Non-controlling interests (Note 15)	Total Equity
Balance at 1 January 2021		**3,328.2**	**(1,229.4)**	**436.1**	**2,534.9**	**527.5**	**3,062.4**
Profit for the year		-	-	702.7	702.7	273.2	975.9
Other comprehensive (loss), net of tax		-	(21.8)	-	(21.8)	(19.9)	(41.7)
Total comprehensive income		-	**(21.8)**	**702.7**	**680.9**	**253.3**	**934.2**
Impact difference in profit sharing non-controlling interests	15	-	-	-	-	109.6	109.6
Share capital reduction	13	(2,000.0)	2,000.0	-	-	-	-
Dividends to non-controlling interests	15	-	-	-	-	(181.8)	(181.8)
Capital contribution	14	-	63.6	-	63.6	-	63.6
Non controlling interests acquisition	15	-	-	10.4	10.4	(48.8)	(38.4)
Dividends to shareholders	14	-	(850.0)	(593.6)	(1,443.6)	-	(1,443.6)
Balance at 31 December 2021		**1,328.2**	**(37.6)**	**555.6**	**1,846.2**	**659.8**	**2,506.0**
Profit for the year		-	-	1,249.5	1,249.5	570.9	1,820.4
Other comprehensive income, net of tax		-	15.4	-	15.4	17.0	32.4
Total comprehensive income		-	15.4	1,249.5	1,264.9	587.9	1,852.8
Impact difference in profit sharing non-controlling interests	15	-	-	-	-	316.0	316.0
Dividends to non-controlling interests	15	-	-	-	-	(453.6)	(453.6)
Reserves transfer	14	-	(1,150.0)	1,150.0	-	-	-
Capital contribution	14	-	37.1	-	37.1	-	37.1
Dividends to shareholders	14	-	-	(1,090.0)	(1,090.0)	-	(1,090.0)
Balance at 31 December 2022		**1,328.2**	**(1,135.1)**	**1,865.1**	**2,058.2**	**1,110.1**	**3,168.3**

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows
FOR THE YEAR ENDED

$ millions	Note	31 December 2022	31 December 2021
Profit for the year		**1,820.4**	**975.9**
Adjustments for:			
Depreciation, amortization and impairment	21	266.3	267.1
Interest income	22	(1.5)	(1.0)
Interest expense	22	83.2	49.2
Net foreign exchange loss/(gain) and others	22	44.1	(15.1)
Impact difference in profit-sharing non-controlling interests	15	316.0	109.6
Income tax expense	10	239.2	295.6
Changes in:			
Inventories		(21.1)	8.3
Trade and other receivables		54.1	(175.7)
Trade and other payables		(37.8)	128.1
Provisions		17.5	(20.8)
Cash flows:			
Interest paid		(67.5)	(37.9)
Lease interest paid	17	(4.5)	(4.5)
Interest received		1.5	1.0
Income taxes paid	10	(217.5)	(145.4)
Witholding tax paid on subsidiary dividends[1]	10	(15.1)	(10.6)
Cash flows from operating activities		**2,477.3**	**1,423.8**
Investments in property, plant and equipment		(115.5)	(85.4)
Cash used in investing activities		**(115.5)**	**(85.4)**

[1] The comparative numbers have been reclassified to be consistent with the current year presentation.

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

Consolidated Statement of Cash Flows continued

FOR THE YEAR ENDED

$ millions	Note	31 December 2022	31 December 2021
Proceeds from borrowings	16	86.0	1,260.1
Repayment of borrowings	16	(326.3)	(523.1)
Acquisition of non-controlling interests		-	(43.1)
Payment of lease liabilities	17	(8.0)	(9.4)
Transaction costs of new borrowings	16	-	(10.0)
Dividends paid to non-controlling interests[1]	15	(462.2)	(182.8)
Dividends paid to shareholders	14	(1,090.0)	(1,443.6)
Cash used in financing activities		**(1,800.5)**	**(951.9)**
Net cash flow		**561.3**	**386.5**
Net increase in cash and cash equivalents		**561.3**	**386.5**
Cash and cash equivalents at 1 January		899.1	534.9
Effect of exchange rate fluctuations on cash held		(18.4)	(22.3)
Cash and cash equivalents at 31 December		**1,442.0**	**899.1**

[1] The comparative numbers have been reclassified to be consistent with the current year presentation.

The notes on pages 142 to 200 are an integral part of these consolidated financial statements.

Notes to the consolidated Financial Statements
FOR THE YEAR ENDED 31 DECEMBER

1. General
Fertiglobe plc ("Fertiglobe" or "the Company") is a public company limited by shares pursuant to Abu Dhabi Global Markets ("ADGM") Companies Regulations 2020. The Company was re-registered from a private limited company to a public limited company on 5 September 2021. The Company was previously established on 23 December 2018 as a private company limited by shares under the name Fertiglobe Holding Limited.

The Company's registered office is located at 2475-2476, 20th floor, Al Sila Tower, Abu Dhabi Global Market Square, Al Maryah Island, Abu Dhabi, United Arab Emirates. The Company is registered in the ADGM commercial register under no. 000001911. The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as "the Group").

The Group is consolidated by OCI N.V. ("ultimate Parent") that holds 50% + one of the total shares and voting rights in the Company as of 31 December 2022.

On 27 October 2021, Fertiglobe plc was listed on the ADX. The shareholders of the Company (OCI and ADNOC) sold 1.145 billion shares representing 13.8% of the company's share capital. Following the offering, the total issued share capital of the Company is USD 1,328,211,028 consisting of 8,301,318,925 shares at USD 0.16 each, of which 4,150,659,464 shares are owned by the OCI (representing 50% + one share of total issued share capital) and 3,005,077,450 shares are owned by ADNOC (representing 36.2% of total issued share capital).

The current shareholding structure is as follows;
- OCI N.V: 50% + one share of the total issued share capital
- ADNOC: 36.2%
- the free float on the Abu Dhabi Securities Exchange ("ADX") is 13.8%

The principal activity of the Group is the production and sale of nitrogen based products.

These consolidated financial statements were approved and authorized for issuance on 20 March 2023.

2. Basis of preparation
General
The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ("IASB") and in compliance with the applicable provisions of the Group's Article of Association and the requirements of the Abu Dhabi Global Market Companies Regulation of 2020. The laws and regulations applicable to the Company for the year have also been assessed in compliance with Abu Dhabi Accountability Authority ("ADAA") requirements. These have no material impact on the consolidated financial statements.

The consolidated financial statements have been prepared on the historical cost convention, except when otherwise indicated.

The financial year of the Group commences on 1 January and ends on 31 December.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

2. Basis of preparation continued
These consolidated financial statements are presented in US Dollar ("USD"), which is the Company's functional and presentation currency. All amounts have been recorded to the nearest USD 0.1 million except otherwise indicated.

Going Concern
The Directors have, at the time of approving the annual consolidated financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, the Directors continue to adopt the going concern basis of accounting in preparing the financial statements.

3. Summary of significant accounting policies
The Group has applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise in (note 4).

3.1 Consolidation
The consolidated financial statements include the financial statements of the Group, its subsidiaries and the Group's interests in associates and joint ventures.

Subsidiaries
Subsidiaries are all companies to which the Group is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its control over the investee, generally accompanying a shareholding of more than half of the shares issued and related voting power. Subsidiaries are fully consolidated from the date that control commences until the date that control ceases. When the Group ceases to have control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any investment retained in the former subsidiary is recognized at fair value. The fair value shall be regarded as the fair value on initial recognition of a financial asset or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. Any resulting gain or loss is recognized in profit or loss including related cumulative translation adjustments accumulated in other comprehensive income. The subsidiaries of the Group are listed in note 27.

Transactions eliminated in the consolidated financial statements
Intra-group balances and transactions, and any unrealized income and expenses (except for foreign currency transaction gains or losses) arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investees.

Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Non-controlling interests ("NCI")
NCI are measured initially at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

Non-controlling interests is presented as a separate component in equity. 'Profit or loss' and 'Total comprehensive income' attributable to the non-controlling interests are presented as a separate line item in the consolidated statement of profit or loss and the consolidated statement of other comprehensive income.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.1 Consolidation continued

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

3.2 Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to contribute to the creation of outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or Group of similar identifiable assets.

The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date, fair value of the assets and liabilities assumed and the amount of any non-controlling interests in the acquiree. For each business combination, the Group measures the non-controlling interests in the acquiree at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

When the Group acquires a business, it assesses the classification of particular financial assets and financial liabilities assumed as, at fair value through profit or loss, or at amortized cost or as a financial asset measured at fair value through other comprehensive income. The Group makes an assessment of whether embedded derivatives of the acquiree should be separated from their host contracts.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognized in profit or loss or other comprehensive income, as appropriate.

3.3 Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within net finance costs unless individually material and identifiable, in which case it is presented in the line it relates to.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.3 Foreign currency continued

Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated into USD at the exchange rates at the reporting date.

The income and expenses of foreign operations are translated into USD at the average exchange rates of the transaction's period. Foreign currency differences are recognised in other comprehensive income ("OCI") and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to NCI. When the Group disposes only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

3.4 Financial instruments

Financial assets

IFRS 9 contains three principal classification categories for financial assets:

- measured at amortized cost,
- at fair value through profit or loss ("FVTPL")
- and at fair value through other comprehensive income ("FVOCI").

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

Gas purchase contracts

The Group has physical purchase contracts in place to procure natural gas for its production activities. These contracts are not accounted for as financial instruments as they are excluded from the scope of IFRS 9 through the "own use exemption". The own use exemption applies to contracts that are entered into and continue to be held for the receipt of a non-financial item in accordance with the Group's expected purchase, sale or usage requirements and do not have a past practice of being net cash-settled.

i) Classification and subsequent measurement

Amortized cost

Trade and other receivables are held to collect contractual cash flows and are expected to give rise to cash flows representing solely payments of principal and interest. The Group analyzed the contractual cash flow characteristics of those instruments and concluded that they meet the 'hold to collect' business model criteria for amortized cost measurement.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.4 Financial instruments continued

Interest income from these assets is included in finance income using the effective interest rate method. Any gain or loss on derecognition is recognized directly in profit or loss.

Debt instrument at FVOCI

The Group sells certain portfolios of trade receivables under a securitization agreement to a third party. For these selected debtors the Group uses the 'hold-to-collect-and-sell business model' as defined under IFRS 9 and measure these receivables at FVOCI.

ii) Derecognition

Financial asset

The Group derecognizes a financial asset when:

- the contractual rights to the cash flows from the financial assets expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognized in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets, in these cases, the transferred assets are not derecognized.

Financial liabilities

The Group derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Group also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

Financial liabilities, like loans and borrowings and trade and other payables, are measured at amortized cost.

iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.4 Financial instruments continued

Financial liabilities

Financial liabilities, like loans and borrowings and trade and other payables, are measured at amortized cost, unless the financial liability:

- is a derivative at FVTPL;
- arose from the transfer of a financial assets that does not qualify for derecognition or if the continuing involvement approach applies;
- is a financial guarantee contract;
- is a commitment to provide a loan at a below-market interest rate; and
- is a contingent consideration resulting from a business combination to which IFRS 3 applies, measured at FVTPL.

3.5 Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with original maturities of three months or less from the acquisition date (original maturity) that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term commitments.

Restricted cash comprises cash balances where specific restrictions exist on the Group's ability to use this cash. Restricted cash includes cash deposited as collateral for letters of credit issued by the Group. Restricted funds include bank balances reserved by the lending institution for installments of loan payments to be made in the near future.

3.6 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are recognized in equity as a deduction, net of tax, from the proceeds.

3.7 Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and any impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset.

The cost of self-constructed assets includes cost of material, direct labour, other directly attributable cost incurred to bring the asset ready to its intended use, cost of asset retirement obligation and any capitalized borrowing cost.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment. When parts of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognized in profit or loss. Subsequent expenditures are capitalized only when it is probable that the future economic benefits associated with the expenditure will flow to the Group. Ongoing repairs and maintenance costs are expensed as incurred.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.7 Property, plant and equipment continued

Spare parts of property, plant and equipment are recognized under property, plant and equipment if the below applies, otherwise they are recognized within inventories:

- Average turn-over exceeds 12 months or more;
- Major spare parts and stand-by equipment, with an individual purchase price above a certain threshold; and
- Any strategic reserve equipment used in the production process.

Property, plant and equipment under construction

Expenditures incurred for purchasing and constructing property, plant and equipment are initially recorded as 'under construction' until the asset is completed and becomes ready for use. Upon the completion of the assets, the recognized costs are reclassified from 'under construction' to a final category of property, plant and equipment. Assets under construction are not depreciated and measured at cost less any impairment losses.

Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis through profit or loss over the estimated useful lives of each component, taking into account any residual values.

Land is not depreciated. Items of property, plant and equipment are depreciated from the date that they are installed and are ready for intended use, or in respect of internally constructed assets, from the date that the asset is completed and ready for intended use.

The estimated useful lives for items of property,plant and equipment are as follows:	Years
Buildings	10-50
Plant and equipment	5-30
Fixtures and fittings	3-10

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if necessary, by the Group.

3.8 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.8 Leases continued

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group is not acting as a lessor.

Short-term leases and leases of low-value assets

The Group has elected not to recognize right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.9 Goodwill

Goodwill represents the excess of purchase price and related costs over the value assigned to the Groups' share of identifiable assets acquired and liabilities assumed of businesses acquired that were directly attributable to the legal entities comprising the Group.

Goodwill on acquisition of entities that qualify as subsidiaries is presented under "Goodwill". Goodwill on acquisitions of entities that qualify as associates or joint ventures is included in 'Equity-accounted investees'. Goodwill on acquisition of subsidiaries is allocated to cash-generating units for the purpose of impairment testing.

The allocation is made to those cash-generating units or group of units that are expected to benefit from the business combination through which the goodwill arose, based on past experience.

Goodwill is initially measured at cost. After initial recognition, goodwill is measured at cost less any impairment losses. Goodwill is tested annually for impairment; an impairment loss is recognized for the amount by which the cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount of the cash-generating unit is determined by the higher of its fair value less cost to sell and its value in use. Impairment losses on goodwill are not reversed. Gains or losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold. All other expenditures on internally generated goodwill and other intangible assets is recognized in profit or loss as incurred.

3.10 Inventories

Inventories are measured at the lower of cost and net realizable value. The cost of inventories of raw materials, spare parts and supplies are based on the weighted average principle or the first-in-first-out method, and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In case of manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

In case the net realizable value ("NRV") is lower than the cost of inventory, a write-down is required. A write-down to NRV may be required when inventory is damaged; or becomes wholly or partially obsolete; or when the selling price for the product is reduced; or the estimated costs of completion, or the estimates costs to be incurred to make the sale, have increased.

3.11 Impairment of assets

Non-derivative financial assets

The Group assesses at each balance sheet date whether there is objective evidence that a non- derivative financial asset or a group of non-derivative financial assets are impaired. A non-derivative financial asset is considered to be impaired if the counterparty does not meet the agreed payment terms or when evidence exists that the counterparty will not be able to do so. The Group considers evidence of impairment for these assets at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Those found not to be impaired are then collectively assessed for any impairment that has been incurred but not yet individually identified. Assets that are not individually significant are collectively assessed for impairment.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued
3.11 Impairment of assets continued
Collective assessment is carried out by grouping together assets with similar risk characteristics. In assessing collective impairment, the Group uses historical information on the timing of recoveries and the amount of loss incurred and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends. An impairment loss is recognized for the amount by which the carrying amount of a non-derivative financial asset exceeds its estimated discounted future cash flows using the original interest rate. Impaired non-derivative financial assets are tested periodically to determine whether the estimated future cash flows have increased and the impairment has to be reversed. Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

Expected credit loss assessment
The Group allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections and available press information about customers) and applying experienced credit judgement. Credit risk grades are defined using qualitative and quantitative factors that are indicative of the risk of default and are aligned to external credit definitions from agencies *(Standard & Poor's)*.Exposure within each credit risk grade are segmented by geographic region classification and an ECL rate is calculated for each segment based on delinquency status and actual credit loss experience over the past seven years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Non-financial assets
Non-financial assets that have an indefinite useful life, for example goodwill, are not subject to amortization but are tested annually for impairment or more frequently when indicators arise. Assets with a finite useful life are subject to depreciation or amortization and are reviewed at each reporting date to determine whether there is an indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognized for the amount by which the assets' carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. The value in use is the present value of the future cash flows expected to be derived from an asset or cash-generating unit by continued use. For the purposes of assessing impairment, assets are grouped based on the lowest level for which there are separately identifiable cash flows (cash-generating units). Impairment losses are recognized in profit or loss.

Impairment losses are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro-rata basis. Non-financial assets, which are impaired, are tested periodically to determine whether the recoverable amount has increased and the impairment be (partially) reversed. Impairment losses on goodwill are not reversed.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.11 Impairment of assets continued

For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Reversal of impairments is only permitted if in a subsequent period after an impairment loss has been recognized, the amount of the impairment loss decreases and the decrease can be related objectively to an event after the impairment loss was recognized.

3.12 Provisions

Provisions are recognized when a present legal or constructive obligation based on past events exists, and it is probable that an outflow of economic benefits is required to settle the obligation. If the outflow is probable, but cannot be determined reliably, the obligation is disclosed. The non-current part of provisions is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

Asset retirement obligations

The Group recognizes a provision if the Group has an obligation to restore a leased asset in its original condition at the end of its lease term and in case of legal requirements with respect to clean up of contamination of land, and the estimate can be made reliably. Based on the land lease terms of our production facilities, some entities in the Group have the obligation to restore their site upon decommissioning.

