

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 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	 Product Stewardship Developing and promoting products and services to minimize the impacts and dependencies on the environment and maximize the impacts on society	 Social Value 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
	- 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

2022

3.03

tCO₂e/N-tons

2021: 3.05

Energy Intensity

2022

38.44

GJ/ton of ammonia produced

2021: 37.76

Freshwater Intake

2022

8%

Freshwater intake/total water intake

2021: 11%

Renewable Electricity

2022

70%

Renewable electricity/total electricity purchased

2021: 0%



Product Stewardship

Non-Compliance Concerning the Health and Safety Impacts of Products and Services

2022

0 incidents

2021: 0



RESPONSIBLE BUSINESS PRACTICES



Social Value

LTIR

2022

0.02

Per 200,000 hours worked

2021: 0.19

TRIR

2022

0.27

Per 200,000 hours worked

2021: 0.28

Female Leadership

2022

18%

Females in senior roles

2021: 17%

Student Internship Program

2022

14

Number of participants

2021: 23

% Completion Rate Anti Bribery & Corruption e-learning

2022

83%

Corruption Incidents

2022

0

% Compliance Concerns Investigated

2022

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.
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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

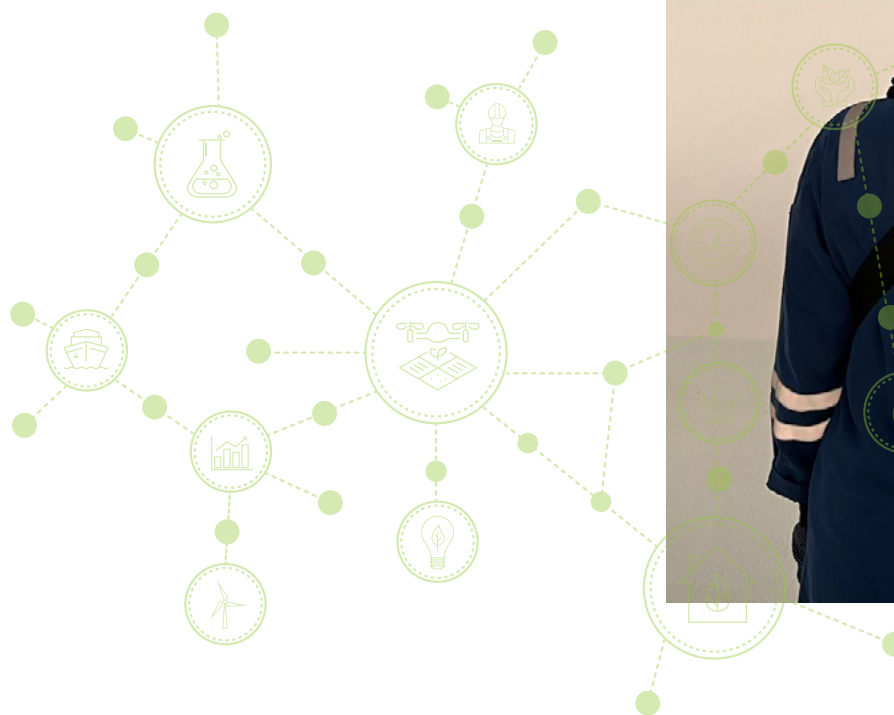
An ESG matter is material from a financial perspective if it triggers or may trigger material financial effects on our business. This is the case when the matter generates or may generate risks or opportunities that have or are likely to have a material influence on our cash flows, development, performance, 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

