



## **1. Introduction**

This document sets out the tax strategy for The CF Industries UK Group comprising, CF Industries (UK) Ltd, and CF Fertilisers UK Limited, (the “Group”). It also outlines the way in which the Group manages its tax risk.

This document has been approved by the respective Boards of CF Industries (UK) Limited and CF Fertilisers UK Limited.

The document will be available to all of the Group’s stakeholders and will be annually reviewed by the Finance Director of CF Fertilisers UK Limited (“CF Fertilisers”) on behalf of the Group and on a global basis by the Vice President of Tax of CF Industries Holdings, Inc. Any amendments that are required will be approved subsequently by the Board of Directors of both of the two UK companies. This document is effective for the year ending 31 December 2022.

The Group’s tax team ensures that the following principles are adhered to:

- The tax strategy is adopted and consistently followed, ensuring that clear levels of responsibility and accountability are applied.
- The Group is committed to paying the right amount of tax required in the United Kingdom ensuring that all of the relevant laws and regulations are adhered to.
- The Group is determined to be proactive rather than reactive when dealing with HMRC in respect of its tax affairs.

## **2. Attitude to Tax Planning**

The Group does not engage in artificial tax arrangements designed purely to reduce its tax liabilities.

The Group is committed to ensuring the following objectives are met when conducting tax planning:

- Complying with all relevant laws, rules, regulations and reporting requirements in relation to tax planning activity.
- Ensuring that the tax strategy is aligned to the business strategy of the parent company and is consistent with its Core Values as stated in the CF Industries Code of Corporate Conduct.
- Creating a culture of transparency in relation to tax planning activity with tax authorities that is constructive for each party.
- Responding to tax incentives and exemptions as implemented by Governments and Tax Authorities with the aim of maximising tax reliefs in the way the legislation was intended.

## **3. Governance, Compliance and Risk Management**

All governance issues will be overseen by the UK Finance Director as Senior Accounting Officer (SAO) of the Group and the Vice President of Tax of CF Industries Holdings, Inc.

Professional care and judgement will be applied constantly when assessing tax risk. Third party consultation will be obtained where uncertainty exists in the implementation or application of relevant tax law.



Whilst there are no quantified risk thresholds in place, in reviewing the risk of tax decisions the following will be considered:

- Legal and fiduciary duties of directors and employees;
- Requirements of the CF Industries Code of Corporate Conduct.
- Potential impact on the Group's reputation.

The Group will employ a risk management approach including internal reviews of tax compliance across all areas of tax.

The individual responsible for tax administration work is the Financial Controller of each Group company. This individual supervises the preparation of the computations, reviews them and arranges settlement of liabilities.

Tax returns are subject to internal review by appropriately qualified team members or third party professional advisers as considered necessary. In some instances the preparation of returns is delegated to a third party specialist and then internally reviewed and approved.

The annual certification of tax process is completed by the UK Finance Director who is the Senior Accounting Officer for each Group company.

#### **4. Tax Authorities Relationship**

The Group is committed to principles of openness and transparency when dealing with HMRC.

The Group deals with HMRC in a timely manner and attempts to form a successful and collaborative relationship with them. The Group has an active relationship with HMRC and aims to reach early agreement on the treatment of tax events, interpretation of law or any disputed matter.

#### **5. Policies on Disclosure**

Compliance with all relevant legal disclosures and approval requirements will be adopted and all information will be clearly presented to HMRC or other relevant bodies, as appropriate. Openness, honesty and transparency will be paramount in all dealings with HMRC and other relevant bodies.

Any concerns that staff may have about the strategy being breached or the Group's conduct being inappropriate with regard to its tax affairs can be raised directly with the Group's UK Finance Director or Managing Director. Alternatively, concerns over fraudulent behaviour or dishonest practices can be reported by following the Group's whistleblowing procedure as laid out in the CF Industries Code of Corporate Conduct.

*We consider that the publication of this statement complies with the duty set out in Paragraph 19(2) Schedule 19 Finance Act 2016.*