The Group has not recorded a liability for this conditional asset retirement obligation, as it does not believe there is currently a reasonable basis for estimating a date or range of dates of cessation of the operations, which is necessary to estimate the fair value of this liability.

Considering that regular maintenance, plant turn around and any other upgrades will be conducted on a regular basis and is typical for the industry, this will extend the physical life of the production facility (also taken into account the possible changes in technology and availability of raw materials).

Claims and contingencies

The Group is subject to legal and regulatory proceedings and commercial disputes in various jurisdictions. Such proceedings may result in criminal or civil sanctions, penalties or disgorgements against the Group. If it is probable that an obligation to the Group exists, which will result in an outflow of resources and the amount of the outflow can be reliably estimated, a provision is recognized.

Donation provision

The donation provision is recognized as a constructive obligation, the amount is undiscounted as the Group does not know the exact settlement date, as such the provision is classified as current.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.12 Provisions continued

Onerous contracts

Onerous contracts are contracts for which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs and an allocation of other costs that relate directly to fulfilling contracts. Before a provision is established, the Group recognizes any impairment loss on the assets associated with that contract.

3.13 Segment reporting

An operating segment is a component of an entity that engages in business activities for which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's Chief Operating Decision Maker ("CODM") to make decisions about resource allocation to the segment and to assess its performance and for which discrete financial information is available. The Group determines and presents operating segments on the basis of information that internally is provided to the CODM during the period. Operating segments are grouped into reporting segments based on similar economic environments and similar products.

3.14 Revenue from contracts with customers

Revenues are recognized to depict the transfer of goods or services to customers in the ordinary course of the Group's activities, in the amounts that reflect the considerations to which the Group expects to be entitled in exchange for those goods or services. Revenue is recognized when the Group satisfies the performance obligations by transferring promised goods or services to customers.

The main performance obligation of the Group is the transfer of fertilizer products to customers. Goods are transferred when the customer obtains control of the asset. The timing of when control transfer depends on the sales and shipping terms agreed. Invoices are generated and revenue is recognized at that point in time. Invoices are usually payable within 30 days.

Revenue is recognized net of expected discounts and rebates to customers. Accumulated experience and management judgement is used to estimate and provide for the discounts and rebates revenue is only recognized to the extent that it is highly probably that a significant reversal will not occur. The Group does not have any contracts where the period of time between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. Consequently, no adjustment is made to transaction prices for the time value of money.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued
3.15 Finance income and cost
Finance income includes:

- interest income on funds invested (including on financial assets at fair value through other comprehensive income);
- gains on the disposal of financial assets at fair value through other comprehensive income;
- dividend income;
- fair value gains on financial assets at fair value through profit or loss;
- gains on hedging instruments related to foreign currency and interest rate derivatives that are recognized in profit or loss and reclassification of amounts previously recognized in other comprehensive income;
- interest income is recognized as it accrues in profit or loss, using the effective interest method; and
- foreign currency gain on financial assets and financial liabilities.

Finance cost includes:

- interest expense on borrowings;
- unwinding of the discount on provisions and contingent consideration;
- interest expense related to lease obligations;
- losses on disposal of financial assets at fair value through other comprehensive income;
- fair value losses on financial assets at fair value through profit or loss;
- foreign currency loss on financial assets and financial liabilities;
- loss on hedging instruments related to foreign currency and interest rate derivatives that are recognized in profit or loss and reclassification of amounts previously recognized in other comprehensive income; and
- impairment losses recognized on financial assets (other than trade receivables).

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in profit or loss and expensed as incurred.

3.16 Employee benefits
Defined contribution plan
Certain Group subsidiaries provide pension plans, end of service remuneration plans and long-term service benefits. These pension plans qualify as defined contribution plans. Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Long-term employee benefits
The Group long-term employee benefits are recognized if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably to determine its present value. The discount rate is the yield at the balance sheet date on triple-A ("AAA") credit rated bonds that have maturity dates approximating to the terms of the Group's obligations. Re-measurements are recognized in profit or loss in the period in which they arise.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued
3.16 Employee benefits continued
Termination benefits
Employee termination benefits are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognizes termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or when the Group is providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

3.17 Income tax
Current tax
Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax payable also includes any tax liability arising from the declaration of dividends. Current income tax receivable and payable are offset when there is a legally enforceable right to offset and when the current income tax relates to the same fiscal authority.

Deferred tax
Deferred income tax liabilities are recognized for all taxable temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements ('balance sheet' method). Deferred income tax assets are recognized for all deductible temporary differences, unused carry forward losses and unused carry forward tax credits, to the extent that it is probable that future taxable profit will be available against which the deferred income tax assets can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Deferred income tax is not recognized if it arises from initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction affects neither accounting nor taxable profit or loss. Also, no deferred income tax is recognized regarding the initial recognition of goodwill and regarding investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred income tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax relates to the same fiscal authority.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

3. Summary of significant accounting policies continued

3.17 Income tax continued

In cases where it is concluded it is not probable that tax authorities will accept a tax treatment, the effect of the uncertainty is reflected in the recognition and measurement of tax assets and liabilities or, alternatively, a provision is made for the amount that is expected to be settled, where this can be reasonably estimated. This assessment relies on estimates and assumptions and may involve a series of judgments about future events.

New information may become available that causes the company to change its judgment regarding the adequacy of existing tax assets and liabilities. such changes to tax assets and liabilities will impact the income tax expense in the period during which such a determination is made.

3.18 Consolidated statement of cash flows

The consolidated statement of cash flows has been prepared using the 'indirect' method. Cash flows in foreign currencies have been translated applying average exchange rates. Currency translation differences are shown separately in the consolidated statement of cash flows. Cash flows from investing activities consist mostly of investments and divestments in property, plant and equipment, intangible assets, and acquisitions insofar as these are paid for in cash. Acquisitions or disposals of subsidiaries are presented as acquisition/disposal of subsidiary, net of cash.

3.19 Earnings per share

Earnings per ordinary share are calculated by dividing the profit or loss (net) attributable to holders of ordinary shares by the weighted average number of ordinary shares outstanding during the year. In making this calculation the (ordinary) treasury shares are deducted from the number of ordinary shares outstanding. The calculation of the diluted earnings per share is based on the weighted average number of ordinary shares outstanding plus the potential increase as a result of the conversion of convertible bonds and the settlement of share-based compensation plans (share option plans). Anti-dilutive effects are not included in the calculation. An adjustment is made to profit or loss (net) to eliminate interest charges, whilst allowing for effect of taxation. The Group currently does not have any dilutive shares.

4. New accounting standards and policies

On a regular basis, the IASB issues new accounting standards, amendments and revisions to existing standards and interpretations. These new accounting standards, amendments and revisions to existing standards and interpretations are subject to endorsement by the Abu Dhabi Global Market Companies Regulation of 2020.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

4. New accounting standards and policies continued

4.1 Standards, amendments, revisions and interpretations that became effective to the Group during 2022

The standards and interpretations that became effective in 2022 did not have a material impact on the consolidated financial statements of the Group.

Standards	Amendements
Amendments to IFRS 3 Business Combinations	Reference to the Conceptual Framework
Amendments to IAS 16 Property, Plant and Equipment	Proceeds before Intented Use
Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contracts	Cost of Fulfulling a Contract
Annual Improvements to IFRS Standards 2018 - 2020	Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases, and IAS 41 Agriculture
Amendment to IFRS 16	COVID-19-Related Rent Concessions beyond 30 June 2021

4.2 New revised IFRS in issue but not yet effective

IFRS standards and interpretations thereof not yet in force which may apply to the future Group's consolidated financial statements are being assessed for their potential impact. The following new and amended standards are not expected to have a significant impact on the Group's consolidated financial statements.

Standards	Amendments
Amendments to IAS 12 Income Taxes	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
IFRS 17 Insurance Contracts	IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts
Amendments to IAS 1 Presentation of Financial Statements	Classification of Liabilities as Current or Non-Current
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies
Amendments to IAS 8 Accounting Polices, Changes in Accounting Estimates and Errors	Definition of Accounting Estimates
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

5. Critical accounting judgments, estimates and assumptions

The preparation of the consolidated financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect amounts reported in the consolidated financial statements. The estimates and assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised or in the revision period and future periods, if the changed estimates affect both current and future periods.

Compared to the consolidated financial statements for the year ended 31 December 2021, there were no significant changes to the critical accounting judgements, estimates and assumptions that could result in significantly different amounts than those recognized in the financial statements. All our critical accounting judgments, estimates and assumptions have been reviewed and updated when necessary, following this situation.

The most critical accounting policies, involving a higher degree of judgment and complexity in applying principles of valuation and for which changes in the assumptions and estimates could result in significantly different results than those recorded in the financial statements, are the following:

Goodwill and other intangible assets

Intangible assets with finite useful lives are carried at cost less cumulative amortization and any impairment. Amortization is calculated using the 'straight-line' method based on the estimated useful lives. Management makes estimates regarding the useful lives and residual values and assumes that amortization takes place on a 'straight-line' basis. The assets' useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

For intangible assets with indefinite useful lives, the Group assesses annually or more frequently whether indicators exist that suggest the intangible asset might be impaired by comparing the recoverable amounts with their carrying amounts. In determining the recoverable amounts of intangible assets, the Group makes estimates and assumptions about future cash flows based on the value in use. In doing so, management also makes assumptions and estimates regarding the discount rates in order to calculate the net present value of the future cash flows. Management tests at least annually whether goodwill is impaired by comparing the recoverable amounts of cash-generating units with their carrying amounts. The recoverable amount is the higher of the fair value less cost of disposal and the value in use. In determining the recoverable amount, management makes estimates and assumptions concerning future revenues, future costs, future working capital, Weighted Average Cost of Capital ("WACC") and future inflation rate (note 8).

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

5. Critical accounting judgments, estimates and assumptions continued

Property, plant and equipment

Depreciation is calculated using the 'straight-line' method based on the estimated useful lives, taking into account any residual values. Management makes estimates regarding the useful lives and residual values and assumes that depreciation takes place on a 'straight-line' basis. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. Management assesses annually, or more frequently, whether indicators exist that suggest that an item of property, plant and equipment might be impaired by comparing the recoverable amounts with their carrying amounts.

In determining the recoverable amounts of property, plant and equipment, management makes estimates and assumptions about future cash flows based on the value in use. The discount rate to be used in order to calculate the net present value of the future cash flows in the impairment analysis is based on the WACC (note 7).

Asset retirement obligations

The Group recognizes a provision if the Group has an obligation to restore a leased asset in its original condition at the end of its lease term and in case of legal requirements with respect to clean up of contamination of land, and the estimate can be made reliable. Based on the land lease of their production facilities, some entities have the obligation to restore their site upon decommissioning.

The Group has not recorded a liability for this conditional asset retirement obligation, as it does not believe there is currently a reasonable basis for estimating a date or range of dates of cessation of the operations, which is necessary to estimate the fair value of this liability. Considering that maintenance, turn arounds and any other upgrades will be conducted on a regular basis as was done in the past, this can extend the physical life of the production facility (also taken into account the possible changes in technology and availbility of raw materials).

Control assessment subsidiaries

Subsidiaries that the Group controls are fully consolidated from the date that control commences until the date that control ceases. To determine whether the Group has control over its subsidiaries, an assessment of control is required. This assessment is based on the requirements of IFRS 10 and evaluates whether the Group is exposed or has rights to variable returns from its involvement with the investee and whether the Group has the ability to affect those returns through its control over the investee, generally accompanying a shareholding of more than half of the shares issued and related voting power. In certain circumstances, the control assessment may require the Group to evaluate the effect of ownership structures, determination of relevant activities and other arrangements including the rights of other shareholders that could have an impact on the assessment of control, this specifically relates to the control assessment of Sorfert. The significance of this evaluation is inversely correlated with Fertiglobe's shareholding in the subsidiary as shown in note 15.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

5. Critical accounting judgments, estimates and assumptions continued

Control over investees

In determining whether the Group shall consolidate certain investments in joint arrangements, the Group makes assumptions about whether certain decision rights are substantive or protective in nature. In doing so, the Group applies judgment regarding shareholder agreements it has with those other investees. If the Group determines it holds the majority of the substantive decision rights, it assumes that it holds power over the investee. The Group also makes assumptions whether it is exposed to variable returns and whether these are linked to the power the Group holds. The linkage is tested by making assumptions whether the Group might be acting as a principal rather than an agent. If the Group meets all three criteria, the Group assumes it controls the investee.

Inventories

In determining the net realizable value of inventories, the Group estimates the selling prices in the ordinary course of business less cost to sell. In doing so, the Group makes estimates and assumptions based on current market prices, historical usage of various product categories versus current inventory levels and specific identified obsolescence risks (e.g., end of life of specific goods and spare parts and the impact of new environmental legislation) determining the net realizable value of inventories, the Group estimates the selling prices in the ordinary course of business, cost of completion and cost to sell (note 11).

Provisions

Recognition of provisions include significant estimates, assumptions and judgments. IFRS requires only those provisions to be recognized if there is an expected outflow of resources in the near future and if the cost of these outflows can be estimated reliably.

Accordingly, management exercises considerable judgment in determining whether it is more likely than not that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a proceeding will result in an outflow of resources and whether the amount of the obligation can be reliably estimated. These judgments are subject to change as new information becomes available.

The required amount of a provision may change in the future due to new developments in the matter. Revisions to estimates may significantly impact future profit or loss. Upon resolution, the Group may incur charges in excess of the recorded provisions for such matters. Due to the long time period over which future cash outflows are expected to occur, including the respective interest accretion, assumptions are required to be made. Amongst others, the estimated cash outflows could alter significantly if, and when, political developments affect future laws and regulation with respect to asset retirements. The Group has not recognized any asset retirement obligations because a reliable estimate of the amount of the obligations cannot be made.

With respect to legal cases, the Group has to estimate the outcome. Regulatory, legal proceedings, commercial disputes as well as government investigations often involve complex legal issues and are subject to substantial uncertainties. The Group periodically reviews the status of these proceedings with both the internal and external legal counsels (note 19).

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

5. Critical accounting judgments, estimates and assumptions continued

Income taxes

The Group is subject to income taxes in several jurisdictions. Estimates are required in determining the group-wide provision for income taxes. There are some transactions and calculations for which the ultimate tax position is uncertain during the ordinary course of business. The Group recognizes provisions for anticipated tax audit issues based on estimates of whether additional taxes will be due.

Where the final tax outcome of these matters is different from amounts that were initially recorded, such differences will impact the current income tax and deferred tax provisions in the period in which such determination is made. The Group recognizes deferred tax assets to the extent that it is probable that future taxable profits will be available for the deferred tax asset to be recovered.

This is based on estimates of taxable future income by jurisdiction in which the Group operates and the period over which deferred tax assets are expected to be recoverable In the event that actual results or new estimates differ from previous estimates and depending on the possible tax strategies that may be implemented, changes to the recognition of deferred tax assets could be required, which could impact the financial position and profit or loss (note 10).

Leases

The assessment of whether a contract is or contains a lease requires judgment with respect to whether the lessor has substantive substitution rights, who obtains economic benefits from use of the asset and who takes the 'how and for what purpose' decisions during the period of use.

Judgement is also applied in order to assess whether the entity will exercise any extension or cancellation options of a lease. The Group applies judgments in order to determine the incremental borrowing rate in order to calculate the lease liability (note 17).

Liquidity risk

As part of the preparation of the financial statements, the Group has assessed its liquidity risk and going concern. Liquidity risk is the risk that the Group may encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group has made a number of assumptions in assessing its ability to meet its covenant requirements (note 16) and satisfy obligations as they become due. Determining these assumptions requires significant judgment about future results and cash flows.

Key assumptions include product pricing, gas pricing, utilization rates and the ability to arrange financing and obtain waivers for potential covenant breaches.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management

Overview

The Group has exposure to credit, liquidity and market risks from financial instruments. These risks arise from exposures that occur in the normal course of business and are managed on a consolidated group basis. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing these risks, additionally it also includes the Group's management of capital.

Risk management framework

The Board is responsible for the establishment and monitoring of the Group's risk management framework. Senior (local) management is responsible for the effective operation of the internal risk management and control systems.

The Finance department is responsible for the facilitation and supervision of the Risk Management function, compliance with the Group Internal Control Framework and supports the Board in the exercise of their risk management duties.

The Group's risk management policies and practices are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's business activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

6.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and investments in debt securities. The Group mitigates the exposure to credit risk on outstanding cash balances by placing funds at multiple financial institutions with a sufficient credit rating.

The Group's exposure to customer credit risk is monitored and mitigated by performing credit checks before selling any goods. The Group establishes an allowance, if needed, for impairment that represents its estimate of expected losses in respect of trade and other receivables.

The main components of this allowance are a specific loss component that relates to individually significant exposures, and a collective loss component established for groups of similar assets in respect of losses that are expected based on historical performance. IFRS 9 establishes a three-stage impairment model, based on whether there has been a significant increase in the credit risk of a financial asset since its initial recognition. As at 31 December 2022, management assessed any significant increase in credit risk based on internal and external factors related to the financial instruments and concluded no such significant credit risk was present (note 9).

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management continued

6.1 Credit risk continued

With respect to transactions with financial institutions, the Group sets a minimum credit rating for the counterparties. The maximum exposure to credit risk is the carrying amount of financial instruments. There is no significant concentration of credit risk in trade and other receivables, financial assets at fair value through other comprehensive income or cash and cash equivalents. Significantly all of Fertiglobe trade and other receivables balances are with strategic customers that are collateralized by letters of credit, guarantees and securitization, or are due from government entities.