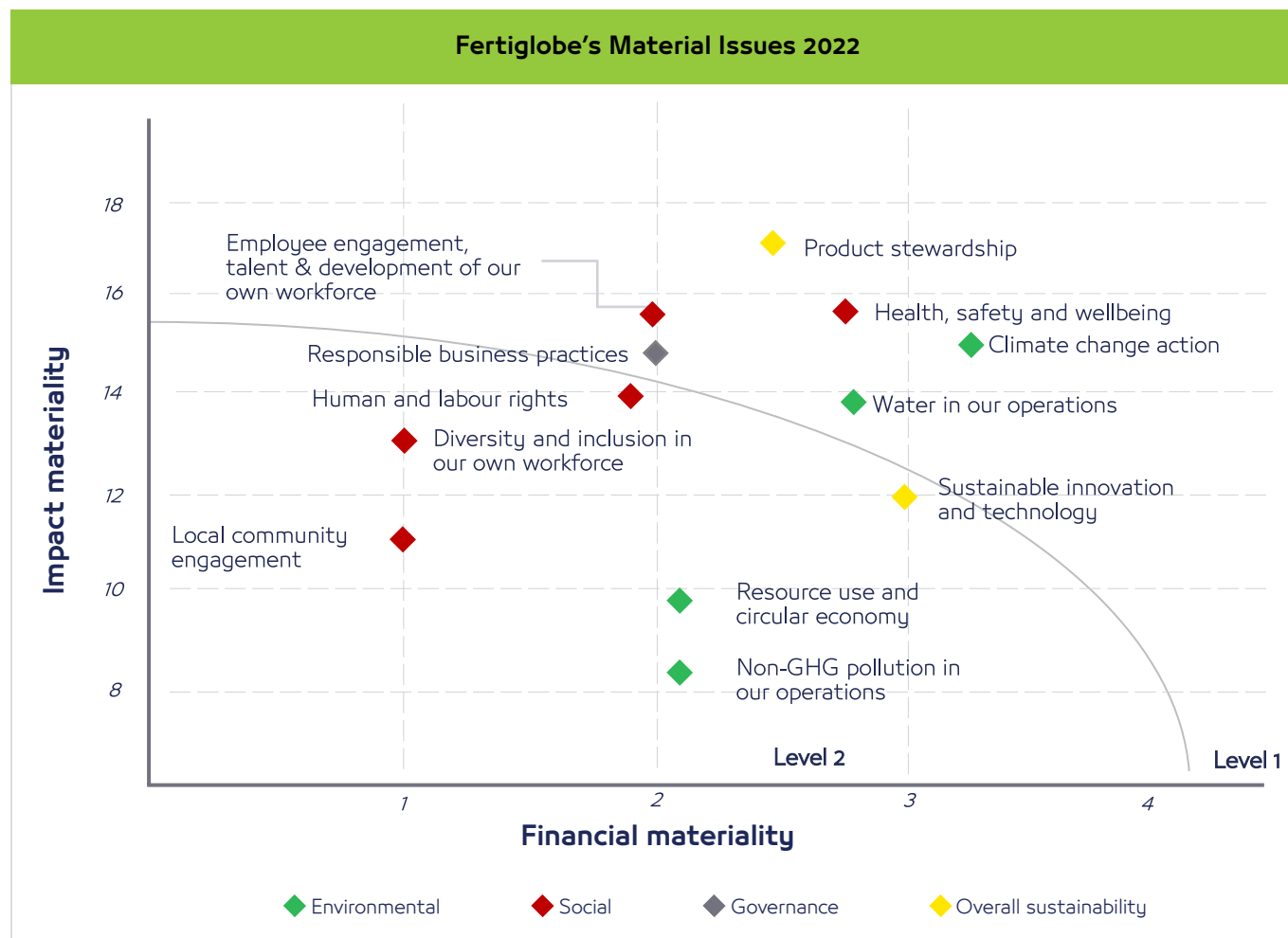
Level 1 topics

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.



The following table describes the interpretation of Fertigllobe'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 NO _x , SO _x , N ₂ O, 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 (CO₂) equivalent terms, are calculated using the EU Emissions Trading System (ETS) methodology. This means that the CO₂ 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 CO₂ 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 CO₂ 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 N₂O and CH₄ data to CO₂e. 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 CO₂e /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.

