For the Trustee of the Terra Nitrogen (UK) Limited Pension Scheme (the "Scheme")

Statement of Investment Principles – November 2025

1. Introduction

The Trustee of the Terra Nitrogen (UK) Limited Pension Scheme (the "Scheme") has drawn up this Statement of Investment Principles (the "Statement") to comply with the requirements of the Pensions Act 1995 (the "Act") and associated legislation including the Occupational Pension Schemes (Investment) Regulations 2005 (as amended). The Statement is intended to affirm the investment principles that govern decisions about the Scheme's investments. The Trustee's investment responsibilities are governed by the Scheme's Trust Deed and Rules, of which this Statement takes full regard.

In preparing this Statement, the Trustee has consulted a suitably qualified person by obtaining written advice from Mercer Limited ("Mercer"). In addition, consultation has been undertaken with CF Fertilisers UK Limited (the "Sponsor") to ascertain whether there are any material issues of which the Trustee should be aware in agreeing the Scheme's investment arrangements and, in particular on the Trustee's objectives.

The Trustee will review this Statement at least once every three years to ensure that it continues to represent the principles employed to invest the Scheme's assets. This Statement will also be updated if there are relevant, material changes to the Scheme and/or the Sponsor. The asset allocation of the Scheme will be changed by the Trustee as and when it is appropriate to do so within the principles set out in this Statement.

2. Process for Choosing Investments

In October 2025 , the Trustee undertook a "buy-in" by using the Scheme's assets to purchase a bulk annuity insurance policy with The Prudential Assurance Company Limited ('PAC', trading as M&G), a UK insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority. Under this policy PAC undertake, via the Scheme, to pay the Scheme's benefit obligations as they fall due. In due course, the intention is that the buy-in asset will be moved to a buy-out contract, with the support of the Sponsor, and the Scheme will be wound up.

The Trustee purchased the policy with PAC having considered appropriate advice from its advisors, in particular XPS Group who were appointed by the Trustee for this purpose. The remaining Scheme assets are invested in the funds detailed in Section 8, and the monies held in the Trustee Bank Account will be used to fund any ongoing expenses.

3. Investment Objectives

The Trustee's primary objectives are to invest the Scheme's assets in the best interest of the members and beneficiaries and to ensure that the obligations to the beneficiaries of the Scheme can be met.

The Trustee believes the best way of achieving these objective is by securing all members' benefits with an insurance company.

Given these objectives, and having purchased a bulk annuity insurance policy with PAC, the Trustee's ultimate objective is to fully buy-out the members' benefits with PAC and, at that stage wind-up the Scheme. The Trustee is working with the Sponsor, PAC and its advisors to meet this objective and expect to secure the members' benefits in this way.

The objectives set out above and the risks and other factors referenced in this Statement are those that the Trustee determines to be financially material considerations. Non-financial considerations are discussed in Section 6.

4. Risk Management and Measurement

There are various risks to which any pension scheme is exposed. The Trustee's policy on risk management, over the Scheme's anticipated remaining lifetime, is as follows:

- The primary risk upon which the Trustee focuses is that arising through a mismatch between the Scheme's assets and its liabilities and the Sponsor's ability to support this mismatch risk.

- The Trustee has sought to mitigate this primary risk by the purchase of a bulk annuity policy with PAC, with the policy being an asset of the Scheme. Broadly speaking, under the policy, PAC make payments equal to the benefit payments due to members as specified in the data provided to PAC.

- The Trustee acknowledges a number of risks remain having purchased the bulk annuity:

  1) Counterparty risk – the risk that PAC may default on its obligations under the bulk annuity policy. Before entering into the bulk annuity contract, the Trustee obtained and carefully considered professional advice regarding the financial strength of PAC. The Trustee accepted the advice, namely that PAC was financially strong and had sufficient capital resources to support the proposed transaction and that, correspondingly, there was no reason in relation to financial strength why the transaction should not proceed. In addition, the Trustee is aware that there is a level of protection offered to members by the Financial Services Compensation Scheme ("FSCS").

  2) Liquidity risk – the risk that the Scheme's assets are not sufficiently liquid to meet the Scheme's cashflow requirements. The Trustee does not expect to be able to obtain cash from the bulk annuity policy other than in respect of benefits insured with PAC. Prior to purchasing the policy, the Trustee was satisfied that all known members' benefits would be insured in full.

  3) Lack of diversification – the Trustee recognises that entering into an annuity contract with a single provider represents a concentration of risk. However, the Trustee are satisfied that this risk is acceptable after due diligence on the provider.