The maximum exposure to credit risk at the reporting date is as follows:

$ millions	Note	2022	2021
Trade and other receivables[1]	9	343.3	396.5
Cash and cash equivalents	12	1,442.0	899.1
Total		**1,785.3**	**1,295.6**

[1] Excluding prepayments, supplier advance payments and other receivables related to indemnity. Tax related prepayments as at 31 December 2021 have been reclassified to be consistent with the current year presentation.

The maximum exposure to credit risk for trade and other receivables by geographic region is as follows:

$ millions	2022	2021
Middle East and Africa	32.4	57.0
Asia and Oceania	171.1	223.1
Europe	119.2	103.1
America	20.6	13.3
Total[1]	**343.3**	**396.5**

[1] Excluding prepayments, supplier advance payments and other receivables related to indemnity. Tax related prepayments as at 31 December 2021 have been reclassified to be consistent with the current year presentation.

6.2 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management continued

6.2 Liquidity risk continued

The following are undiscounted contractual maturities of financial liabilities, including estimated interest payments and exclude the impact of netting agreements:

2022 $ millions	Note	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Financial liabilities						
Loans and borrowings	16	1,155.2	1,168.9	89.6	1,079.3	-
Lease obligations	17	91.1	329.0	18.7	36.3	274.0
Trade and other payables[1]	18	326.1	326.1	320.4	5.7	-
Trade and other payables to related parties	18	50.7	50.7	50.7	-	-
Total		**1,623.1**	**1,874.7**	**479.4**	**1,121.3**	**274.0**

[1] Excluding employee benefits

2021 $ millions	Note	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Financial liabilities						
Loans and borrowings	16	1,385.7	1,394.4	65.5	1,328.9	-
Lease obligations	17	91.2	327.9	12.7	40.3	274.9
Trade and other payables[1]	18	367.7	367.7	350.1	17.6	-
Trade and other payables to related parties	18	58.4	58.4	58.4	-	-
Total		**1,903.0**	**2,148.4**	**486.7**	**1,386.8**	**274.9**

[1] Excluding employee benefits

The interest on floating rate loans and borrowings is based on forward interest rates at the year-end. This interest rate may change as the market interest rate changes.

Callable loan amounts are classified as 'Less than one year'. The future obligations will be managed by the future incoming cash from operations, currently available and unused amounts on credit facility agreements, reference is made to note 16.

The Group's approach to managing liquidity risk is to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. This is also safeguarded by using multiple financial institutions in order to mitigate any concentration of liquidity risk.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management continued

6.2 Liquidity risk continued

Liquidity risk is monitored internally at a Group level. On an ongoing basis, the Group prepares liquidity forecasts to verify whether the Group is able to meet its future debt obligations. The Group has also carefully evaluated the funding of its Business Plan for at least the next 12 months from the date of issuance of the financial statements, taking into account the measures mentioned below and has applied sensitivities to the forecast level of liquidity headroom available. Key assumptions include product pricing, natural gas pricing and utilization rates. Management has applied these assumptions to the forecasts it prepares, demonstrating sufficient liquidity headroom.

6.3 Market risk

Market risk is the risk of changes in market prices, such as foreign exchange rates, interest rates, commodity prices and equity prices that will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The Group is exposed to foreign currency risk arising in the following ways:

Foreign exchange translation risk

Due to the Group's international presence, the Group is exposed to foreign exchange fluctuations as these affect the translation of the Group's business entities with functional currencies that are different from the US dollar (which is the Group's functional currency). The currency concerned is mainly the Algerian dinar. Foreign exchange translation exposure is considered a part of doing business on an international level; this risk is not hedged. The Group seeks to mitigate translation risk to our credit metrics by broadly matching the currency of debt with cash flows.

Foreign exchange transaction risk

The Group entities predominantly execute their activities in their respective functional currencies. The Group is however exposed to foreign exchange transaction risk to the extent that there is a discrepancy between the currencies in which sales, purchases, investments and borrowings are denominated and the respective functional currencies of the Group entities. The Group monitors the exposure to foreign currency risk arising from operating activities and enters selectively into foreign exchange contracts (if required) to hedge foreign currency exposures. The functional currencies of the Group entities are primarily the US dollar, the Algerian dinar and the Euro. EFC and EBIC have exposure to fluctuations in the USD/EGP exchange rates.

The summary of balances of the Group's exposure to foreign exchange transactions, where the main exposure currencies are different from the functional currencies, including intercompany balances, is as follows:

2022 $ millions	USD	EUR	EGP
Trade and other receivables	25.5	20.0	72.9
Trade and other receivables intercompany	29.5	245.1	0.1
Trade and other payables	(0.1)	(3.4)	(7.4)
Trade and other payables intercompany	(0.4)	(247.5)	(0.5)
Provisions	-	-	(76.9)
Cash and cash equivalents	864.0	7.2	16.5

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management continued

6.3 Market risk continued

2021 $ millions	USD	EUR	EGP
Trade and other receivables	4.9	6.3	93.1
Trade and other receivables intercompany	1,114.0	19.9	0.3
Trade and other payables	(1.9)	(11.4)	(8.0)
Trade and other payables intercompany	(3.0)	(19.9)	(0.5)
Loans and borrowings intercompany	(1,058.3)	-	-
Provisions	-	-	(121.1)
Cash and cash equivalents	408.8	13.9	24.0

The Algerian dinar is not included in the above table of foreign exchange transaction exposure, since there are no entities in the Group which have monetary items denominated in Algerian dinars, except for Sorfert, which has the Algerian dinar as its functional currency.

Significant rates

The following significant exchange rates applied during the year:

	Average 2022	Average 2021	Closing 2022	Closing 2021
Euro	1.0533	1.1828	1.0711	1.1370
Egyptian pound	0.0530	0.0637	0.0404	0.0636
Algerian dinar	0.0070	0.0074	0.0073	0.0072

The following tables demonstrate the sensitivity to a reasonably possible change in USD foreign exchange rate against EUR, EGP and DZD exchange rates, with all other variables held constant. The Group's exposure to foreign currency changes for all other currencies is not material.

2022 $ millions	Change in FX rate	Effect on profit before tax	Effect on other comprehensive income
EUR – USD	10 percent	2.3	-
	(10) percent	(2.3)	-
EGP - USD	10 percent	0.5	-
	(10) percent	(0.5)	-
DZD - USD	4 percent	36.7	-
	(4) percent	(36.7)	-

2021 $ millions	Change in FX rate	Effect on profit before tax	Effect on other comprehensive income
EUR – USD	8 percent	2.2	-
	(8) percent	(2.2)	-
EGP - USD	3 percent	(0.4)	-
	(3) percent	0.4	-
DZD - USD	3 percent	13.1	-
	(3) percent	(13.1)	-

The figures in the above overview are determined based on the currency volatility of the respective years. A significant part of the Group's exposure to foreign currency transaction risk relates to intercompany balances.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management continued

6.3 Market risk continued

Interest rate risk

The Group's cash flow interest rate risks arise from the exposure to variability in future cash flows of floating rate financial instruments and refinancing fixed rate borrowings. The Group regularly reviews its exposure to the global interest rate environment. The Group has not entered into any interest rate derivatives.

The Group analyses its interest rate exposure on a dynamic basis. The Group calculates the impact on profit or loss of a defined interest rate shift. The same interest rate shift is used for all currencies. The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings plus refinancing of fixed rate borrowings, as follows:

$ millions	In basis points	2022	2021
Effect on profit before tax for the coming year	+200 bps	(18.0)	(21.8)
	- 200 bps	18.0	21.8

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market data, showing a higher volatility compared to prior years. The interest rate sensitivity calculation is based on the interest-bearing liabilities, reference is made to note 16.

A fundamental reform of major interest rate benchmarks has been undertaken globally, including the replacement of some interbank offered rates (IBOR), with alternative nearly risk-free rates. The Group's main IBOR exposure was USD LIBOR on its loans. The alternative reference rate for LIBOR is the Secured Overnight Financing Rate (SOFR). All significant agreements already take into account the IBOR reform and include updated terms of borrowings following the rate switch. The USD LIBOR will cease on 30 June 2023.

Financial assets and liabilities

The following table represents the financial assets and financial liabilities of the Group:

$ millions	Note	2022	2021
Assets			
Trade and other receivables[1]	9	343.3	396.5
Cash and cash equivalents	12	1,442.0	899.1
Total		**1,785.3**	**1,295.6**
Liabilities			
Loans and borrowings	16	1,155.2	1,385.7
Trade and other payables[2]	18	376.8	426.1
Total		**1,532.0**	**1,811.8**

[1] Excluding prepayments, supplier advance payments and other receivables related to indemnity. Tax related prepayments as at 31 December 2021 have been reclassified to be consistent with the current year presentation.

[2] Excluding employee benefits

The Group does not have any derivative financial instruments at 31 December 2022 and 31 December 2021.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

6. Financial risk and capital management continued

6.4 Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Capital consists of ordinary shares, retained earnings, reserves and non-controlling interests of the Group. The Board of Directors monitors the return on capital as well as the level of dividends to ordinary shareholders. The Group is required by external financial institutions to maintain certain capital requirements in relation to its debt. Reference is made to note 16 for a description of financial covenants.

The Group's net (cash)/debt to equity ratio at the reporting date was as follows:

$ millions	Note	2022	2021
Loans and borrowings	16	1,155.2	1,385.7
Less: cash and cash equivalents	12	1,442.0	899.1
Net (cash) / debt		**(286.8)**	**486.6**
Total equity		3,168.3	2,506.0
Net (cash) / debt to equity ratio at 31 December		**(0.09)**	**0.19**

7. Property, plant and equipment

As at 31 December 2022, the Group has land with a carrying amount of USD 22.2 million (2021: USD 22.2 million). The additions of USD 111.1 million mainly relate to Sorfert for USD 17.6 million, Fertil for USD 47.7 million, EBIC for USD 19.7 million, EFC for USD 19.3 million and Fertiglobe plc for USD 6.8 million. The effect of movement in exchange rates in 2022 mainly relates to Sorfert, which has a different functional currency (Algerian dinar), to the Group's presentation currency. The Algerian dinar appreciated by 1.4% against the US dollar in 2022.

Spare parts reclassification

In 2021, the Group performed a detailed assessment of the spare parts which resulted in the reclassification of some low value items into inventory. Accordingly, the value of Stores, Spares and Tools transferred out of Property, Plant and Equipment amounted to USD 19.0 million (net of accumulated depreciation), and the value of Stores, Spares and Tools recognized as Inventories amounted to USD 13.7 million (net of provision for obsolescence). The difference in accounting treatment resulted in a charge of USD 5.3 million in the consolidated statement of Profit or Loss in 2021.

Impairment of ship loader

In April 2021, during regular maintenance, a ship loader in Ruwais collapsed. The inspection report showed that the main components of the loader were severely impacted which put the ship loader in a halt position. An impairment was recorded for the full net book value of the ship loader of USD 10.5 million.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

7. Property, plant and equipment continued

$ millions	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
At 1 January 2022	**182.1**	**2,691.9**	**6.7**	**61.5**	**2,942.2**
Movements in the carrying amount:					
Additions	0.3	30.6	1.1	79.1	111.1
Disposals	-	-	-	-	-
Depreciation and impairment	(8.7)	(242.3)	(2.2)	-	(253.2)
Transfers	0.1	103.2	0.8	(73.5)	30.6
Effect of movement in exchange rates	0.5	6.4	-	0.3	7.2
At 31 December 2022	**174.3**	**2,589.8**	**6.4**	**67.4**	**2,837.9**
Cost	296.8	5,386.1	45.8	67.4	5,796.1
Accumulated depreciation & impairment	(122.5)	(2,796.3)	(39.4)	-	(2,958.2)
At 31 December 2022	**174.3**	**2,589.8**	**6.4**	**67.4**	**2,837.9**

$ millions	Land and buildings	Plant and equipment	Fixtures and fittings	Under construction	Total
Cost	298.0	5,314.1	43.5	70.6	5,726.2
Accumulated depreciation and impairment	(108.6)	(2,409.4)	(36.2)	-	(2,554.2)
At 1 January 2021	**189.4**	**2,904.7**	**7.3**	**70.6**	**3,172.0**
Movements in the carrying amount:					
Additions	1.8	24.1	1.4	57.3	84.6
Depreciation and impairment	(6.3)	(247.7)	(1.8)	-	(255.8)
Spare parts reclassification (Cost)	-	(40.1)	-	-	(40.1)
Spare parts reclassification (Depreciation)	-	21.1	-	-	21.1
Disposals	-	(0.1)	-	-	(0.1)
Transfers	-	65.0	-	(65.0)	-
Effect of movement in exchange rates	(2.8)	(35.1)	(0.2)	(1.4)	(39.5)
At 31 December 2021	**182.1**	**2,691.9**	**6.7**	**61.5**	**2,942.2**
Cost	295.2	5,257.0	44.4	61.5	5,658.1
Accumulated depreciation and impairment	(113.1)	(2,565.1)	(37.7)	-	(2,715.9)
At 31 December 2021	**182.1**	**2,691.9**	**6.7**	**61.5**	**2,942.2**

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

8. Goodwill

$ millions	2022	2021
Cost	1,942.4	1,942.4
Accumulated impairment	(1,337.6)	(1,337.6)
Total	**604.8**	**604.8**

Goodwill has been allocated to the cash generating units as follows:

$ millions	2022	2021
Egyptian Fertilizers Company ("EFC")	440.0	440.0
Ruwais Fertilizer Industries LLC. ("Fertil")	164.8	164.8
Total	**604.8**	**604.8**

Goodwill impairment testing

The determination of the recoverable amount for the cash generating unit EFC and Fertil requires significant judgments and estimates, including projections of future cash flows from the businesses. The recoverable amounts have been estimated based on value in use.

The tests were carried out by discounting future cash flows to be generated from the continuing use of the cash-generating units to which the goodwill applies and on the assumption of an indefinite life. Key assumptions used in the calculation of recoverable amounts are the discount rate, the terminal value growth rate, selling price outlook per product, natural gas prices and the number of expected operating days per plant.

Selling price assumptions are based on a published independent price outlook prepared by global experts. The other assumptions used are based on past experience and external sources, but that are unpredictable and inherently uncertain.

The impairment tests are based on specific estimates for the US dollar cash flow projections for the years 2023 to 2027 (this period captures the cyclical nature of the industry). For the subsequent years the residual values were calculated based on the average EBITDA margin of the projection period and whereby a perpetual growth rate of 4.08% (2021: 2.02%) was taken into account. The estimated pre-tax cash flows are discounted to their present value using pre-tax discount rates.

The following rates were applied in performing the impairment test:

	2022		2021	
Percentage	**Fertil**	**EFC**	**Fertil**	**EFC**
Pre-tax discount rate	13.7%	19.9%	10.3%	12.6%
Perpetual growth rate	4.08%	4.08%	2.02%	2.02%

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

9. Trade and other receivables

In 2018, the Group entered into a securitization agreement to sell without recourse certain portfolios of trade receivables to an external financial institution. By doing so, the Group is able to receive cash flows from selected debtors sooner than would normally be the case. Fertiglobe derecognizes the trade receivables, since substantially all risks and rewards of ownership are transferred. Further the Group has pass through arrangement with financial institution as per which all the amounts collected from customer are paid back to financial institution without material delay.

For the year ended 31 December 2022, an amount of USD 414.2 million (2021: USD 227.4 million) of trade receivables were transferred under the securitization agreement. Furthermore, the total amount charged by securitization company amounted to USD 1.8 million during the year (2021: USD 0.6 million). The portfolio of trade receivable which is held for collect and sale at reporting date amounted to USD 67.3 million (2021 USD 12.2 million).

The other tax receivable contains an amount of EGP 900 million (USD 36.4 million) relating to a payment made to the Egyptian Tax Authorities as part of the tax claim which will be refunded upon settlement of the tax claim. Reference is made to note 26 "OCI S.A.E. tax dispute".

Non-current trade and other receivables have not been discounted as the effect is immaterial to the consolidated financial statements.

The carrying amount of trade and other receivables as at 31 December 2022 approximates its fair value.

$ millions	Note	2022	2021
Trade receivables (net)		205.3	261.1
Trade receivables (net) from related parties	25	2.6	13.8
Prepayments[1]		43.3	24.8
Other tax receivables		90.9	112.3
Supplier advance payments		12.3	22.1
Other receivables (net)		37.2	3.7
Other receivables related parties	25	52.6	69.2
Total		**444.2**	**507.0**
Non-current		37.7	29.1
Current		406.5	477.9
Total		**444.2**	**507.0**

[1] Tax related prepayments as at 31 December 2021 have been reclassified from prepayments into other tax receivables to be consistent with the current year presentation.

The aging of current trade receivables at the reporting date were as follows:

$ millions	2022	2021
Neither past due nor impaired	206.8	274.0
Past due 1 - 30 days	-	-
Past due 31 - 90 days	0.8	0.6
Past due 91 - 360 days	0.2	0.2
More than 360 days	0.1	0.1
Total	**207.9**	**274.9**

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

9. Trade and other receivables continued
Management believes that the unimpaired amounts that are past due by more than 30 days are collectible in full, based on historic payment behavior and extensive analysis of customer credit risk, including underlying customers' credit ratings if they are available.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

$ millions	2022	2021
At 1 January and 31 December	**(0.2)**	**(0.2)**

10. Income taxes
10.1 Income tax in the statement of profit or loss and other comprehensive income

$ millions	2022	2021
Current tax	(214.1)	(220.8)
Deferred tax	(25.1)	(74.8)
Total income tax in profit or loss	**(239.2)**	**(295.6)**

10.2 Reconciliation of effective tax rate
The Group's operations are subject to income taxes in various foreign jurisdictions. The statutory income tax rates vary from 0.0% to 25.0%, which results in a difference between the weighted average statutory income tax rate and the UAE's statutory income tax rate of 25.0%.