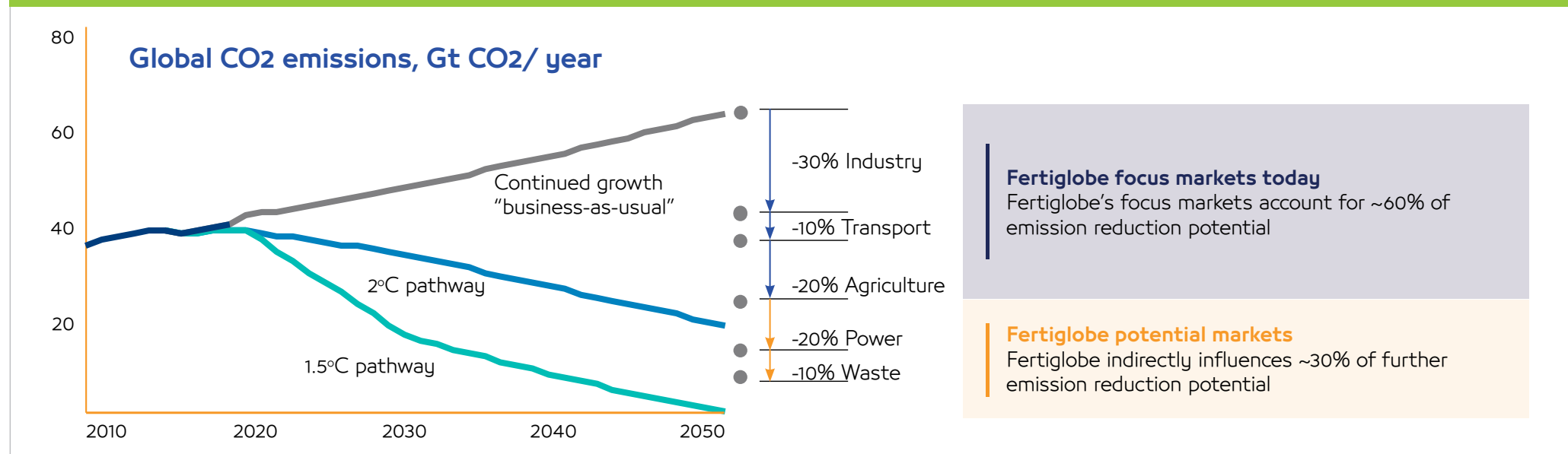
Driving the Global Energy Transition

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 CO₂ 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.



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 Fertiglabe, 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 CO₂ from Fertiglabe'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 feedstock 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.



Fertiglobe
An ADNOC and OCI Company

THE SOVEREIGN FUND OF EGYPT
صندوق مصر
السيادي

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,

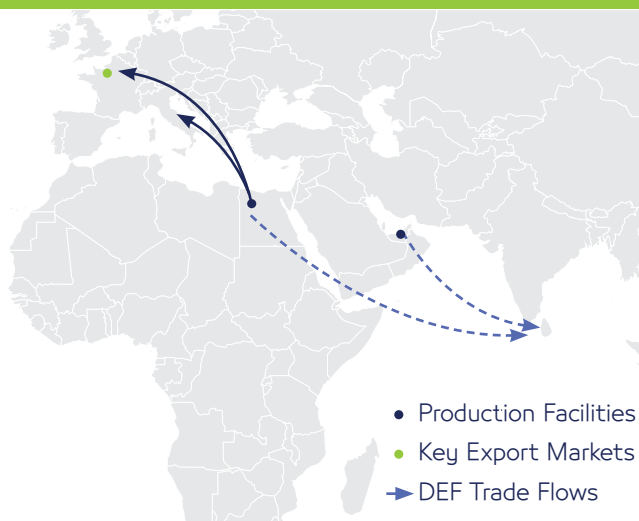
particularly heavy-duty trucks, coupled with higher dosing rates in newer generation diesel engines.