- Given that the Scheme's assets are now invested in the bulk annuity contract with PAC the main risk to progressing to buy-out is the ability of the Sponsor to fund the additional premium required to move to buy-out. The Trustee has considered the strength of the Sponsor's covenant in their investment decisions. The Trustee is comfortable with this risk in light of the security of members' benefits provided by purchasing the bulk annuity policy and moving to buy-out.

- The residual excess of defined benefit assets is invested in a legacy property fund (which is currently in the process of being wound down) and in a money market fund, which is considered an appropriate investment strategy for the Scheme following the purchase of the buy-in policy. The Trustee's objective for the investment of residual assets in cash is to seek capital preservation and it is therefore considered appropriate.

- This is not an exhaustive list of risks that the Scheme's investments may face but serves to highlight some of the key risks identified to date.

- The safe custody of the Scheme's assets held outside the bulk annuity policy is delegated to a professional custodian via the use of a pooled investment vehicle.

- The Trustee accepts and acknowledges some residual liability risk exists in relation to Guaranteed Minimum Pension ('GMP') considerations and other ongoing expenses which the Scheme may incur prior to enacting a full buy-out. As such, there is a provision of assets invested outside of the buy-in policy to cover this liability and, as necessary, further Sponsor financial support to cover any shortfall at the point of buy-out and subsequent wind up.

- Should there be a material change in the Scheme's circumstances, the Trustee will seek appropriate advice from their advisors prior to carrying out any appropriate actions.

5. Investment Strategy

The Trustee is accountable for the investment of the Scheme's assets. The Trustee delegates some aspects of the Scheme's investment arrangements in order to manage the Scheme's affairs effectively.

As noted, the Scheme holds a buy-in policy with PAC, which accounts for the majority of the Scheme's assets. The nature of the buy-in policy is such that the policy will make payments to the Scheme that will fund the Scheme's pension obligations. As such, it the assets do not have a return target and instead the objective is to maintain liquidity and security and pay members' pensions as they fall due.

The Scheme has an ongoing investment in a MGIE money market fund to provide capital protection of surplus monies and also for legacy reasons in a property fund which is in the process of being redeemed and subsequently terminated.

The money market investment is considered low-risk given its investment in mostly short-dated and high-quality money market instruments, whereas the legacy property holding will provide irregular cashflows as the fund terminates, noting the majority of funds have been returned with all but a residual amount expected in the next 12 – 18 months. The investment manager for the residual assets (MGIE) is renumerated according to an agreed share class fee.

The residual assets are held in the following funds after the Trustee received advice from Mercer as part of the risk transfer exercise:

Fund	ISIN
MERCER HIGH INCOME UK PROPERTY CCF	IE00B5T05T95
MGI UK CASH FUND	IE00BVTW2K76

6. Realisation of investments

The selection of investments is carried out in a way consistent with the overall principles set out in this Statement.

Regular payments to the Scheme in respect of the insured members and their benefit entitlements are made under the annuity contract. These payments are available to meet the Scheme's cash outflows.

The Trustee on behalf of the Scheme also owns units in the aforementioned Mercer Funds. In its capacity as investment manager to the Mercer Funds, MGIE, and the underlying third party asset managers appointed by MGIE, within parameters stipulated in the relevant appointment documentation, have discretion in the timing of the realisation of investments and in considerations relating to the liquidity of those investments.

Regarding the residual assets held by the Scheme there is no automatic rebalancing.

7. Investment Manager Appointment, Engagement and Monitoring

The purchase of the buy-in policy means the Trustee does not expect to appoint any further investment managers beyond the investment in the MGIE money market/property funds. The Trustee will maintain oversight of the performance of the residual assets to ensure they are meeting their objectives.

8. ESG, Stewardship and Climate Change

The Trustee recognises that long-term sustainability issues, particularly climate change, present risks and opportunities that increasingly may require explicit consideration. However, given the Scheme's assets are now fully invested in the buy-in policy with PAC, there is limited scope to apply these principles.

Furthermore, as the Trustee's objective is to ultimately wind-up the Scheme, the timeframe for consideration of these factors is relatively short. In the assessment of bulk annuity providers the Trustee considered provider's ESG and stewardship policies and is therefore comfortable that due consideration to these factors is given by PAC.

9. Review of this Statement

The Trustee will review this Statement without delay after any significant change in investment policy. Any change to this Statement will only be made after having obtained and considered the written advice of someone who the Trustee reasonably believes to be qualified by their ability in and practical experience of financial matters and to have the appropriate knowledge and experience of the management of pension scheme investments.

Agreed on behalf of the Trustee of the Terra Nitrogen (UK) Limited Pension Scheme