Reconciliation of the statutory income tax rate in the UAE with the effective tax rate can be summarized as follows:

$ millions	2022	%	2021	%
Profit before income tax	2,059.6		1,271.5	
Enacted income tax rate	25%		25%	
Tax calculated at the enacted tax rate	**(514.9)**	**25.0**	**(317.9)**	**25.0**
Effect of tax rates in foreign jurisdictions	93.7	(4.5)	39.4	(3.1)
Income not subject to tax	177.6	(8.6)	112.0	(8.8)
Non-deductible expenses	(24.8)	1.2	(17.6)	1.4
Dividend withholding tax	(17.0)	0.8	(17.1)	1.3
Unrecognized tax assets	(3.3)	0.2	2.2	(0.2)
Uncertain tax positions	1.4	(0.1)	(96.9)	7.6
Foreign exchange impact	47.4	(2.4)	-	-
Expired/ adjustments	0.7	-	0.3	-
Total income tax in profit or loss	**(239.2)**	**11.6**	**(295.6)**	**23.2**

The effective tax rate is 11.6% (2021: 23.2%), mainly due to (i) income not subject to tax for an amount of USD 177.6 million (2021 USD 112.0 million) (ii) foreign exchange impact of 47.4 million and (iii) non-deductible expenses for an amount of USD (24.8) million (2021 USD (17.6) million). The income not subject to tax mainly relates to the tax-free status of some entities in the Group.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

10. Income taxes continued
10.3 Deferred income tax assets and liabilities
Changes in deferred tax asset and liabilities (net):

$ millions	Note	2022	2021
At 1 January		**(540.7)**	**(467.1)**
Profit or loss		(25.1)	(74.8)
Uncertain tax position reclassification		182.9	-
Effect of movement in exchange rates		0.3	1.2
At 31 December		**(382.6)**	**(540.7)**

Recognized deferred tax assets and liabilities:

	Assets		Liabilities		Net	
$ millions	**2022**	**2021**	**2022**	**2021**	**2022**	**2021**
Intangible assets	-	-	(62.6)	(62.6)	(62.6)	(62.6)
Property, plant and equipment	-	-	(286.2)	(311.9)	(286.2)	(311.9)
Trade and other payables	4.5	4.6	-	-	4.5	4.6
Uncertain tax positions	-	-	(14.3)	(148.6)	(14.3)	(148.6)
Provision for withholding tax	-	-	(24.0)	(22.2)	(24.0)	(22.2)
Total	**4.5**	**4.6**	**(387.1)**	**(545.3)**	**(382.6)**	**(540.7)**
Netting of fiscal positions	(4.5)	(4.6)	4.5	4.6	-	-
Total	**-**	**-**	**(382.6)**	**(540.7)**	**(382.6)**	**(540.7)**

Deferred tax liabilities relating to intangible assets mainly consist of goodwill of EFC for USD 62.6 million (2021: USD 62.6 million). This deferred tax liability will be reversed if the asset is impaired. Deferred tax liabilities recognized in relation to property, plant and equipment will be realized over the depreciation period of the related asset, and mainly relate to Fertil for USD 231.4 million (2021: USD 247.6 million) and EFC for USD 56.7 million (2021: USD 64.3 million).

Uncertain tax positions ("UTP")
The Group is subject to the application of complex tax laws in multiple jurisdictions. Application of these complex tax laws may lead to uncertainties in determining tax positions. We aim to resolve these uncertainties in discussions with the tax authorities. The financial effect of the existing uncertainties per balance sheet date are determined in accordance with IAS 12 and IFRIC 23, which requires us to estimate the potential outcome of any tax position. Our estimate for the potential outcome of any uncertain tax position is judgmental (the most likely amount or expected value depending on the circumstances).

As at 31 December 2022, the Group recorded non-current uncertain tax positions of USD 14.3 million (2021: USD 148.6 million) which are classified as a deferred tax liability and current uncertain tax positions of USD 219.9 million (2021: USD 40.3 million) which are classified as income tax payables. The decrease in the non-current UTP position relates to the reclassification of USD 182.9 million from non-current to current uncertain tax positions. This is due to the fact that the Group is currently under examination of the tax authorities in the respective jurisdiction and a conclusion on the treatment is expected within the next twelve months.Expected interest and penalties related to uncertain income tax liabilities have been accrued for and are included in the uncertain tax positions and in the income tax expense.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

10. Income taxes continued
10.3 Deferred income tax assets and liabilities continued
In addition to the uncertain tax liability, the Group also has a contingent tax asset that currently does not meet the recognition criteria of IAS 12 and IFRIC 23 (refer to note 26).

Expiration scheme of unrecognized carry forward tax losses, tax credits and deferred temporary tax assets:

$ millions	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Between 10 and 15 years	Between 15 and 20 years	Unlimited	Total
Unrecognized operating losses carry forward, tax credits and temporary differences in 2022	10.2	39.1	-	-	-	0.6	**49.9**

$ millions	Less than 1 year	Between 1 and 5 years	Between 5 and 10 years	Between 10 and 15 years	Between 15 and 20 years	Unlimited	Total
Unrecognized operating losses carry forward, tax credits and temporary differences in 2021	10.5	46.6	-	-	-	-	**57.1**

The unrecognized operating losses carry forward of USD 49.9 million (2021: USD 57.1 million) mainly relate to OCI S.A.E.

10.4 Income tax payables
Changes in income tax payables:

$ millions	Note	2022	2021
At 1 January		**(70.6)**	**(8.7)**
Profit or loss		(214.1)	(220.8)
Payments		217.5	145.4
Uncertain tax position reclassification		(182.9)	-
Withholding tax not recoverable		15.1	10.6
Effect of movement in exchange rates		(0.4)	2.9
At 31 December		**(235.4)**	**(70.6)**
Uncertain tax position - current		(219.9)	(40.3)
Income tax payables		(15.5)	(30.3)
Total		**(235.4)**	**(70.6)**

Sorfert tax reinvestment case
On 29 December 2020 the Large Multinationals Directorate of the Algerian Tax Authorities ("DGE") issued a letter to Sorfert in which its initial claim of DZD 7,296 million (USD 53.3 million) was maintained relating to the alleged non-compliance with the reinvestment obligations under a tax exemption as granted in 2014 by the Agency Nationale de Developpement de l'Investissement ("ANDI"). The DGE is of the opinion that Sorfert did not carry out the reinvestment obligation timely as required under ANDI exemption. As a result, the DGE required Sorfert to repay the full assumed tax benefit it enjoyed in relation herewith. On 1 February 2021, Sorfert appealed to this decision and as part of the appeal process made an initial payment of DZD 2,189 million (USD 16.4 million), representing 30% of the total tax claim.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

10. Income taxes continued

10.4 Income tax payables continued

On 31 October 2021, the appeal of Sorfert to the initial claim was rejected by the Internal Appeals Committee of the DGE (and the total exposure was increased with a 25% penalty) and it had to pay DZD 1,824 million (USD 13.3 million) (20% of the initial claim and penalties including penalties on the amount already paid in February 2021). Although Sorfert is of the opinion that it has complied with its reinvestment obligations, the DGE applied a different interpretation of the reinvestment law. Since there is no detailed guidance on the interpretation, the ability to firmly assess the technical merits of this case is limited. Due to this lack of detailed guidance and negative outcome of the first appeal, management is currently of the opinion that when weighing all the current facts and circumstances and application of interpretive guidance of IFRIC 23, it has become probable that Sorfert will be required to settle the remainder of the disputed tax amount.

As a result, the Group recorded the full impact of the reinvestment case as an income tax expense amounting to USD 65.8 million in 2021.

On 24 February 2022, Sorfert pursued, supported by its external advisors, the next instance of appeal to the Central Appeals Commission as Sorfert management continues to have the view that Sorfert has satisfied the reinvestment obligations under the ANDI regime and therefore the grounds of the claim should be ruled as unfounded.

As at 31 December 2022, the remaining uncertain tax position in relation to this matter is DZD 5,108 million (USD 37.3 million), included in income tax payables.

Sorfert tax audit 2017

On 30 December 2021, Sorfert received a notification from Algerian tax authority in relation to the 2017 tax audit which challenged the deductibility of various expenses. Sorfert made certain assumptions in the 2017 tax declaration based on its historical interpretation of the Algerian tax code, which is highly complex and ambiguous. In 2021, external advice was obtained, after the notification was received, upon which management recorded an uncertain tax position resulting from a difference in interpretation of Algerian tax code of USD 3.6 million related to 2017 and USD 6.0 million related to 2018, 2019 and 2020 recorded as a deferred tax liability, resulting in a total uncertain tax expense of USD 9.6 million in 2021. On 15 December 2022, Sorfert received the final assessment of the 2017 tax audit from the Algerian tax authority which reduced the liability to USD 0.1 million for 2017, consequently the exposure for 2018, 2019 and 2020 reduced to USD 0.2 million using the same interpretations. As a result, USD 9.3 million (DZD 1,284.3 billion) of uncertain tax position has been released to the Profit and Loss statement in 2022.

Compliance with laws and regulations

UAE Tax Law

On 9 December 2022, the UAE Ministry of Finance released the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (the Law) to enact a Federal corporate tax ("CT") regime in the UAE. The CT regime will become effective for accounting periods beginning on or after 1 June 2023.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

10. Income taxes continued
10.4 Income tax payables continued
A rate of 9% will apply to taxable income exceeding a particular threshold to be prescribed by way of a Cabinet Decision (expected to be AED 375,000 based on information released by the Ministry of Finance), a rate of 0% will apply to taxable income not exceeding this threshold and a rate of 0% on qualifying income of free zone entities. In addition, there are several other decisions that are yet to be finalized by way of a Cabinet Decision that are significant in order for entities to determine their tax status and taxable income. Therefore, pending such important decisions, the Group has considered that the Law, as it currently stands, is not substantively enacted as at 31 December 2022 from the perspective of IAS 12 – Income Taxes. The Group shall continue to monitor the timing of the issuance of these critical Cabinet Decisions to determine their tax status and the application of IAS 12 – Income Taxes.

The Group is currently in the process of assessing the possible impact on the consolidated financial statements, both from current and deferred tax perspective, once the Law becomes substantively enacted.

Global Minimum Tax Law
On 20 December 2021, the jurisdictions of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting ("OECD BEPS") released the so-called Pillar Two Model Rules (also referred to as the “Anti Global Base Erosion” or “GloBE” Rules) which are designed to ensure that large multinational enterprises ("MNEs") pay a minimum level of tax of 15% on the aggregated qualifying income arising in each jurisdiction where they operate ("Pillar Two"). On 15 December 2022, the EU Member States unanimously adopted an EU directive ensuring a global minimum level of taxation and agreed to apply these rules for fiscal years starting on or after 31 December 2023.

The UAE is a member of the OECD BEPS Inclusive Framework and is committed to addressing the challenges faced by tax jurisdictions internationally. The UAE Federal Tax Authority ("FTA") has published the Corporate Tax FAQs and confirmed that until such time as the Pillar Two rules are adopted by the UAE, multinationals will only be subject to CT under the regular UAE CT regime.

A taxpayer will fall within the scope of the Pillar Two rules if it has foreign presence, more than EUR 750 million in consolidated revenues and is not listed as an out-of-scope entity. A qualifying taxpayer calculates its effective tax rate for the aggregated activities in each jurisdiction where it operates, and pays top-up tax for the difference between its effective tax rate per jurisdiction and the global minimum tax rate of 15%. Any resulting top-up tax is generally charged in the jurisdiction of the ultimate parent of the MNE (OCI N.V.).

However, as an intermediate holding jurisdiction under the Partially Owned Parent Entity rules, the Fertiglobe PLC group could instead be at risk of a top-up tax in case the effective tax rate in a relevant jurisdiction is below 15% as determined under the Pillar Two rules. As the Pillar Two rules also allow for a levy by the source jurisdiction under the so-called Qualifying Domestic Minimum Top-up Tax, it remains uncertain in which jurisdiction the top-up tax will need to be remitted as well as based on which ownership percentage. It is expected that in the course of 2023 the relevant jurisdictions will announce further guidance on the implementation of the Pillar II rules in their respective jurisdictions.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

11. Inventories

	2022		
$ millions	**Gross**	**Write down**	**Net**
Finished goods	42.8	(0.1)	42.7
Raw materials and consumables	18.9	(0.8)	18.1
Spare parts, fuels and others	99.6	(35.5)	64.1
Total	**161.3**	**(36.4)**	**124.9**

	2021		
$ millions	**Gross**	**Write down**	**Net**
Finished goods	28.3	(0.3)	28.0
Raw materials and consumables	17.9	(0.7)	17.2
Spare parts, fuels and others[1]	122.7	(34.1)	88.6
Total	**168.9**	**(35.1)**	**133.8**

[1] Refer to note 7- spare parts reclassification

The movement in the allowance during the year was as follows:

$ millions	**2022**	**2021**
At 1 January	(35.1)	(3.0)
Provision recorded[1]	(1.3)	(32.1)
At 31 December	**(36.4)**	**(35.1)**

[1] Provision recorded in 2021 includes the impact of spare parts reclassification (refer to note 7)

12. Cash and cash equivalents

$ millions	**2022**	**2021**
Cash on hand	0.1	0.2
Bank balances	1,360.4	887.1
Restricted cash	81.5	11.8
Total	**1,442.0**	**899.1**

The restricted balances of USD 81.5 million (2021: USD 11.8 million), included in the cash and cash equivalents for the consolidated statement of cash flows, are held as collateral against letters of credit and letters of guarantees issued, therefore not available for general use by the Group. Additionally, it includes USD 57.3 million (2021: nil) of cash in transit which was received in full in January 2023.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

13. Share capital

The movements in the number of shares can be summarized as follows:

Millions	2022	2021
Number of shares (fully paid) at 1 January	8,301.3	3,328.2
Capital reduction	-	(2,000.0)
Subdivision of shares	-	6,973.1
Number of shares (fully paid) at 31 December	**8,301.3**	**8,301.3**
Par value per share (in $)	**0.16**	**0.16**
Value at 31 December (in $)	**1,328.2**	**1,328.2**

Reduction of share capital

On 28 June 2021, the Company's Shareholders approved, through a special resolution, the reduction of the share capital from USD 3,328,211,028 to USD 1,328,211,028 by cancelling and extinguishing 2,000,000,000 ordinary shares in proportion to the number of shares held by each shareholder. Furthermore, the Shareholders approved crediting the capital reduction to other distributable reserve as proposed on 28 June 2021 by the Company's Board of Directors. The par value per share remained 1 USD per share subsequent to the capital reduction.

Subdivision of ordinary shares

On 16 September 2021, the Company's Shareholders approved, through a special resolution, the subdivision of 1,328,211,028 ordinary shares with par value of USD 1.00 each in the share capital of the Company into 8,301,318,925 ordinary shares with a par value of USD 0.16 each

14. Reserves and retained earnings

$ millions	Capital reduction reserve	Other reserves	Currency translation reserve	Total reserves	Retained earnings
At 1 January 2021	-	**(705.5)**	**(523.9)**	**(1,229.4)**	**436.1**
Share capital reduction	2,000.0	-	-	2,000.0	-
Profit for the year	-	-	-	-	702.7
Dividends to shareholders	(850.0)	-	-	(850.0)	(593.6)
Acquisition of non-controlling shares	-	-	-	-	10.4
Capital contribution	-	63.6	-	63.6	-
Currency translation differences	-	-	(21.8)	(21.8)	-
At 31 December 2021	**1,150.0**	**(641.9)**	**(545.7)**	**(37.6)**	**555.6**
Profit for the year	-	-	-	-	1,249.5
Dividends to shareholders	-	-	-	-	(1,090.0)
Capital Contribution	-	37.1	-	37.1	-
Reserves transfer	(1,150.0)			(1,150.0)	1,150.0
Currency translation differences	-	-	15.4	15.4	-
At 31 December 2022	**-**	**(604.8)**	**(530.3)**	**(1,135.1)**	**1,865.1**

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

14. Reserves and retained earnings continued

2022 Dividends to shareholders

In April 2022, interim dividends for a total amount of USD 340 million related to the second half of the year ended 31 December 2021 were paid and was accounted for within equity on payment. These dividends were approved by the Board on 14 February 2022 and by the shareholders on 13 June 2022.

On 29 September 2022, the shareholders approved interim dividends of USD 750 million for the first half of the year ending 31 December 2022. This was approved by the Board on 1 August 2022 and paid in full on 13 October 2022.

2021 Dividends to shareholders

On 31 March 2021, the Board of Directors approved the declaration of interim dividends to shareholders of USD 55 million, which have been paid in full, and on 28 June 2021 the declaration of USD 130 million, which have been paid in full. Both declarations have been approved by the Shareholders on 28 June 2021.

On 25 August 2021, the Company paid an advance dividend of USD 93.6 million to OCI and ADNOC in relation to the Sorfert dividend. This amount was ratified during the Board meeting of 12 October 2021 and was approved by the Shareholders in November 2021.

On 12 September 2021, the shareholders approved interim dividends of USD 165 million, which was paid out on 5 October 2021. On 4 October 2021, the shareholders of the Company approved interim dividends for a total amount of USD 315 million (an additional USD 150 million compared to the USD 165 million that were already approved on 12 September 2021, the dividend was paid on 5 October 2021 to the shareholders).

2021 Special dividend

The Shareholders approved on 12 September 2021, the payment of a special dividend amounting to USD 850 million. This dividend was paid out to the Company's Shareholders on 5 October 2021.