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

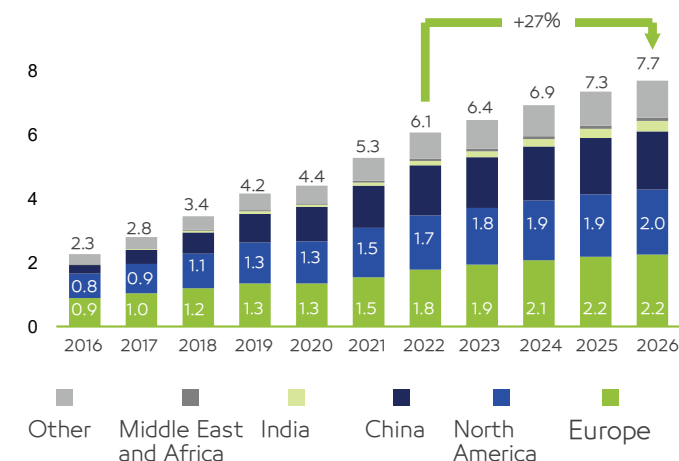
- **Diesel Exhaust Fuel (DEF)**, also known as AdBlue® in Europe, is a urea solution used to **reduce NOx and particulate emissions from diesel combustion**
- DEF has demonstrated a **~5% improvement in fuel economy**
- Demand is supported by increasingly stricter emission regulations, making Europe 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

7 AFFORDABLE AND CLEAN ENERGY

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

13 CLIMATE ACTION

Lifecycle Emissions (ton/TJ)				
	GHG ¹	SOx ²	NOx ³	PM ⁴
Fuel Oil HSFO/VLSFO				
MGO				
LNG				
Biodiesel HVO/HEFA				
Methanol Bio/Synthetic				
Ammonia Green				
Hydrogen Green				

¹ Greenhouse gasses including CO2, NH3 and NO2
² Sulphur limitations of 0.5% (global) and 0.1%(ECA)
³ NOx emissions are commonly reduced using Selective Catalytic Reduction (SCR) and Exhaust Gas Recirculation (ECR) solutions for both FO and MGO
⁴ Particulate matter

