Nutrien™

NYSE, TSX: NTR

News Release

August 10, 2020 – all amounts are in US dollars except as otherwise noted

Nutrien Demonstrates Strength & Stability: Ag Solutions EBITDA Up 20 Percent & Excellent Operational Results

Nutrien Ltd. (TSX and NYSE: NTR) announced today its 2020 second-quarter results, with net earnings of $765 million ($1.34 diluted earnings per share). Second-quarter adjusted net earnings were $1.45 per share and adjusted EBITDA was $1.72 billion. Adjusted net earnings per share and adjusted EBITDA, together with the related guidance, free cash flow including changes in non-cash operating working capital and cash cost of product manufactured are non-IFRS financial measures. See the "Non-IFRS Financial Measures" section for further information.

"Nutrien delivered compelling second-quarter and first-half results supported by strong growth in our Retail Ag Solutions earnings and excellent operational performance across our Potash and Nitrogen business units. Nutrien's many competitive advantages were apparent this quarter, including the quality of our assets and impressive free cash flow generation, even at the bottom of the commodity cycle. Our digital platform continues to exceed expectations. We now expect to reach $1 billion in online orders by the end of the year and are introducing new data-driven offerings to help farmers make quicker and more informed decisions for their business," commented Chuck Magro, Nutrien's President and CEO.

Highlights:

- Nutrien generated $1.6 billion in free cash flow, including improvement to our non-cash operating working capital in the second quarter. The Board of Directors approved the quarterly dividend at $0.45 per share, maintaining our annualized payout at $1.80 per share which is well within our targeted range.

- Retail Ag Solutions delivered record EBITDA in the second quarter and the first half of 2020. First-half EBITDA was up 20 percent year-over-year as a result of double-digit growth in revenue and gross margin, and EBITDA margins surpassing 10 percent. We continue to expand in the market, backed by our organic growth strategy which includes growing our proprietary product sales, as well as through accretive investments made over the past year.

  Total sales through our leading digital retail platform exceeded $700 million in the first half of 2020, surpassing our annual goal of $500 million in just the first six months of the year. Second quarter online sales accounted for 45 percent of North American sales of products that were available for purchase online.

- Potash EBITDA was down 39 percent in the second quarter and first half of 2020 compared to the same periods last year as strong sales volumes and lower cost of goods sold per tonne were more than offset by lower net realized selling prices. Potash cash cost of product manufactured was a record low $52 per tonne in the second quarter of 2020.

- Nitrogen EBITDA was 16 percent lower in the first half and 17 percent lower in the second quarter of 2020 compared to the same periods last year due to lower net realized selling prices. However, we achieved higher sales volumes and lower cost of goods sold per tonne compared to the first half of last year and our ammonia utilization reached a record high of 97 percent in the second quarter of 2020.

- Nutrien issued an aggregate of $1.5 billion in senior notes in the quarter with average coupon rates below 3 percent.

- Nutrien acquired Tec Agro Group, a leading Ag retailer in Goiás, Brazil. Our Brazil operations now include 30 retail locations, two large-scale fertilizer blenders, a premier soybean seed business and specialty nutrition and plant health production facilities. With the addition of Tec Agro Group, our Brazilian operations are expected to generate over half a billion dollars in revenue on a normalized annual run-rate basis.

- Nutrien released its 2020 Environmental, Social and Governance (ESG) report in April and has since achieved significantly higher ratings by third party ESG organizations.

- Nutrien's full-year 2020 adjusted net earnings per share and adjusted EBITDA guidance is $1.50 to $1.90 per share and $3.5 billion to $3.8 billion, respectively. The top end of the guidance range was lowered due to lower ammonia and UAN prices.

Management's Discussion and Analysis

The following management's discussion and analysis ("MD&A") is the responsibility of management and is dated as of August 10, 2020. The Board of Directors ("Board") of Nutrien carries out its responsibility for review of this disclosure principally through its audit committee, comprised exclusively of independent directors. The audit committee reviews and, prior to its publication approves this disclosure pursuant to the authority delegated to it by the Board. The term "Nutrien" refers to Nutrien Ltd. and the terms "we", "us", "our", "Nutrien" and "the Company" refer to Nutrien and, as applicable, Nutrien and its direct and indirect subsidiaries on a consolidated basis. Additional information relating to Nutrien (which, except as otherwise noted, is not incorporated by reference herein), including our 2019 Annual Report dated February 19, 2020, which includes our annual audited consolidated financial statements and MD&A and our Annual Information Form, each for the year ended December 31, 2019, can be found on SEDAR at www.sedar.com and on EDGAR at www.sec.gov. No update is provided to the disclosure in our annual MD&A except for material information since the date of our annual MD&A. The Company is a foreign private issuer under the rules and regulations of the US Securities and Exchange Commission ("SEC").