Capital contribution

On 15 June 2021, OCI S.A.E. and OCI N.V. entered into an agreement with Lafarge (the “Lafarge Settlement Agreement”) for the full and final settlement of all claims made by and against OCI S.A.E. OCI N.V. made a payment of USD 22.4 million on behalf of OCI S.A.E., leading to a receivable between OCI N.V. and OCI S.A.E. The receivable in OCI N.V. was subsequently transferred to Fertiglobe plc which was approved on 10 January 2022. Given the transfer was on an unconditional and irrevocable basis and without consideration, this transaction has been classified as equity.

As part of the IPO, OCI agreed to indemnify all Fertiglobe shareholders in case certain claims occur, consequently, Fertiglobe recorded additional receivable of USD 14.7 million during the year (2021: USD 63.6 million).

Reserves transfer

On 5 December 2022, the Board approved the transfer of USD 1,150 million, being the remaining undistributed amount from the share capital reduction exercise in 2021 (note 13), from other reserves to retained earnings.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

15. Non-controlling interests

2022 $ millions	**Egyptian Basic Industries Corporation**	**Sorfert Algeria Spa**	**EFC**	**Total**
Non-controlling interests	25%	49.01%	0.04%	
Non-current assets	69.9	640.4	1.5	711.8
Current assets	26.5	565.3	0.5	592.3
Non-current liabilities	(1.7)	(94.2)	(0.3)	(96.2)
Current liabilities	(14.9)	(82.8)	(0.1)	(97.8)
Net assets	**79.8**	**1,028.7**	**1.6**	**1,110.1**
Revenues	130.8	640.4	0.9	772.1
Profit for the year	61.8	508.8	0.3	570.9
Other comprehensive income	-	17.0	-	17.0
Total comprehensive income	**61.8**	**525.8**	**0.3**	**587.9**
Dividend cash flows	(87.4)	(374.8)	-	(462.2)

2021 $ millions	**Egyptian Basic Industries Corporation**	**Sorfert Algeria Spa**	**EFC**	**Total**
Non-controlling interests	25%	49.01%	0.04%	0
Non-current assets	69.8	339.9	1.5	411.2
Current assets	50.0	312.0	0.2	362.2
Non-current liabilities	(1.8)	(8.9)	(0.2)	(10.9)
Current liabilities	(16.4)	(86.1)	(0.2)	(102.7)
Net assets	**101.6**	**556.9**	**1.3**	**659.8**
Revenues	98.5	404.3	0.6	503.4
Profit for the year	42.5	230.5	0.2	273.2
Other comprehensive expense	-	(19.7)	-	(19.7)
Total comprehensive income	**42.5**	**210.8**	**0.2**	**253.5**
Dividend cash flows[1]	(3.9)	(178.9)	-	(182.8)

[1] The comparative numbers have been reclassified to be consistent with the current year presentation.

Impact difference in profit sharing non-controlling interests

In the partnership agreement in Sorfert between the Group and the partner, a profit-sharing arrangement is agreed, where the other partner will receive a relatively higher portion of dividends in compensation for lower natural gas prices arranged for by the partner. As a result of this agreement the non-controlling interests increased by 316.0 million during 2022 (2021: USD 109.6 million).

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

15. Non-controlling interests continued

Dividends to Non-controlling interests

Dividends to Non-controlling interests represent:

- EBIC declared dividends to NCI on 28 March 2022 and 14 August 2022 of USD 41.9 million and USD 41.8 million respectively. Both these dividends were paid in 2022.
- Dividends were declared to NCI by Sorfert Algeria SPA on 4 April 2022 for an amount of DZD 52.9 billion (USD 369.9 million based on a DZD exchange rate against the USD of 0.0070). This was paid in September 2022.

Total dividends paid during the year amounted to USD 462.2 million.

Acquisition of additional 15% Stake in EBIC

In August 2021, Fertiglobe agreed with a KBR-led consortium (NYSE: KBR), which includes Mitsubishi, JGC and Itochu, to buy their combined 15% stake in Egypt Basic Industries Corporation ("EBIC") for a total consideration of USD 43.0 million. This brings the Group stake in EBIC to 75%, further streamlining the Group's ownership structure. The consideration transferred of USD 43.0 million includes a KBR's claim related to unpaid dividends amounting to USD 4.6 million, hence the net consideration for the acquisition of NCI shares' in EBIC amount to USD 38.4 million.

The following table summarizes the effect of the transaction on the Company's equity attributable to shareholders:

$ millions	2021
Carrying amount of NCI acquired	48.8
Consideration paid to NCI in cash	(38.4)
Effect on equity attributable to shareholders	**10.4**

16. Loans and borrowings

$ millions	2022	2021
At 1 January	**1,385.7**	**670.5**
Proceeds from borrowings	86.0	1,260.1
Repayment of borrowings[1]	(326.3)	(523.1)
Amortization of transaction costs	8.4	6.9
Incurred transaction costs	-	(10.0)
Effect of movement in exchange rates	1.4	(18.7)
At 31 December	**1,155.2**	**1,385.7**
Non-current	1,065.6	1,326.1
Current	89.6	59.6
Total	**1,155.2**	**1,385.7**

[1] Repayment of loans mainly represents the advance repayment of the bridge loan by the Group for an amount of USD 200.0 million during the year.

The effect of movement in exchange rate mainly relates to DZD denominated loans, which are different from the Group's presentation currency (note 6). The carrying amount of loans and borrowings approximates its fair value.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

16. Loans and borrowings continued
2022 Fertiglobe refinancing
On 22 December 2022, Fertiglobe refinanced its existing bridge loan facility as follows:
- Three-year facility amounting to USD 300 million with margin of SOFR + 1.50%.
- Five-year facility amounting to USD 600 million with margin of SOFR + 1.75%.

In addition, the Company updated the existing Revolving Credit Facility as follows:
- Increased the limit by USD 300 million to reach USD 600 million
- Extended the maturity to December 2027
- Updated the interest rate to SOFR + 1.40%

Total transaction costs for the refinancing amounted to USD 12.8 million, excluding VAT.
On 22 December 2022, Fertiglobe submitted notice to early settle the bridge loan facility and on 23 December 2022, the Group submitted the utilisation request to draw down the USD 900 million from the new term loan facilities. The drawdown from the new term loan facilities and the repayment of the bridge loan facility were executed on 4 January 2023 (Note 28). As the Company executed and has the discretion, to refinance the existing borrowings under bridge loan facility for at least twelve months after the reporting period under the new facilities, it classified the obligation as non-current.

Working Capital facility
On 14 April 2022, the Group obtained a Working Capital facility arrangement of USD 50.0 million. The facility is at a rate of LIBOR/EIBOR/SOFR + 1.50% per annum and is available for a period of 364 days with an extension option for another 364 days.

Trade Finance facility
The Trade Finance facility was amended and renewed in September 2022 to increase the available amount to USD 95.0 million.

Covenants
Fertiglobe plc and Sorfert loan agreements include financial covenants. The definitions for calculating the financial covenants applicable to the facilities within the Group can be summarized as follows:
- Debt Service Coverage Ratio: Income Available (revenue earned less operating expenses) to Debt Service (net finance charges including the capital element of finance leases) or gross profit less change in working capital to interest and principal payments.
- Debt to Equity Ratio or leverage ratio: Gross Debt (current and long-term debt obligations) to total Equity (the sole capital of the borrower).
- Interest coverage ratio: net annual operating income to net finance charges.
  At 31 December 2022 all financial covenants were met. In the event the Group would not comply with the covenant requirements, the loans would become immediately due. Refer to (note 6.2) for additional discussion of the Group's liquidity risk. The external borrowings include change in control clauses that enable the lenders to call the financing provided.

Undrawn facilities
As at 31 December 2022, the Group has the following undrawn facilities:
- Revolving cash facility of USD 600 million
- 2022 term loan of USD 900 million (will replace the bridge loan facility, note 28)
- Overdraft of USD 50 million
- Working capital facility of USD 50.0 million
- Trade finance facility USD 95 million (of which USD 23.3 million drawn)

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

16. Loans and borrowings continued

Borrowing company	Type of Loan	Principal amount ($ millions)	Interest rate	Date of maturity	Carrying amount ($ millions)	Long-term portion ($ millions)	Short term portion ($ millions)	Collateral / Guarantee given (if applicable)
Sorfert Algeria SPA ("Sorfert")	Term loan-Secured	USD 961.3 DZD 114,440.0	Algerian bank interest rate plus rate of 1.95% per annum	June 2026	231.9	165.6	66.3	Debt service reserve account, ban for any disposal or decrease of the Company shares and assets Collateral against the production facility in case of non-payment
Fertiglobe plc	Bridge loan-Unsecured	USD 1,100.0	LIBOR + 1.05%[1]	February 2023 (extendable)[2]	900.0	900.0	-	The loan is guaranteed, jointly and severally, by a list of entities. Please see note below.[3]
Fertiglobe plc	Term loan-Unsecured	USD 300.0 (Facility A) USD 600.0 (Facility B)	SOFR +1.50% SOFR +1.75%	January 2026 January 2028	-	-	-	The loan is guaranteed, jointly and severally, by a list of entities. Please see note below.[3]
Fertiglobe plc	Revolving Credit facility - Unsecured	USD 600.0	SOFR + 1.40%	December 2027	-	-	-	n/a
Fertiglobe Distribution Ltd. Fertiglobe Fertilizer Trading Ltd.[4]	Trade Finance facility	USD 95.0	SOFR + 1.00%	Renewed annually	23.3	-	23.3	n/a
Fertiglobe Distribution Ltd. Ruwais Fertilizers Industries LLC Fertiglobe Fertilizer Trading Ltd[4]	Working Capital facility	USD 50.0	LIBOR/EIBOR/ SOFR + 1.50%	April 2023 (extendable)	-	-	-	The loan is guaranteed, jointly and severally, by Fertiglobe Distribution Ltd. Ruwais Fertilizer Industries LLC and Fertiglobe Fertilizer Trading Ltd (previously OCI Fertilizer Trading Ltd.).
Total 31 December 2022					**1,155.2**	**1,065.6**	**89.6**	

1 For the first 12 months starting August 2021 increasing by 25 bps every 3 months thereafter

2 Extendable for 6 months, then for an additional 6 month total combined tenor of 30 months

3 Loan is guaranteed by Fertiglobe plc, Egyptian Fertilizers Company S.A.E., Ruwais Fertilizer Industries LLC, Fertiglobe Fertilizer Trading Ltd (previously OCI Fertilizer Trading Ltd), Fertiglobe Distribution Limited and OCI Fertilizer Trade & Supply B.V.

4 Previously known as OCI Fertilizer Trading Ltd.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

16. Loans and borrowings continued

Borrowing company	Type of Loan	Principal amount ($ millions)	Interest rate	Date of maturity	Carrying amount ($ millions)	Long-term portion ($ millions)	Short term portion ($ millions)	Collateral / Guarantee given (if applicable)
Sorfert Algeria SPA ("Sorfert")	Term loan-Secured	USD 961.3 DZD 114,440.0	Algerian bank interest rate plus rate of 1.95% per annum	June 2026	294.0	228.6	65.4	Debt service reserve account, ban for any disposal or decrease of the Company shares and assets Collateral against the production facility in case of non-payment
Fertiglobe plc	Term loan-Unsecured	USD 1,100.0	LIBOR + 1.05%[1]	February 2023 (extendable)[2]	1,091.7	1,097.5	(5.8)	The loan is guaranteed, jointly and severally, by a list of entities. Please see note below.[3]
Fertiglobe plc	Revolving Credit facility - Unsecured	USD 300.0	LIBOR + 1.75%	August 2026	-	-	-	n/a
Fertiglobe Distribution Ltd. Fertiglobe Fertilizer Trading Ltd.[4]	Trade Finance facility	USD 75.0	LIBOR + 1.50%	Renewed annually	-	-	-	n/a
Total 31 December 2021					**1,385.7**	**1,326.1**	**59.6**	

1 For the first 12 months starting August 2021 increasing by 25 bps every 3 months thereafter

2 Extendable for 6 months, then for an additional 6 month total combined tenor of 30 months

3 Loan is guaranteed by Fertiglobe plc, Egyptian Fertilizers Company S.A.E., Ruwais Fertilizer Industries LLC, Fertiglobe Fertilizer Trading Ltd (previously OCI Fertilizer Trading Ltd), Fertiglobe Distribution Limited and OCI Fertilizer Trade & Supply B.V.

4 Previously known as OCI Fertilizer Trading Ltd.

Notes to the consolidated Financial Statements continued
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17. Leases

Group as a lessee

The Group leases a number of office spaces, warehouses, land, employee accommodation, computers, machinery and vehicles. Lease terms vary from 1 year to indefinite renewal options. Calculations of the lease obligation for leases with indefinite renewal options are done using a lease term based on the expected renewal periods and can be more than 100 years.

17.1 Lease obligations

$ millions	Non-current lease obligations	Current lease obligations	Total
At 1 January 2021	**80.9**	**12.4**	**93.3**
Movement in the carrying amount:			
Payments	-	(13.9)	(13.9)
Accretion of interest	4.4	0.1	4.5
Additions and reassessments	7.3	0.3	7.6
Transfers	(12.4)	12.4	-
Effect of movement in exchange rates	(0.3)	-	(0.3)
At 31 December 2021	**79.9**	**11.3**	**91.2**
Movement in the carrying amount:			
Payments	-	(12.5)	(12.5)
Accretion of interest	4.4	0.1	4.5
Additions and reassessments	5.6	2.4	8.0
Transfers	(16.1)	16.1	-
Effect of movement in exchange rates	(0.1)	-	(0.1)
At 31 December 2022	**73.7**	**17.4**	**91.1**

2022 $ millions	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Lease obligations	91.1	329.0	18.7	36.3	274.0

2021 $ millions	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	More than 5 years
Lease obligations	91.2	327.9	12.7	40.3	274.9

17.2 Right-of-use assets

$ millions	Land and buildings	Fixtures and fittings	Total
At 1 January 2021	**46.4**	**39.1**	**85.5**
Movement in the carrying amount:			
Additions	6.4	1.9	8.3
Disposals	(0.1)	-	(0.1)
Contract revaluation	-	(0.3)	(0.3)
Depreciation	(3.2)	(8.0)	(11.2)
Effect of movement in exchange rates	(0.5)	(0.1)	(0.6)
At 31 December 2021	**49.0**	**32.6**	**81.6**
Movement in the carrying amount:			
Additions and reassessments	6.50	1.60	8.1
Depreciation	(4.60)	(8.30)	(12.9)
At 31 December 2022	**50.9**	**25.9**	**76.8**

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18. Trade and other payables

$ millions	Note	2022	2021
Trade payables		42.2	140.7
Trade payables due to related parties	25	18.8	13.4
Other payables to related parties[1]	25	31.9	45.0
Amounts payable under the securitization program		26.2	19.5
Dividends payable		0.3	4.1
Accrued expenses		225.3	169.3
Accrued interest		3.6	0.9
Employee benefits		13.8	14.0
Other payables		23.2	24.7
Deferred income		4.7	7.8
Other tax payable		0.6	0.7
Total		**390.6**	**440.1**
Non-current		19.5	17.7
Current		371.1	422.4
Total		**390.6**	**440.1**

[1] Accruals related to ADNOC have been reclassified from Accrued expenses to Other payables to related parties in 2021 to be consistent with the current year presentation.

The trade payables include amounts due to securitization company of USD 26.2 million (2021 USD 19.5 million). Information about the Group's exposure to currency and liquidity risk is included in note 6.

Non-current trade and other payables have not been discounted as the effect would be immaterial. The carrying amount of trade and other payables approximates its fair value.

19. Provisions

$ millions	Claims and other provisions	Donation provisions	Total
At 1 January 2022	**13.1**	**121.1**	**134.2**
Provision made during the year	27.1	-	27.1
Provisions reversed/utilized	(7.8)	-	(7.8)
Effect of movement in exchange rates	(1.9)	(44.2)	(46.1)
At 31 December 2022	**30.5**	**76.9**	**107.4**
Non-current	-	-	-
Current	30.5	76.9	107.4
Total	**30.5**	**76.9**	**107.4**

$ millions	Claims and other provisions	Donation provisions	Total
At 1 January 2021	**34.5**	**120.9**	**155.4**
Provision made during the year	3.3	-	3.3
Provision used during the year	(0.5)	-	(0.5)
Provisions utilized[1]	(23.6)	-	(23.6)
Effect of movement in exchange rates	(0.6)	0.2	(0.4)
At 31 December 2021	**13.1**	**121.1**	**134.2**
Non-current	-	-	-
Current	13.1	121.1	134.2
Total	**13.1**	**121.1**	**134.2**

[1] Please refer to Capital contribution section (Note 14)

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

19. Provisions continued

Claim and other provisions

The Group is involved in a few litigations, arbitrations and commercial disputes. In cases where it is probable that the outcome of the legal proceedings and commercial disputes will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized. Reference is made to note 26 for detailed information with respect to major ongoing litigations and claims for which no provision has been recognized.

Egypt National Training Fund

Articles 133 and 134 of the Egyptian Labor Law No. 12 of 2003 requires all businesses in Egypt with more than 10 employees to contribute 1% of their net profit into a National Training Fund ('Fund'). No application guidance was issued and its constitutionality was being challenged on multiple grounds including duplication of financial burden and contradiction to advantages under other laws.

As such, this Law was not applied in general by businesses in the region. Following a supreme court ruling which found the article to be constitutional in March 2022, the General Secretary of the National Training Fund issued a circular on 18 May 2022 which re-triggered the obligation on employers to pay such contribution of 1% of their annual net profit to the Fund in accordance with Article 134 of the Egyptian Labor Law.