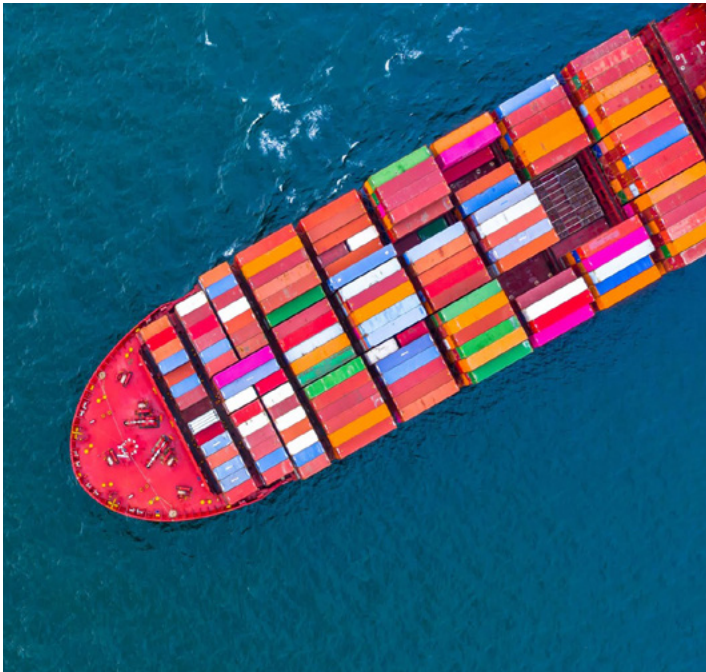
Favorable

Slightly Unfavorable

Unfavorable

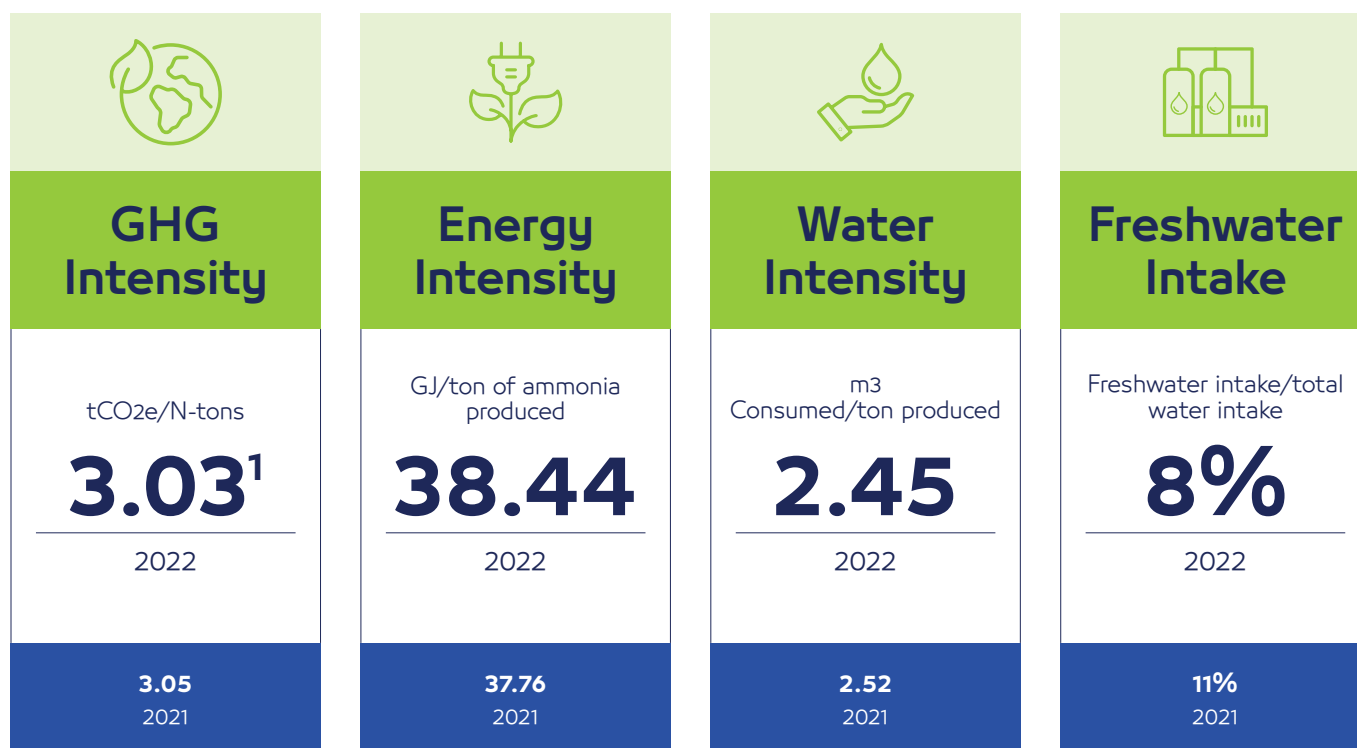
Current Fuels

Future Fuels



Sustainable Operations

2022 Key Performance Indicators



¹The decrease in GHG intensity, despite the increase in energy intensity, is due to the purchase of Renewable Electricity 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

- **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

Reliability

- **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 Efficiency

- **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.

CO2 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 CO2 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 Fertigllobe'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. Fertigllobe'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.

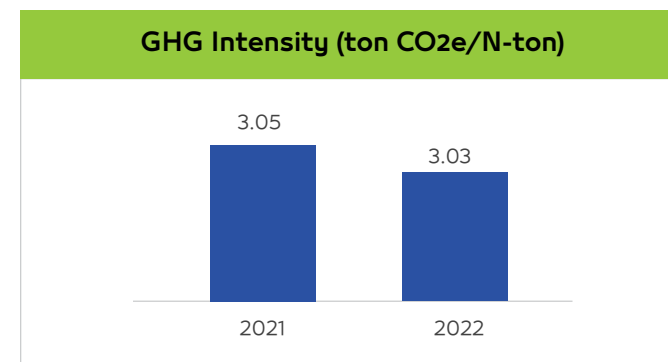
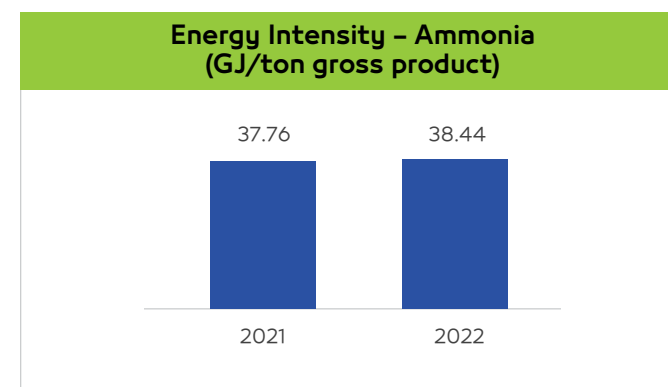