This MD&A is based on the Company's unaudited interim condensed consolidated financial statements as at and for the three and six months ended June 30, 2020 ("interim financial statements") based on International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS") and prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" unless otherwise stated. This MD&A contains certain non-IFRS financial measures and forward-looking statements which are described in the "Non-IFRS Financial Measures" and the "Forward-Looking Statements" sections, respectively.

Market Outlook

Agriculture and Retail

- US crop demand fundamentals have stabilized as a result of a rebound in ethanol demand and strong Chinese purchases due to tight Chinese inventories and rising prices. However, favorable US growing conditions, high crop conditions ratings and supportive weather forecasts have combined to pressure prices in recent weeks.

- North American spring fertilizer application was robust and customer engagement in summer fill programs was strong as wholesale customers replenished inventories. The US corn and soybean crop is progressing well ahead of 2019 levels, which could be supportive of strong fall applications.

- In Australia, moisture levels have improved particularly in eastern states which is expected to result in much higher planting year-over-year. In Western Canada, we expect that generally good crop conditions will support summer crop protection demand. Brazilian soybean and corn prices continue to be historically high. As a result, Brazilian growers are realizing record margins and have forward contracts to sell historically high proportions of their anticipated 2021 harvest. Brazilian soybean acreage is expected to increase approximately 5 percent in the upcoming planting season.

Crop Nutrient Markets

- Global potash buying increased meaningfully following the signing of the China and India potash contracts, particularly in Brazil. With strong demand in most key regions, many producers have announced they are now sold out through September 2020 and Brazilian prices have rebounded by over $30/mt from low values in the second quarter of this year. We maintain our projection for 2020 global potash shipments between 65 and 67 million tonnes.

- Global urea demand has been supported by strong consumption in many key regions, particularly in India. Chinese urea exports continue to be lower year-over-year, but we expect the pace to increase in the second half of 2020. Ammonia prices have continued to be held back by weaker-than-normal industrial demand in the Western Hemisphere, while improved industrial utilization in Asian markets is supporting both demand and prices in that region.

- Global phosphate prices have been supported by anticipated strength in second-half demand in India and Brazil.

Financial Outlook and Guidance

Based on market factors detailed above, we are lowering the top of the range for our 2020 adjusted net earnings guidance to $1.50 to $1.90 per share (from $1.50 to $2.10 per share previously) and adjusted EBITDA guidance to $3.5 to $3.8 billion (from $3.5 to $3.9 billion previously).

All guidance numbers, including those noted above are outlined in the tables below. Refer to page 46 of Nutrien's 2019 Annual Report for related sensitivities.

2020 Guidance Ranges [1]	**Low**	**High**
Adjusted net earnings per share [2]	$1.50	$1.90
Adjusted EBITDA (billions) [2]	$ 3.5	$ 3.8
Retail EBITDA (billions)	$ 1.4	$ 1.5
Potash EBITDA (billions)	$ 1.0	$ 1.2
Nitrogen EBITDA (billions)	$ 1.1	$ 1.2
Phosphate EBITDA (millions)	$ 200	$ 250
Potash sales tonnes (millions) [3]	12.1	12.5
Nitrogen sales tonnes (millions) [3]	10.9	11.5
Depreciation and amortization (billions)	$1.85	$1.95
Effective tax rate	19%	21%
Sustaining capital expenditures (billions)	$ 0.9	$ 1.0

1 See the "Forward-Looking Statements" section.
2 See the "Non-IFRS Financial Measures" section.
3 Manufactured products only. Nitrogen excludes ESN® and Rainbow products.

Consolidated Results

	Three Months Ended June 30			**Six Months Ended June 30**		
(millions of US dollars)	**2020**	2019	% Change	**2020**	2019	% Change
Sales	**8,416**	8,693	(3)	**12,602**	12,412	2
Freight, transportation and distribution	**237**	215	10	**449**	386	16
Cost of goods sold	**6,024**	6,166	(2)	**9,125**	8,739	4
Gross margin	**2,155**	2,312	(7)	**3,028**	3,287	(8)
Expenses	**1,016**	1,017	-	**1,807**	1,816	-
Net earnings	**765**	858	(11)	**730**	899	(19)
EBITDA [1]	**1,656**	1,781	(7)	**2,211**	2,377	(7)
Adjusted EBITDA [1]	**1,721**	1,870	(8)	**2,229**	2,574	(13)
Free cash flow ("FCF") [1]	**1,173**	1,308	(10)	**1,354**	1,690	(20)
FCF including changes in non-cash operating working capital [1]	**1,611**	929	73	**922**	246	275

1 See the "Non-IFRS Financial Measures" section.

Our second-quarter and first-half 2020 net earnings were lower than the same periods in 2019 primarily due to significantly lower crop nutrient prices. This was mostly offset by strong Retail revenue and gross margin growth, higher crop nutrient volume sales, solid operational results and the benefit of an asset retirement obligation change in estimate. COVID-19 had limited impact on our business in the periods.