External legal counsel assisted in analysing the key aspects in preparing a best estimate for such contribution. Key assumptions included i) the treatment of such contribution as tax, fee or other, ii) the statute of limitation and iii) how to consider forex translation. Other considerations included the applications for tax free zone entities (relevant for EBIC) and potential waiver or reduction as result of an internal training program (EFC) and impact of interest and penalties. The maximum exposure is estimated to be around USD 167.0 million. When taking a statute of limitation of five years into consideration the maximum exposure is limited to USD 31.9 million (excluding interest or penalties). Based on the most likely scenario according to external legal counsel, the Group has recognized a total provision of USD 17.7 million (USD 14.5 million for OCI SAE, USD 3.2 million for EFC and none for EBIC) considering the treatment as a fee, a statute of limitations of five years and translation at the respective year exchange rate.

Considering the current limited application guidance and as this is impacting majority of business in Egypt, there is an expectation that further application guidance will be issued by the regulator in due course.

Donation provision

On 13 November 2014, the Company announced that it had decided to transfer the rights to the amounts receivable from the first installment already paid to the Egyptian Tax Authority in 2013 of EGP 2,500 million (approximately USD 360.0 million at the 2014 exchange rate) to an Egyptian development fund (reference is made to note 26 for the claim in relation to the OCI S.A.E. tax dispute). No formal agreement has been drafted with the fund yet and no payments have been made to the fund. The transfer of rights was previously approved by OCI's Board of Directors on 12 November 2014.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

19. Provisions continued
Following the guidance under IAS 37 (constructive obligations), the Company has presented the transfer of rights to an Egyptian development fund as a donation provision. In March 2015, the Company received a cheque of EGP 1,904 million (approximately USD 266.2 million at the 2015 exchange rate) from the Egyptian Authorities.

At 31 December 2022, the carrying amount in US dollars had reduced to USD 76.9 million (2021: USD 121.1 million), due to the devaluation of the EGP since March 2015.

Provision for indemnifications
As part of historical transactions, the Group has agreed with the transaction parties on certain indemnities related to potential tax and legal exposures for both parties. Potential outflows of economic resources related to these indemnities contain inherent uncertainties for which the Group engaged renowned local and international law firms to examine Fertiglobe's legal position (Note 14).

20. Segment reporting
In the governance structure within Fertiglobe, the Chief Operating Decision Maker ("CODM") is responsible for assessing the performance of the Group and its operating segments as well as for allocating resources. The CODM reviews the performance of the following operating segments:

1. Egypt Basic Industries Corporation ("EBIC")
2. Egyptian Fertilizers Company ("EFC")
3. Sorfert Algerie ("Sorfert")
4. Ruwais Fertilizers LLC ("Fertil")
5. Trading entities - Own produced volumes
6. Trading entities - Third party sales

The production and marketing of own produced volumes share the same characteristics:

- The nature of the products produced, the production processes (technology applied), output generated, pricing applied (based on international benchmark pricing), customers services are similar for all production plants within Fertiglobe;
- All entities are producing ammonia using gas as key input material. The largest part of this ammonia is used for the production of Urea. Both Ammonia and Urea are nitrogen-based Fertilizers and belong to the same product group. These products are sold into the international market and are subject to similar pricing conditions and market forces. The end customers for each of the plant are largely the same;

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

20. Segment reporting continued

- The majority of volumes produced by Fertiglobe's production entities are centrally marketed by various trading entities. As a result of the central marketing strategy, the cashflow and performance of each of the production entities is largely depended on the ability of trading entities to market the products;
- The production and marketing of own produced volumes have similar economic characteristics as the high margin production and marketing of own produced volumes are bifurcated from the (lower) margin trading activities;
- The production entities are all exposed to the same international fertilizer market on the sell side;
- The production entities all benefit from long term gas offtake agreements with no/limited price exposure on the supply of natural gas. In addition, other raw materials used for production largely consist of utilities, which are widely available in all production locations;
- All production locations are located close to one or more international sea ports which simplifies the logistics of sourcing raw materials and shipping products to customers;
- Although the production entities are subject to local laws and regulations from a legal and environmental perspective these environments are largely based on the same fundamentals.

In the view of the above, aggregation will take place in two main reportable segments:

1. Production and Marketing of own produced volumes; comprises the operating segments EBIC, EFC, Sorfert, Fertil and trading entities – own produced volumes.
2. Third party trading (buy and sell of third-party volumes) comprises trading entities – third party sales.

Fertiglobe's reportable segments are consistent with how the CODM manages the business operations and views the markets it serves. This segmentation will provide investors further insight on product mix and price impact.

The Company derives the results of the business segments directly from its internal management reporting system. Both segments are reviewed separately by the management as they require different strategies and generate different margins. The entities grouped together in each segment have similar regulatory environments, macroeconomic conditions as they are trading in a global commodity market. The Group has one revenue stream from contracts with customers which is the sales of Fertilizers products (Ammonia and Urea).

A summary description of each reportable segment is as follows:

Production and Marketing of own produced volumes

This segment includes the performance of all the manufacturing and trading operating companies that are producing Urea and Ammonia, but it excludes the third-party trading activities (see, second segment) as the own-produced volumes are limited by the production capacity of the plants, and their pricing strategy and margins are different. In addition, the level of assets and investments are high for production activities and generally low for trading activities (limited to working capital).

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

20. Segment reporting continued

Third party trading (buy and sell of third-party volumes)
The third-party trading segment includes the fertilizer products that are bought from third parties and sold to third parties. This segment generally generates low margins, there is no volume limit on production capacity, and there is no need for material capital investments (if any).

Other (corporate and other entities)
This segment consists of all remaining entities of the Group.

2022 $ millions	Production and marketing of owned produced volumes	Third party trading	Other	Elimination	Total
Total external revenues	**4,152.2**	**875.3**	**-**	**-**	**5,027.5**
Adjusted EBITDA	2,504.0	17.3	(48.3)	-	2,473.0
Depreciation, amortization and impairment	(265.4)	-	(0.9)	-	(266.3)
Finance income	48.4	6.2	72.6	(60.1)	67.1
Finance expense	(94.4)	(6.6)	(152.0)	60.1	(192.9)
Income tax	(220.9)	(0.2)	(18.1)	-	(239.2)
Other (including provisions)	(2.5)	-	(18.8)	-	(21.3)
Profit for the year	**1,969.2**	**16.7**	**(165.5)**	**-**	**1,820.4**
Capital expenditures	104.3	-	6.8	-	111.1
Total assets	**5,176.7**	**11.1**	**342.8**	**-**	**5,530.6**

2021 $ millions	Production and marketing of owned produced volumes	Third party Trading	Other	Elimination	Total
Total external revenues	**2,764.1**	**546.6**	-	-	**3,310.7**
Adjusted EBITDA	1,526.4	42.7	(18.6)	-	1,550.5
Depreciation, amortization and impairment	(266.7)	-	(0.4)	-	(267.1)
Finance income	34.9	(0.1)	5.3	(20.5)	19.6
Finance expense	(40.2)	(1.9)	(31.1)	20.5	(52.7)
Income tax	(278.3)	(0.1)	(17.2)	-	(295.6)
Other (including provisions)	20.1	-	1.1	-	21.2
Profit for the year	**996.2**	**40.6**	**(60.9)**	**-**	**975.9**
Capital expenditures	83.1	-	1.5	-	84.6
Total assets	**4,958.6**	**25.0**	**184.9**	-	**5,168.5**

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

20. Segment reporting continued

Geographical information of operations

The geographic information below analyses the Group's revenue (by destination of the goods) and non-current assets (by the Company where the activities are being operated).

	Revenue		Non-current assets	
$ millions	**2022**	**2021**	**2022**	**2021**
Europe	2,000.2	947.0	9.5	0.8
North America	36.5	356.0	1.1	0.2
South America	412.4	475.5	-	-
Africa	889.8	294.4	668.1	693.4
Middle East	160.8	60.5	2,878.5	2,963.3
Asia and Oceania	1,527.8	1,177.3	-	-
Total	**5,027.5**	**3,310.7**	**3,557.2**	**3,657.7**
Related parties	396.4	176.6	-	-
Third parties	4,631.1	3,134.1	3,557.2	3,657.7
Total	**5,027.5**	**3,310.7**	**3,557.2**	**3,657.7**

Revenue to individual countries does not exceed 10% of the total Group revenue, except for India and Ethiopia (2021: India, Spain and USA).

The key performance obligation of the Group is the supply of products as specified in the contracts with customers. The Group has one revenue stream from contracts with customers which is the supply of Fertilizers products and all revenue is recognized at a point in time.

Time value of money is not considered to be relevant for the determination of the revenue amount, as the payment terms are short. Also, there are no non-cash considerations that would need to be disclosed separately.

Major customers

Revenue from one major customer of the group belongs to the production and marketing of own produced volumes segment and represents USD 465 million in 2022. (2021: USD 205.4 million) of Group's total external revenues.

21. Development of cost of sales and selling, general and administrative expenses

21.1 Expenses by nature

$ millions	**Note**	**2022**	**2021**
Raw materials and consumables and finished goods		2,034.6	1,257.8
Raw materials and consumables and finished goods - related party	25	212.3	208.5
Employee benefit expenses		229.5	194.6
Depreciation, amortization and impairment		266.3	267.1
Maintenance and repair		31.6	38.3
Consultancy expenses		8.2	8.1
Other - related party	25	1.4	0.1
Other		60.3	31.6
Total		**2,844.2**	**2,006.1**
Cost of sales		2,675.4	1,903.7
Selling, general and administrative expenses		168.8	102.4
Total		**2,844.2**	**2,006.1**

Notes to the consolidated Financial Statements continued

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21. Development of cost of sales and selling, general and administrative expenses continued

21.2 Employee benefit expenses

$ millions	Note	2022	2021
Wages and salaries		149.7	122.4
Employee profit sharing		32.0	29.8
Pension cost		10.0	8.6
Other employee expenses		37.8	33.8
Total		**229.5**	**194.6**

During the financial year ended 31 December 2022, the average number of staff employed in the Group converted into full-time equivalents was 2,756 employees (2021: 2,680 employees).

22. Net finance cost

$ millions	Note	2022	2021
Interest income on loans and receivables		1.5	1.0
Foreign exchange gain		65.6	18.6
Finance income		**67.1**	**19.6**
Interest expense and other financing costs on financial liabilities measured at amortized cost		(79.9)	(45.8)
Interest expense related parties	25	(3.3)	(3.4)
Foreign exchange loss		(109.7)	(3.5)
Finance cost		**(192.9)**	**(52.7)**
Net finance cost recognised in profit or loss		**(125.8)**	**(33.1)**

Foreign exchange movements in current year primarily relate to the devaluation of the EGP currency against the USD.

23. Capital commitments

$ millions	2022	2021
UAE	64.6	19.8
Algeria	6.7	19.1
Egypt	7.4	8.3
Total	**78.7**	**47.2**

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

23. Capital commitments continued
Capital commitments mainly relate to future costs on turnarounds and maintenance at our plants, the construction of a low-carbon ammonia plant in the MENA region and other green initiatives.

24. Earnings per share

	2022	2021
i. Basic		
Net profit attributable to shareholders ($ million)	1,249.5	702.7
Weighted average number of ordinary shares (million)	8,301.3	8,301.3
Basic earnings per ordinary share ($)	**0.151**	**0.085**
ii. Diluted		
Net profit attributable to shareholders ($ million)	1,249.5	702.7
Weighted average number of ordinary shares (million)	8,301.3	8,301.3
Diluted earnings per ordinary share ($)	**0.151**	**0.085**

Weighted average number of ordinary shares calculation:

$ millions	2022	2021[1]
Number of ordinary shares at 1 January	**8,301.3**	**3,328.2**
Reduction of share capital	-	(2,000.0)
Subdivision of shares	-	6,973.1
Ordinary shares outstanding at 31 December	**8,301.3**	**8,301.3**

[1] Given that the capital reduction and subdivision of shares, at the date of the transaction, adjusted the number of shares without a corresponding change in resources, such reduction in number of shares has been treated retrospectively, hence the weighted average number of shares was adjusted effective from the beginning of 2021. (Note 13)

There are no potential dilutive shares.

25. Related party transactions
Transactions with related parties – normal course of business
Transactions with related parties occur when a relationship exists between the party and the Company, their directors and its key management personnel. In the normal course of business, the Company buys and sells goods and services from and to various related parties (including associates) within the Group.

Fertiglobe has related party transactions with its shareholders OCI group and also with ADNOC group through Ruwais Fertilizers Industries LLC ("Fertil"). Fertil uses ADNOC gas to produce its fertilizers and sells a small portion of its products to other subsidiaries.

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

25. Related party transactions continued

The transactions with the following entities of ADNOC group are presented in the financial statements as related party transactions:

- Abu Dhabi National Oil Company - "ADNOC"
- Abu Dhabi Oil Refining Company - ADNOC refining
- Abu Dhabi National Oil Company Gas Processing - ADNOC Gas processing
- Abu Dhabi Polymers Company Ltd. ("Borouge")
- Abu Dhabi National Oil Company Logistics and Services
- Abu Dhabi National Oil Company LNG
- Abu Dhabi Petroleum Ports Operating Company ("IRSHAD")
- Abu Dhabi National Oil Company Sour Gas ("Al Hosn")
- Abu Dhabi Company for Onshore Petroleum Operations Ltd

The Group applied IAS 24 exemption with regards to disclosure of transactions with Abu Dhabi Government, being the beneficial owner of ADNOC. During the year there was no significant transactions with the Government related entities (2021: no significant transactions).

The transactions with the following entities of the OCI Group are presented in the financial statements as related party transactions:

- OC PLC
- OCI N.V.
- OCI Fertilizer B.V.
- OCI Intermediate B.V.
- OCI Overseas Holding
- OCI MENA Fertilizers Ltd
- OCI Nitrogen
- OCI Fertilizers USA
- OCI Personnel B.V.
- OCI Egypt
- N-7 LLC
- OCI

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25. Related party transactions continued
The following is a list of significant related party transactions and outstanding amounts as at 31 December 2022:

2022 Related party $ millions	Relation	Receivables outstanding at year end	Accruals/ Payables outstanding at year end	Revenue transactions during the year	Net recharges	Interest expense and other financing charges
OCI N.V	OCI Group	0.1	5.9	-	(0.8)	-
OCI Fertilizer BV	OCI Group	45.5	-	-	-	-
OCI Intermediate BV	OCI Group	-	-	-	-	-
OCI Personnel BV	OCI Group	-	1.3	-	(1.2)	-
OCI Nitrogen	OCI Group	2.0	1.1	394.2	0.6	-
N-7 LLC	OCI Group	-	-	-	-	-
ADNOC	ADNOC	4.3	37.2	-	(172.4)	-
Abu Dhabi Polymers Ltd.	ADNOC	0.4	-	2.2	-	(3.3)
ADNOC refining	ADNOC	-	5.1	-	(38.5)	-
ADNOC Gas Processing	ADNOC	-	0.1	-	(1.4)	-
ADNOC subsidiaries[1]	ADNOC	0.1	-	-	-	-
Orascom Construction Egypt	Others	1.1	-	-	-	-
Egypt Green Hydrogen	Others	1.7	-	-	-	-
Total		**55.2**	**50.7**	**396.4**	**(213.7)**	**(3.3)**

[1] Full list is disclosed in the previous paragraph.

The Group leases land, office space and employee accommodation from Abu Dhabi National Oil Company - "ADNOC", the lease obligation amount is USD 70.7 million in 2022 (USD 71.5 million in 2021).

In addition to the related party transactions in the table above, the Company incurs certain operating expenses for immaterial amounts in relation to services provided by related parties.

Due to the related party nature of above transactions, the terms and conditions may not necessarily be the same as transactions negotiated between third parties. Management believes that the terms and conditions of all transactions with our related parties are generally no less favorable to either party than those that could have been negotiated with unaffiliated parties with respect to similar services.

Notes to the consolidated Financial Statements continued

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25. Related party transactions continued

Transactions with related parties – normal course of business

2021 Related party $ millions	Relation	Receivables outstanding at year end	Accruals/ Payables outstanding at year end	Revenue transactions during the year	Net recharges	Interest expense and other financing charges
OCI N.V	OCI Group	-	0.7	-	(0.3)	-
OCI Fertilizer BV	OCI Group	66.6	22.4	-	-	-
OCI Intermediate BV	OCI Group	-	0.1	-	-	-
OCI Personnel BV	OCI Group	-	0.2	-	-	-
OCI Nitrogen	OCI Group	13.8	0.2	162.3	0.3	-
N-7 LLC	OCI Group	-	-	13.2	(22.8)	-
ADNOC	ADNOC	2.3	30.3	-	(145.6)	(3.4)
Abu Dhabi Polymers Ltd.	ADNOC	0.2	-	1.1	-	-
ADNOC refining	ADNOC	-	3.4	-	(38.2)	-
ADNOC Gas Processing	ADNOC	(0.1)	0.1	-	(1.8)	-
ADNOC subsidiaries[1]	ADNOC	0.2	0.1	-	(0.2)	-
Orascom Construction Egypt	Others	-	0.9	-	-	-
Total		**83.0**	**58.4**	**176.6**	**(208.6)**	**(3.4)**

[1] Full list is disclosed in the previous paragraph.

Board Remuneration and Key management personnel compensation

We considered the members of the Board of Directors (Executive and Non-executive), CFO and COO to be the key management personnel as defined in IAS 24 "Related parties". No other benefits or remuneration were provided to or have been entered into with above mentioned key management personnel except as disclosed below.

On 11 May 2022, the Board approved a payment of USD 5.3 million (AED 19.4 million) to the Board of Directors as approved remuneration for the year ended 31 December 2021, in addition to any applicable VAT. This Board remuneration was approved by the shareholders in the Annual General Meeting ("AGM") held on 13 June 2022.