Our Climate Change Action Performance

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 ₂ e	5.18	5.80	5.87
GHG emissions (scope 1 – CO ₂ to downstream)	Mt CO ₂ e	3.66	3.19	3.18
GHG emissions (scope 2) ¹	Mt CO ₂ e	0.39	0.35	0.13
Total GHG emissions (scope 1+2 EU ETS)	Mt CO ₂ e	9.23	9.35	9.18
GHG intensity (scope 1 and 2)	Ton CO ₂ e / 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.



Contribution to SDGs



Water in Our Operations



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



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

1

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.

5

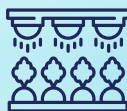
Each plant works to maximize water efficiency

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.

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. Fertigllobe 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. 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



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



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 CO₂ a year.



50

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



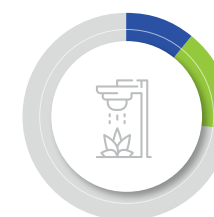
2

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

Our Performance: Water Intake and Discharge

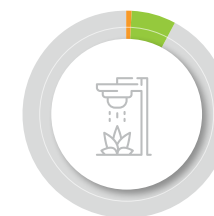
	Unit	2020	2021	2022
Water				
Total intake by source	Million cubic meters (MCUM)	65.29	63.33	63.27
Groundwater	MCUM	9.94	9.86	7.59
Seawater	MCUM	48.00	46.21	50.79
Surface water	MCUM	7.35	7.26	4.89
Third party water	MCUM	0.00	0.00	0.00
Total discharge by destination	MCUM	40.72	39.77	40.69
Groundwater	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



Seawater	80%
Groundwater	12%
Surface water	8%
Third party	0%

2022 Water Discharge by Destination



Seawater	95%
Groundwater	4%
Third party	1%
Surface water	0%



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, NO_x, 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 NO_x, SO_x and particulate matter (PM) pollutants compared to conventional fuels
 - DEF to abate NO_x 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

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

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.



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



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



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).

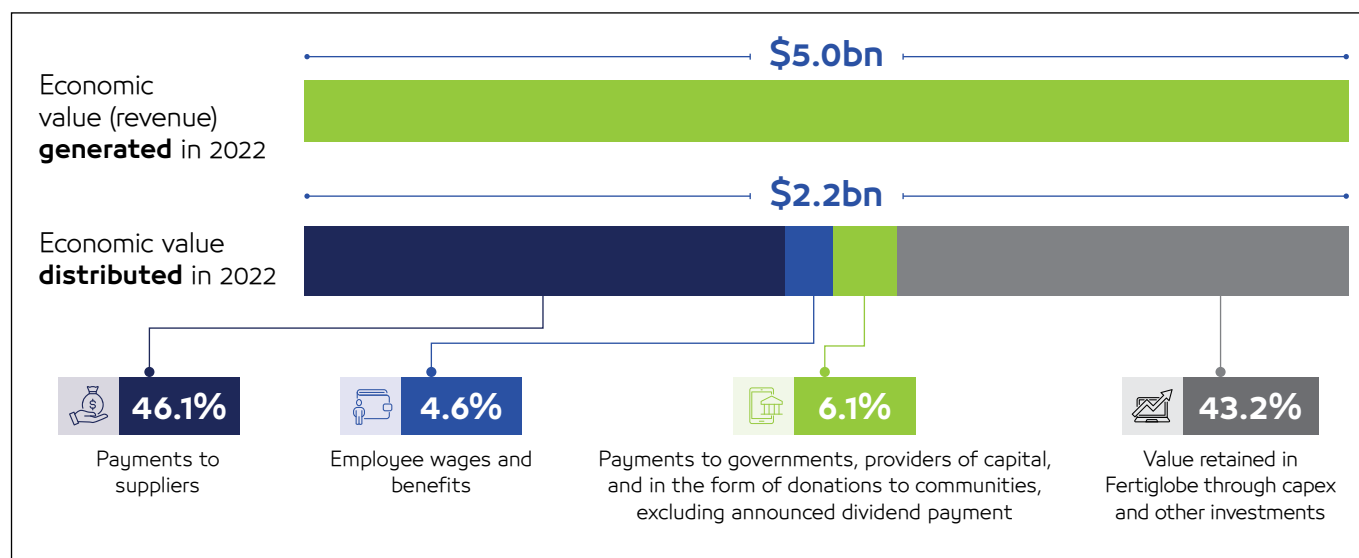
A Tailored CSR Approach to Each Community