USD 4.1 million (AED 14.8 million) out of this amount was paid in 2022 with the balance payable as of 31 December 2022 of USD (1.2) million.

The Board remuneration for the year ended 31 December 2022 is being accrued on a consistent basis as 2021. A proposal for the remuneration of the Board of Directors for 2022 will be submitted to the shareholders for approval at the upcoming AGM.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

25. Related party transactions continued
The total remuneration of the other key management personnel during the year is as follows:

$ millions	2022	2021
Short term employee benefits	1.6	**1.4**
Other long term benefits[1]	0.5	**0.3**
Total[2]	**2.1**	**1.7**

[1] Other employee benefits have been reclassified in 2021 to be consistent with the current year presentation.

[2] The remuneration of the CEO, Ahmed El Hoshy is not included in the above table as his benefits are covered by OCI N.V., and are not recharged to Fertiglobe. His total remuneration is disclosed in the financial statements of OCI N.V., which are publicly available. The percentage of this remuneration to Fertiglobe, based on Fertiglobe's share in the total production capacity of the subsidiaries of OCI N.V., is 43%. The CEO is also receiving a remuneration for his role as an executive board member from Fertiglobe, which is included in the Board of Directors remuneration disclosed.

26. Contingencies
Contingent liabilities
Letters of guarantee / letters of credit
The main trading entities of the Group have performance bonds and letter of guarantee provided by HSBC and Mashreq bank amounting to USD 21.7 million for its strategic customers (2021: USD 11.0 million), and they have performance bonds with governments issued by local banks for an amount of USD 11.8 million as at 31 December 2022 (2021: USD 11.8 million).

Litigations and claims
In the normal course of business, the Group entities are involved in some arbitration, commercial disputes or court cases as defendants or claimants. These litigations and commercial disputes are carefully monitored by the entities' management and legal counsels, and are regularly assessed with due consideration for possible insurance coverage and recourse rights on third parties. The Group does not expect these proceedings to result in liabilities that have a material effect on the Group's financial position. In cases where it is probable that the outcome of the proceedings will be unfavorable, and the financial outcome can be measured reliably, a provision has been recognized in the consolidated financial statements which is disclosed in note 19 "Provisions". It should be understood that, in light of possible future developments, such as (a) potential additional lawsuits, (b) possible future settlements, and (c) rulings or judgments in pending lawsuits, certain cases may result in additional liabilities and related costs. At this point in time, the Group cannot estimate any additional amount of loss or range of loss in excess of the recorded amounts with sufficient certainty to allow such amount or range of amounts to be meaningful.

Moreover, if and to the extent that the contingent liabilities materialize, they are typically paid over a number of years and the timing of such payments cannot be predicted with confidence. While the outcome of cases, claims and disputes cannot be predicted with certainty, we believe, based upon legal advice and information received, that the final outcome will not materially affect our consolidated financial position but could be material to our results of operations or cash flows in anyone accounting period.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

26. Contingencies continued

Sorfert legal case

On 5 March 2018, the lower criminal court of Oran (Tribunal du pôle pénal spécialisé d'Oran) issued a judgment against Sorfert regarding an alleged violation of exchange control regulations as well as the regulation of public markets and public service delegations. The lower court ordered Sorfert to pay a fine in the amount of 5.5 billion Algerian dinars (about USD 39.9 million) and an officer of the company received a fine of DZD 2.8 billion (about USD 20.0 million). On 7 March 2018, Sorfert lodged an appeal with the Court of Appeal of Oran, Algeria who upheld the verdict against Sorfert in its judgment rendered on 28 November 2018. In January 2019, Sorfert lodged an appeal against this judgment with the Supreme Court. Sorfert disputes the validity of the judgment and continues to vigorously defend its case. To date, no Supreme Court hearing has been scheduled and during the appeal period the enforcement of the judgment is suspended. Various renowned local and international law firm have examined Sorfert legal position. No provision has been recorded by the Group related to this matter.

Asset retirement obligations

Sorfert has a contractual asset retirement obligation in connection with the lease of its land. This asset retirement obligation is being disclosed as a contingent liability because it is not possible to determine a reliable estimate in both timing and value of this obligation.

Fertil entered into an agreement with ADNOC for the lease of the land on which it operates its plant. The agreement has an indefinite term and includes an asset dismantling obligation and the obligation to clean up environmental pollution occurred after decommissioning. This obligation has not been accounted for, since the company has no plans to end its business activities in the foreseeable future as such the financial impact is assessed as not material by the company's management.

OCI S.A.E. tax dispute

In October 2012, the Egyptian Tax Authority ("ETA") raised a tax evasion claim against our Egyptian subsidiary, Orascom Construction Industries S.A.E. ("OCI S.A.E."). The tax dispute related to the sale of OCI S.A.E.'s cement business to Lafarge SA in 2007. This was filed against OCI S.A.E. despite there being no official investigation. Although OCI S.A.E. and its legal and tax advisors believed that the afore mentioned transaction was exempted of tax, management entered into a settlement agreement whereby EGP 7.1 billion would be paid over a 5-year period.

The agreement was followed by payment of a first installment of EGP 2.5 billion in 2013. Following the change in government, the company was exonerated from the tax claim by the Egyptian Public Prosecutor on 18 February 2014 and subsequently by the ETA's Independent Appeals Committee on 4 November 2014. The ETA appealed this decision without including new facts or documents. The ETA's appeal was rejected by the courts on 23 January 2023 (refer to note 28). The ETA has the right to further appeal this decision within 60 days from the date of ruling.

On 13 November 2014 OCI S.A.E. announced that it would transfer its rights to EGP 1.9 billion undue paid tax amounts to an Egyptian development fund and recorded a provision for this amount, reference is made to note 19.

Notes to the consolidated Financial Statements continued
FOR THE YEAR ENDED 31 DECEMBER

26. Contingencies continued

Despite the ETA Independent Appeals Committee ruling in favor of OCI S.A.E., OCI S.A.E. was still held to pay EGP 900 million. OCI S.A.E. has lodged a reimbursement claim for this amount. As this dispute occurred prior to the demerger of the Engineering and Construction Group that formed Orascom Construction PLC ("OC") in 2015, any liabilities and any recoveries are shared on a 50:50 basis between OCI N.V. and OC. Should the ETA win their appeal, OCI SAE's maximum share of the tax claim would be EGP 2.3 billion, which equates to approximately USD 92.9 million.

Contingent assets

A sequence of historical transactions resulted in (gross) deductible temporary tax differences of USD 1.4 billion. However, due to a difference in interpretation of local tax regulations, the deductible temporary differences do not currently meet the recognition criteria of IAS 12/ IFRIC 23. The group company concerned is currently under examination of the tax authorities in the respective jurisdiction. Management expects a conclusion on the tax audit within the next twelve months (refer note 10).

27. List of subsidiaries and associates

Companies	Country	Percentage of interest	Consolidation method
Sorfert Algérie Spa ("Sorfert")	Algeria	50.99	Full
Ruwais Fertilizers Industries - Sole Proprietorship LCc ("Fertil")	UAE	100.00	Full
Fertilizers 1 Holding Ltd[1]	UAE - ADGM	100.00	Full
OCIFERT ME Holding[1]	UAE - ADGM	100.00	Full
Fertilizers 2 Holding Ltd	UAE - ADGM	100.00	Full
Fertilizers Exports Holding[1]	UAE - ADGM	100.00	Full
Fertiglobe Distribution Limited	UAE - ADGM	100.00	Full
Fertiglobe Fertilizer Trading Limited (previously OCI Fertilizer Trading Limited)	BVI	100.00	Full
Middle East Petrochemical Corporation Limited - MEPCO (Cayman)	Cayman	100.00	Full
Orascom Construction Industries S.A.E.	Egypt	99.96	Full
Egypt Basic Industries Corporation S.A.E ("EBIC")	Egypt	75.00	Full
OCI MEPCO Holding Ltd (BVI)	BVI	100.00	Full
Fertiglobe MENA B.V. (previously OCI MENA B.V.)	Netherlands	100.00	Full
Egyptian Fertilizers Company S.A.E ("EFC")	Egypt	100.00	Full
Fertiglobe France SAS (previously OCI Fertilizer Trade France)	France	100.00	Full
Fertiglobe Green Investment[2]	UAE	100.00	Full
National Company for Operation Maintenance and Engineering Services LLC	Egypt	100.00	Full
Amiral Ammonia Overseas Limited	BVI	100.00	Full
PSK Holding	Cayman	100.00	Full
OCI Fertilizer Trade & Supply B.V.	Netherlands	100.00	Full
Egypt Green Hydrogen S.A.E.[2]	Egypt	20.00	Equity

[1] The Group transferred all assets and obligations from these entities to other group entities and closed these entities during the year.

[2] Incorporated during the year

Notes to the consolidated Financial Statements continued

FOR THE YEAR ENDED 31 DECEMBER

28. Subsequent events

The Group performed a review of events subsequent to the balance sheet date up to the date the financial statements were issued and determined that there were no other material events requiring recognition or disclosure in the financial statements, apart from those disclosed below:

Drawdown of 2022 Term Loan

On 4 January 2023, the Group executed the drawdown of USD 900 million from the 2022 Term Loan Facility. The proceeds were directly received by the agent and was used to repay the existing Bridge Loan Facility in full and final settlement. The Bridge Loan Facility is no longer available following this settlement.

OCI S.A.E. tax dispute

On 23 January 2023, the Egyptian Tax Authority's ("ETA") appeal in relation to the Orascom Construction Industries S.A.E. ("OCI S.A.E.") tax dispute was rejected by the court. The ETA has the right to further appeal this decision within 60 days from the date of ruling. In the event the ETA appeals, OCI S.A.E. and its local counsel believe it has a stronger position on the case given the ETA's appeal was rejected twice by the court and the high challenge committee, and a judgement in favor of the ETA is not probable.

Dividends H2 2022

On 13 February 2023, the Board approved dividends of USD 700 million for the second half of the year ending 31 December 2022. The dividend will be presented to shareholders for approval at the next Annual General Meeting and is expected to be paid in April 2023.

Low-carbon ammonia plant

On 18 January 2023, a Shareholders' Agreement was signed relating to the formation of a company for the development and operation of a low-carbon ammonia production plant at the Ruwais Derivative and Industrial Complex. Following this, on behalf of the project, the Company has signed the Engineering, Procurement and Construction ('EPC') contract with Tecnimont S.P.A.

The Engineering phase is ongoing and on 13 February 2023, the Company initiated the Procurement phase which increases its commitments by approximately USD 100 million. The Group's share of costs is expected to be 30% eventually following the creation of the company and novation of the EPC contract to it.

KPMG Lower Gulf Limited
Office No 15-111, 15th Floor
Al Khatem Tower,
Abu Dhabi Global Market Square, Al Maryah Island
Abu Dhabi, United Arab Emirates
Tel. +971 (2) 401 4800, www.kpmg.com/ae

Independent auditors' report

To the Shareholders of Fertiglobe plc

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Fertiglobe plc ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2022, the consolidated statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2022, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and applicable requirements of Financial Statements Auditing Standards for the Subject Entities issued vide ADAA Chairman's Resolution No. (88) of 2021 in the United Arab Emirates (ADAA Auditing Standards). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical and independence requirements of United Arab Emirates that are relevant to our audit of the consolidated financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters (continued)

Litigations and claims:

See Notes 19 and 26 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Group has several pending litigations and claims (legal and tax related), for which the outcome is uncertain. Inherent to the Group's nature and operations, as well as its geographical spread, the Group is exposed to an indirect material effect on pending cases. Based on the likelihood of occurrence and the exposure, the Group determines if, and for what amount, a provision should be recognised. This assessment is considered to be significant to our audit due to management judgement involved. As the Group is geographically diversified, the pending litigations and claims differ in terms of risk profile.	During our audit, we performed the following procedures: • Instructed our component auditors to perform procedures over litigations and claims on a local level; • Requested certain component auditors to visit local courts to inspect the register confirming the status of certain cases • Evaluated the legal expenses and requested external legal letters from lawyers and tax advisors involved in litigations and claims; • Obtained the updated Litigation report from Group Legal department; • Performed update meetings with Group Legal and Tax departments; • Obtained internal position papers from management on certain cases; • Requested external expert opinions for specific cases with a significant exposure; • Assessed the adequacy of the provisions and disclosures in the consolidated financial statements.

Key Audit Matters (continued)

Assessment of control in accordance with IFRS 10 'Consolidated Financial statements'

See Note 5 to the consolidated financial statements.

The key audit matter	How the matter was addressed in our audit
The Company has consolidated Sorfert since 2018, the year in which it was incorporated in the UAE and prepared its first consolidated financial statements in accordance with IFRS. Sorfert is a subsidiary domiciled in Algeria and the Group owns 51% of the shares issued by Sorfert. The Group considers the control assessment over Sorfert a matter requiring significant judgement, as disclosed under note 5 'Critical accounting judgments, estimates and assumptions'. The time spent on this matter and the level of judgment required in the control assessment made it significant to our audit.	As disclosed by management in note 5, judgment is required to assess whether the Group is exposed or has rights to variable returns from its involvement with the investee and whether the Group has the ability to affect those returns through its control over the investee. This may require the Group to evaluate the effect of ownership structures, determination of relevant activities and other arrangements including the rights of other shareholders that could have an impact on the assessment of control. We performed the following procedures: - Obtained the management's updated control assessment; - Determined whether the assessment was performed in accordance with IFRS 10; - Reviewed the supporting assessment performed by an external accounting expert;

Key Audit Matters (continued)

Assessment of control in accordance with IFRS 10 'Consolidated Financial statements' (continued)

See Note 5 to the consolidated financial statements. (continued)	
	- Consulted with professionals with specialised skills and knowledge in respect of IFRS 10 to assist us in assessing the technical aspects of the control assessment and the conclusion that the Group has control over the activities of Sorfert; - Inspected the legal documentation to determine whether relevant aspects were considered as part of the control assessment; • We assessed the appropriateness of the disclosure as included in the consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Standards and their preparation in compliance with the applicable provisions of the Abu Dhabi Global Market Companies Regulations 2020 (as amended), and applicable provisions of the laws and regulations and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and ADAA Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

As part of an audit in accordance with ISAs and ADAA Auditing Standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements (continued)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, as required by the provisions of the Abu Dhabi Global Market Companies Regulations 2020 (as amended), we report that:

i) the consolidated financial statements, in all material respects, have been properly prepared in accordance with the requirements of the Companies Regulations 2020 (as amended);

ii) the financial information included in the Directors' report, in so far as it relates to these consolidated financial statements, is consistent with the books of account of the Group;

iii) adequate accounting records have been kept by the Group;

iv) the Group's accounts are in agreement with the accounting records and returns.

Further, as required by the Abu Dhabi Accountability Authority's Chairman Resolution No.(88) of 2021 pertaining to Financial Statements Auditing Standards for the Subject Entities, we report that based on the procedures performed and information provided to us by management and those charged with governance, nothing has come to our attention that causes us to believe that the Company has not complied, in all material aspects, with any of the provisions of the following laws applicable to its activities, regulations and circulars as applicable, which would have a material impact on the consolidated financial statements as at 31 December 2022:

i) its Articles of Association which would materially affect its activities or its financial position as at 31 December 2022; and

Report on Other Legal and Regulatory Requirements (continued)

ii) relevant provisions of the applicable laws, resolutions and circulars that have an impact on the Company's consolidated financial statements.

KPMG Lower Gulf Limited

Emilio Lane Pera
Abu Dhabi, United Arab Emirates

Date: 20 March 2023

07

Other Information

ESG Performance Summary

Environmental	Unit	2020	2021	2022	SASB/GRI reference
Energy (Ammonia)[1]					
Energy consumption	TJ	139,278	140,627	141,600	GRI 302-1
Energy intensity	GJ / ton gross product ammonia	38.81	37.76	38.44	GRI 302-3
Energy (Consolidated)[1]					
Energy consumption	TJ	158,958	161,537	162,654	RT-CH-130a.1, GRI 302-1
Grid electricity	%	1.6%	1.4%	1.5%	RT-CH-130a.1
Renewable electricity	%	0.0%	0.0%	70.0%	RT-CH-130a.1
Self-generated energy	%	0%	0%	0%	RT-CH-130a.1
Emissions to Air[1]					
GHG emissions (Scope 1)[1]	million tons of CO_2e	5.18	5.80	5.87	RT-CH-110a.1, GRI 305-1
GHG emissions (Scope 1 - CO_2 to downstream)	million tons of CO_2e	3.66	3.19	3.18	GRI 305-2
GHG emissions (Scope 2)	million tons of CO_2e	0.39	0.35	0.13	
Total GHG emissions (Scope 1 + 2 EU ETS)	million tons of CO_2e	9.23	9.35	9.18	GRI 305-4
GHG intensity (Scope 1 and 2)	ton CO_2e / N-ton	3.12	3.05	3.03	
Scope 1 emissions covered under emissions limiting regulations	% (Scope 1 - Direct)	0%	0%	0%	RT-CH-110a.1
NO_x	metric tons	2,364	2,098	2,020	RT-CH-120a.1, GRI 305-7
N_2O	metric tons	0	0	0	RT-CH-120a.1, GRI 305-7
SO_2	metric tons	131	108	107	RT-CH-120a.1, GRI 305-7
VOCs	metric tons	32	22	29	RT-CH-120a.1, GRI 305-7

[1]2021 figures related to energy and GHG emission have been restated due to an improvement in the data collection process

Environmental	Unit	2020	2021	2022	SASB/GRI reference
Effluents and Waste					
Hazardous waste reused, recycled, or recovered	thousand metric tons	0.14	0.17	0.71	RT-CH-150a.1, GRI 306-3
Hazardous waste treated or disposed of	thousand metric tons	0.90	1.08	0.63	RT-CH-150a.1, GRI 306-3
Non-hazardous waste reused, recycled, or recovered	thousand metric tons	0.30	0.62	0.15	GRI 306-3
Non-hazardous waste treated or disposed of	thousand metric tons	2.75	0.60	1.19	GRI 306-3
Water					
Total intake by source	**Million cubic meters**	**65.29**	**63.33**	**63.27**	**RT-CH-140a.1, GRI 303-3**
Groundwater	Million cubic meters	9.94	9.86	7.59	
Seawater	Million cubic meters	48.00	46.21	50.79	
Surface water	Million cubic meters	7.35	7.26	4.89	
Third party water	Million cubic meters	0.00	0.00	0.00	
Total water discharge by destination[2]	**Million cubic meters**	**40.72**	**39.77**	**40.69**	**RT-CH-140a.1, GRI 303-4**
Groundwater	Million cubic meters	2.45	2.35	1.76	
Seawater	Million cubic meters	37.88	37.05	38.56	
Surface water	Million cubic meters	0.00	0.00	0.00	
Third party water	Million cubic meters	0.39	0.37	0.37	
Water intensity	**Million cubic meters consumed/ ton produced**	**2.73**	**2.52**	**2.45**	
Water Stress					
Water withdrawn in regions with High or Extremely High Baseline Water Stress	%	100%	100%	100%	RT-CH-140a.1
Water consumed in regions with High or Extremely High Baseline Water Stress	%	100%	100%	100%	RT-CH-140a.1

[2]2021 figures related to water discharge have been restated due to an improvement in the data collection process.

HSE	Unit	2020	2021	2022	SASB/GRI Reference
Safety					
Lost Time Injury Rate - total	Per 200,000 hours worked	0.03	0.19	0.02	GRI 403-9
Lost Time Injury Rate - employees	Per 200,000 hours worked	0	0.2	0.0	GRI 403-9
Lost Time Injury Rate - contractors	Per 200,000 hours worked	0.07	0.17	0.06	GRI 403-9
Total Recordable Injury Rate - total	Per 200,000 hours worked	0.03	0.28	0.27	RT-CH-320a.1, GRI 403-9
Total Recordable Injury Rate - employees	Per 200,000 hours worked	0	0.32	0.19	RT-CH-320a.1, GRI 403-9
Total Recordable Injury Rate - contractors	Per 200,000 hours worked	0.07	0.22	0.41	RT-CH-320a.1, GRI 403-9
Fatalities	#	0	1	0	RT-CH-320a.1, GRI 403-9
Process Safety Incidents	#	7	14	7	RT-CH-540a.1, GRI 403-9
Process Safety Total Incident Rate	Per 200,000 hours worked	0.19	0.33	0.16	RT-CH-540a.1, GRI 403-9
Significant Process Safety Incidents	count	7	14	7	RT-CH-540a.1, GRI 403-9
Major Process Safety Incidents	count	0	0	0	RT-CH-540a.1, GRI 403-9
Transport incidents	#	0	0	0	RT-CH-540a.2, GRI 403-9

HSE	Unit	2020	2021	2022	SASB/GRI Reference
Environmental Incidents					
Environmental Incidents	#	0	0	0	
Environmental Incident Rate (EIR)	Per 200,000 hours worked	0	0	0	
Water-related permit exceedances	#	0	0	0	RT-CH-140a.2
Product Design for Use-phase Efficiency					
Revenue from products designed for use-phase resource efficiency	Reporting Currency	0	0	0	
Chemical Stewardship					
Percentage of products by revenue that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances	%	15.1%	25.3%	32.1%	RT-CH-410b.1
Percentage of such products by revenue that have undergone a hazard assessment	%	100%	100%	100%	RT-CH-410b.1
Genetically Modified Organisms (GMOs)					
Percentage of products by revenue that contain GMOs	%	0%	0%	0%	RT-CH-410c.1
Production					
Total	Million nutrient tons of ammonia	3.0	3.1	3.0	RT-CH-000.A

Working at Fertiglobe	Unit	2020	2021	2022	SASB/GRI reference
Employees					
Total employees	#	2,561	2,680	2,761	GRI 2-7
Full-time	#	2,560	2,679	2,761	GRI 2-7
Part-time	#	1	1	0	GRI 2-7
Engagement and Development					
Voluntary turnover rate	%	1.7%	1.6%	3.0%	GRI 401-1
Employee absenteeism	%	1.7%	1.5%	2.7%	
Employees covered by Collective Bargaining or Unions	%	31.2%	30.0%	30.0%	
Average spending on training and development	$ / employee	62	185	246	
Compliance & Governance					
Incident notifications	#	NPR	10	38	
Incidents investigated	#	NPR	10	38	
Substantial cases	#	NPR	0	13	
Anonymous notifications via hotline	#	NPR	2	0	
Diversity					
Women	%	8.0%	7.8%	9.0%	GRI 405-1
Women in technical roles	%	1.6%	1.7%	2.1%	GRI 405-1
Women non-technical roles	%	21.4%	21.3%	23.0%	GRI 405-1
Women on the Board of Directors	%	NPR	9.1%	9.1%	GRI 405-1
Women in leadership positions	%	16.8%	17.0%	18.0%	GRI 405-1

Working at Fertiglobe	Unit	2020	2021	2022	SASB/GRI reference
Age Profile					
under 25	%	0.7%	1.0%	0.4%	GRI 405-1
25-34	%	16.3%	19.9%	17.7%	GRI 405-1
35-44	%	51.0%	50.3%	47.4%	GRI 405-1
45-54	%	26.8%	24.9%	28.2%	GRI 405-1
55-64	%	5.0%	3.6%	6.2%	GRI 405-1
65+	%	0.3%	0.4%	0.1%	GRI 405-1
Years of Service					
0-5 years	%	11.6%	11.8%	18.0%	
6-10 years	%	24.4%	24.9%	15.0%	
11-20 years	%	57.8%	56.0%	56.0%	
21+ years	%	6.2%	7.3%	11.0%	

Global Reporting Initiative (GRI) Content Index

Statement of Use	Fertiglobe has reported in accordance with the GRI Standards for the period 1/1/2022 - 31/12/22
GRI 1 used	Foundation 2021

GRI Standard		Reference
General Disclosures	**Disclosure**	
GRI 2: General Disclosures 2021	2-1 Organizational details	Strategic Report, page 6
	2-2 Entities included in the organization's sustainability reporting	Notes to the consolidated Financial Statements, page 199
	2-3 Reporting period, frequency and contact point	Year ended 31 December 2022, investor.relations@fertiglobe.com. Reporting frequency: annual
	2-4 Restatements of information	ESG Performance Summary, pages 206-207
	2-5 External assurance	Financial information is audited, see auditor's report on page 201-204. While our non-financial information is not externally assured, it is reviewed and verified by senior leads of relevant functions, including the internal audit and corporate HSE teams, senior management, and corporate function heads.
	2-6 Activities, value chain and other business relationships	Strategic Report, pages 25-29
	2-7 Employees	Our Employees, page 87, ESG Performance Summary, page 210
	2-8 Workers who are not employees	Health and Safety, pages 89-91
	2-9 Governance structure and composition	Corporate Governance report, pages 108-111
	2-10 Nomination and selection of the highest governance body	Corporate Governance report, pages 116-118
	2-11 Chair of the highest governance body	Corporate Governance report, page 108
	2-12 Role of the highest governance body in overseeing the management of impacts	Sustainability Governance, pages 50-51
	2-13 Delegation of responsibility for managing impacts	Sustainability Governance, pages 50-51
	2-14 Role of the highest governance body in sustainability reporting	Sustainability Governance, pages 50-51, Methodological Note, page 53
	2-15 Conflicts of interest	Corporate Governance report, page 124
	2-16 Communication of critical concerns	Risk Management & Compliance, pages 103-104

General Disclosures		
GRI 2: General Disclosures 2021	2-17 Collective knowledge of the highest governance body	Corporate Governance report, pages 116-118
	2-18 Evaluation of the performance of the highest governance body	Corporate Governance report, pages 116-118
	2-19 Remuneration policies	Corporate Governance report, page 123
	2-20 Process to determine remuneration	Corporate Governance report, page 123
	2-21 Annual total compensation ratio	Corporate Governance report, page 123, Our Employees, page 85
	2-22 Statement on sustainable development strategy	A Message from Our Chairperson, pages 4-5, CEO Message, pages 16-18
	2-23 Policy commitments	Risk Management & Compliance, pages 103-105
	2-24 Embedding policy commitments	Risk Management & Compliance, pages 103-105
	2-25 Processes to remediate negative impacts	Risk Management & Compliance, pages 103-105
	2-26 Mechanisms for seeking advice and raising concerns	Risk Management & Compliance, pages 103-105
	2-27 Compliance with laws and regulations	There have not been significant instances of non-compliance during the reporting period
	2-28 Membership associations	Enhancing nutrient use efficiency and food security, page 80
	2-29 Approach to stakeholder engagement	Stakeholder Engagement, page 57
	2-30 Collective bargaining agreements	Human Rights and Working Conditions, page 88
Material Topics		
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Methodological Note, pages 53-56
	3-2 List of material topics	Methodological Note, page 55
Local Community Engagement		
GRI 3: Material Topics 2021	3-3 Management of material topics	How we create value for our communities, pages 83-84
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	How we create value for our communities, page 83
Responsible Business Practices		
GRI 3: Material Topics 2021	3-3 Management of material topics	Risk Management & Compliance, pages 103-105
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	0 incidents of corruption occurred during the period 2020-22
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	0 substantiated complaints received concerning breaches of customer privacy, leaks, thefts, or losses of customer data identified during the period 2020-22

Climate Change Action		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our approach to climate change, pages 65-69
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Our climate change action performance, page 70
	302-3 Energy intensity	Our climate change action performance, page 70
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Our climate change action performance, page 70
	305-2 Energy indirect (Scope 2) GHG emissions	Our climate change action performance, page 70
	305-4 GHG emissions intensity	Our climate change action performance, page 70
	305-5 Reduction of GHG emissions	Our climate change action performance, page 70
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate change risks and opportunities, page 76, Risk management & compliance, page 97
Water in Our Operations		
GRI 3: Material Topics 2021	3-3 Management of material topics	Water in our operations, pages 71-73
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water in our operations, pages 71-73
	303-2 Management of water discharge-related impacts	Water in our operations, pages 71-73
	303-3 Water withdrawal	Water in our operations, page 74
	303-4 Water discharge	Water in our operations, page 74
Non-GHG Pollution in our Operations		
GRI 3: Material Topics 2021	3-3 Management of material topics	Other Environmental Impacts, page 75
GRI 305: Emissions 2016	305-7 Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	ESG performance summary, page 206
Resource Use and Circular Economy		
GRI 3: Material Topics 2021	3-3 Management of material topics	Other Environmental Impacts, page 75
GRI 306: Waste 2020	306-3 Waste generated	ESG performance summary, page 207
Employee Engagement, Talent, and Development of Our Own Workforce		
GRI 3: Material Topics 2021	3-3 Management of material topics	Our employees, pages 85
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Our employees, pages 87, ESG performance summary, page 210-211

Health, Safety, and Wellbeing		
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and safety, pages 89-90
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and safety, pages 89-90
	403-8 Workers covered by an occupational health and safety management system	Health and safety, pages 89-90
	403-9 Work-related injuries	Health and safety, page 91
Diversity and Inclusion in Our Own Workforce		
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity and Inclusion, page 86
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Inclusion, pages 87, ESG performance summary, page 210-211
Product Stewardship		
GRI 3: Material Topics 2021	3-3 Management of material topics	Product stewardship, pages 77-81
GRI 416: Customer Health and Safety 2016	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	0 Incidents of non-compliance concerning the health and safety impacts of products and services occurred during the reporting period
Human and Labor Rights		
GRI 3: Material Topics 2021	3-3 Management of material topics	Human Rights and Working Conditions, page 88, Risk Management & Compliance pages 103-105
Sustainable Innovation and Technology		
GRI 3: Material Topics 2021	3-3 Management of material topics	Driving the global energy transition, pages 59-61

Task Force on Climate Related Financial Disclosures (TCFD) Index

GRI indicator	Disclosure	Reference
Governance (a)	Describe the board's oversight of climate-related risks and opportunities	Sustainability Governance, page 50-51
Governance (b)	Describe management's role in assessing and managing climate-related risks and opportunities	Sustainability Governance, page 50-51
Strategy (a)	Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	Climate Change Risks and Opportunities page 76, Risk Management & Compliance, pages 97
Strategy (b)	Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	Climate Change Risks and Opportunities, page 76
Strategy (c)	Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario	Decarbonization Roadmap, page 66
Risk Management (a)	Describe the organization's processes for identifying and assessing climate-related risks	Risk Management & Compliance, pages 94-96
Risk Management (b)	Describe the organization's processes for managing climate-related risks	Risk Management & Compliance, pages 94-96
Risk Management (c)	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	Climate Change Risks and Opportunities, page 76, Risk Management & Compliance, page 97
Metrics and Targets (a)	Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Climate Change Risks and Opportunities, page 76, Risk Management & Compliance, page 97
Metrics and Targets (b)	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Our Climate Action Performance, page 70, Risk Management & Compliance, page 97
Metrics and Targets (c)	Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	Decarbonization Roadmap, page 66

Sustainability Accounting Standards Board (SASB) Index

SASB reference	Metric	Category	Unit of measure	Reference
Environment				
GHG gas emissions				
RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tons (t) CO2e, Percentage (%)	page 206
RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and analysis	n/a	pages 65-69
Air quality				
RT-CH-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs)	Quantitative	Metric tons (t)	page 206
Energy management				
RT-CH-130a.	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable, (4) total self-generated energy	Quantitative	Gigajoules (GJ), Percentage (%)	page 206
Water management				
RT-CH-140a.1	1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	Thousand cubic meters (m^3), Percentage (%)	page 207
RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations	Quantitative	Number	page 209
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and analysis	n/a	pages 71-73
Hazardous waste management				
RT-CH-150a.1	Amount of hazardous waste generated, percentage recycled	Quantitative	Metric tons (t), Percentage (%)	pages 207

Sustainability Accounting Standards Board (SASB) Index

SASB Reference	Metric	Category	Unit of Measure	Reference
Social				
Community relations				
RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	Discussion and analysis	n/a	pages 83-84
Workforce health & safety				
RT-CH-320a.1	(1) Total recordable incident rate (TRIR) and (2) fatality rate for (a) direct employees and (b) contract employees	Quantitative	Rate	page 208
RT-CH-320a.2	Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long- term (chronic) health risks	Discussion and analysis	n/a	page 208
Product design for use-phase efficiency				
RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	Quantitative	Reporting currency	page 209
Safety & environmental stewardship of chemicals				
RT-CH-410b.1	(1) Percentage of products by revenue that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances, (2) percentage of such products by revenue that have undergone a hazard assessment	Quantitative	Percentage (%) by revenue, Percentage (%)	page 209
RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact	Discussion and analysis	n/a	page 81
Genetically modified organisms				
RT-CH-410c.1	Percentage of products by revenue that contain genetically modified organisms (GMOs)	Quantitative	Percentage (%) by revenue	page 209

Sustainability Accounting Standards Board (SASB) Index

SASB Reference	Metric	Category	Unit of Measure	Reference
Operational safety, emergency preparedness & response				
RT-CH-540a.1	Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR)	Quantitative	Number	page 208
RT-CH-540a.2	Number of transport incidents	Quantitative	Number	page 208
Governance				
Management of the legal & regulatory environment				
T-CH-530a.1	Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	Discussion and analysis	n/a	page 76
Other				
Activity metric				
RT-CH-000.A	Production by reportable segment	Quantitative	Metric tons (t)	page 209

Glossary of Abbreviations and Key Terms

Abbreviations	
ADGM	Abu Dhabi Global Market
ADNOC	Abu Dhabi National Oil Company
AGM or GM	Annual General Meeting of Shareholders
APM	Alternative Performance Measures
BACT	Best Available Control Technology
BN	Billion
Capex	Capital expenditure
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
COSO	Committee of Sponsoring Organizations of the Treadway Commission
DEF	Diesel exhaust fluid
EBIC	Egypt Basic Industries Corporation
EBITDA	Earnings Before Interest, Taxes, Depreciation and Amortization
EFC	Egyptian Fertilizers Company
EIR	Environmental incident rate
EPS	Earnings per share
ESG	Environmental, Social, Governance
FCF	Free cash flow
GHG	Greenhouse gas
GJ	Gigajoule
GRI	Global Reporting Initiative
HSE	Health, Safety and Environment
ICF	Internal Control Framework
IEA	International Energy Agency
IFA	International Fertilizer Association
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change
ISCC	International Sustainability & Carbon Certification
ktpa	thousand tons per annum
LTI	Lost time injury
LTIR	Lost time injury rate
M	Million
M m^3	Million cubic meters
MENA	Middle East and North Africa
MMBTU	Million British thermal unit
MPC	Maximum proven capacity
MT	Million metric tons
N/A	Not applicable
N_2O	Nitrous oxide
NF LoR	Non-financial Letter of Representation
NO_x	Nitrogen oxide
OHSAS	Occupational Health and Safety Assessment Series
OpCO	Operating Company
OSHA	Occupational Safety and Health Administration
PSI	Process safety incident
REACH	Registration, Evaluation, Authorization and Restriction of Chemicals
SASB	Sustainability Accounting Standards Board
SDG	Sustainable Development Goal
SO_2	Sulphur dioxide
STEM	Science, Technology, Engineering, and Maths
TCFD	Task Force on Climate-related Financial Disclosures
TJ	Terajoule
TRIR	Total recordable injury rate
TSR	Total shareholder return
YoY	Year-on-year