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.



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.

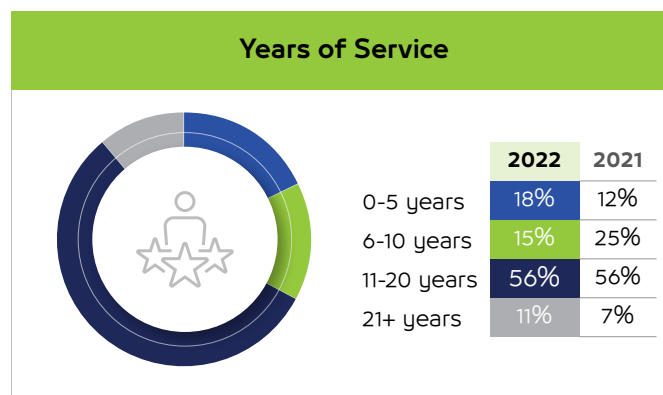
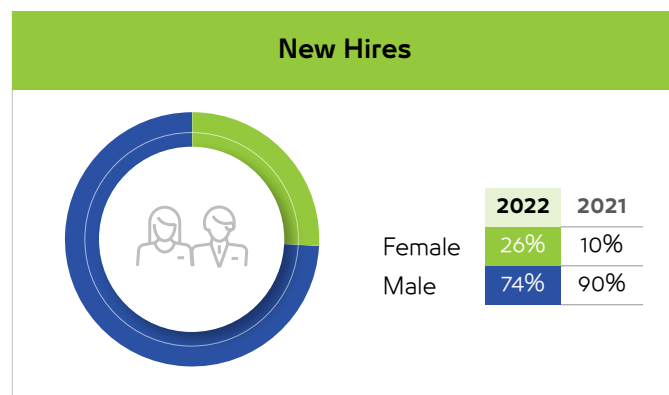
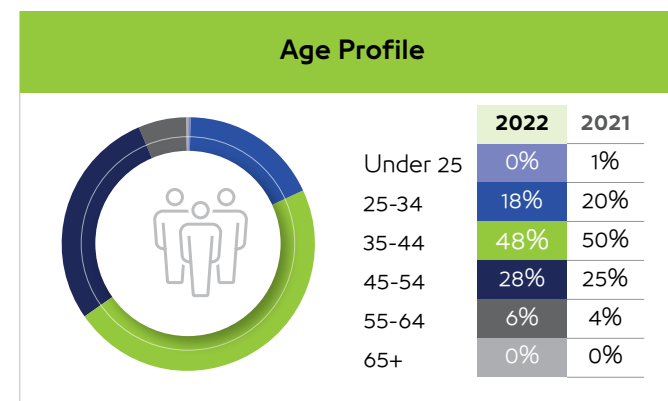
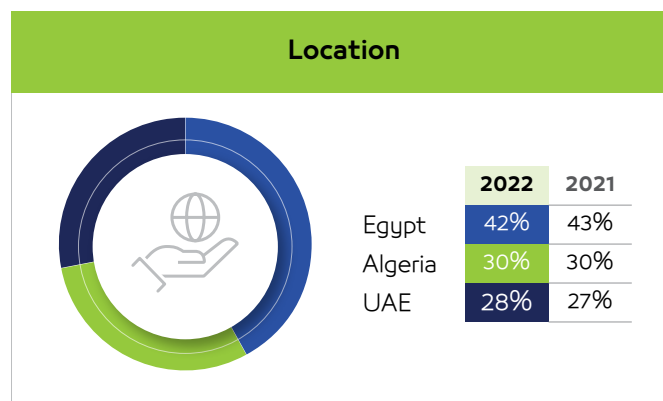
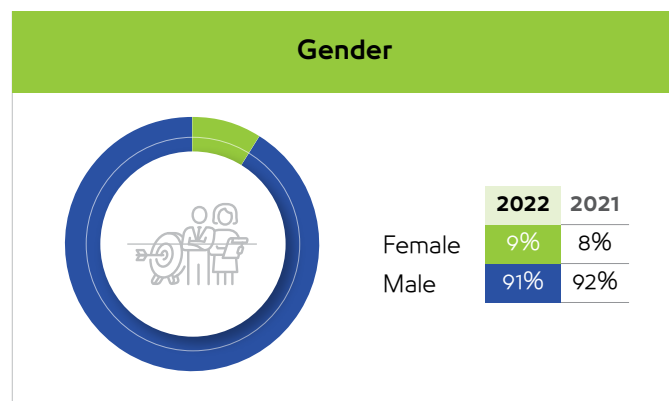
Our groupwide Diversity and Inclusion program aims to ensure fairness, equality, and diversity in recruiting, compensating, motivating, retaining, and promoting employees. We have internal benchmarks and targets for improving our recruitment processes, conducting

// 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. //

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 Employees - A Snapshot



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

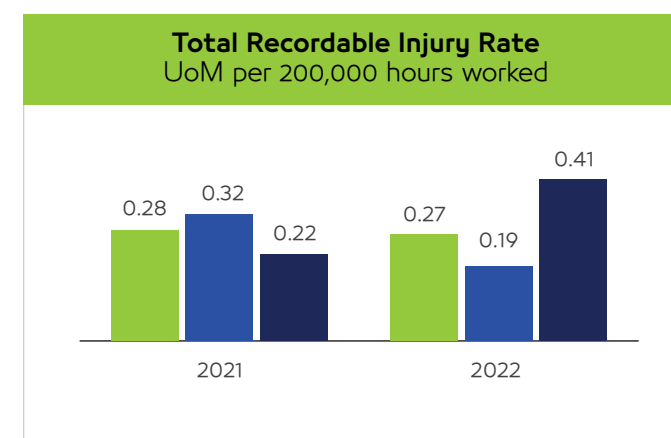
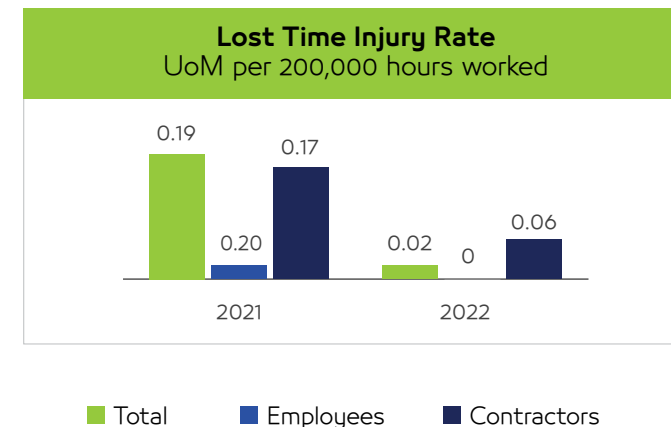
Occupational health and general wellbeing are integral to our overall HSE management, and we implement wellness programs across the organization. A fitness for duty process is set up to ensure that each employee can safely perform the essential physical and mental requirements of the job. A health risk 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

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



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.