Segment Results

Our discussion of segment results set out on the following pages is a comparison of the results for the three and six months ended June 30, 2020 to the results for the three and six months ended June 30, 2019, respectively, unless otherwise noted.

Retail

(millions of US dollars, except as otherwise noted)	Three Months Ended June 30							
	Dollars			Gross Margin			Gross Margin (%)	
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019
Sales								
Crop nutrients	**2,527**	2,626	(4)	**559**	540	4	**22**	21
Crop protection products	**2,436**	2,286	7	**547**	472	16	**22**	21
Seed	**1,141**	1,197	(5)	**219**	209	5	**19**	17
Merchandise	**253**	144	76	**45**	24	88	**18**	17
Services and other	**392**	259	51	**242**	195	24	**62**	75
	6,749	6,512	4	**1,612**	1,440	12	**24**	22
Cost of goods sold	**5,137**	5,072	1					
Gross margin	**1,612**	1,440	12					
Expenses [1]	**811**	749	8					
Earnings before finance costs and taxes ("EBIT")	**801**	691	16					
Depreciation and amortization	**163**	145	12					
EBITDA	**964**	836	15					

1 Includes selling expenses of $764 million (2019 – $683 million).

(millions of US dollars, except as otherwise noted)	Six Months Ended June 30							
	Dollars			Gross Margin			Gross Margin (%)	
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019
Sales								
Crop nutrients	**3,312**	3,313	-	**715**	671	7	**22**	20
Crop protection products	**3,446**	3,030	14	**704**	589	20	**20**	19
Seed	**1,535**	1,553	(1)	**278**	259	7	**18**	17
Merchandise	**469**	252	86	**79**	43	84	**17**	17
Services and other	**636**	403	58	**365**	287	27	**57**	71
	9,398	8,551	10	**2,141**	1,849	16	**23**	22
Cost of goods sold	**7,257**	6,702	8					
Gross margin	**2,141**	1,849	16					
Expenses [1]	**1,488**	1,320	13					
EBIT	**653**	529	23					
Depreciation and amortization	**318**	281	13					
EBITDA	**971**	810	20					

1 Includes selling expenses of $1,399 million (2019 – $1,215 million).

- **EBITDA** was significantly higher in the second quarter and first half of 2020, compared to the same periods in 2019, due to strong growth in revenue and gross margins across most product lines. The increase was due primarily to organic growth, aided by more normal weather conditions in the US this year, as well as from the benefit of acquisitions made over the past year. Total selling expenses and selling expense as a percent of revenue increased in the periods due primarily to the Ruralco Holdings Limited ("Ruralco") acquisition that closed at the end of the third quarter of 2019. Selling expenses as a percentage of revenue were also impacted by lower crop nutrient and seed prices in 2020, resulting in lower associated revenues. Selling expenses as a percent of gross margin decreased compared to the same periods in 2019.

- **Crop nutrients** sales were lower in the second quarter but similar in the first half of 2020, compared to the same periods in 2019. Lower selling prices offset a 9 percent and 13 percent increase in sales volumes in the respective periods. Gross margin percentage increased in the periods due to higher proprietary product sales.

- **Crop protection products** sales in the second quarter and first half of 2020 were higher due to continued market share growth, strong applications in North America and Australia supported by improved weather conditions and earlier planting in the US relative to 2019. Gross margin percentage increased in the periods due to strong product sales and gains achieved in key product categories.

- **Seed** sales in the first half of 2020 were similar to the same period last year but were down in the second quarter as North American planting in 2019 was more heavily weighted to the second quarter due to delayed seeding. Lower cotton planting and pressure on soybean seed prices were largely offset by higher total planted acreage in the US. Gross margin percentage increased due to an increased proportion of corn and canola seed sales, which have a higher gross margin, and fewer replanting discounts compared to the same periods in 2019.

- **Merchandise** sales increased in the periods primarily due to the addition of the Ruralco business in Australia. Gross margin percentage improved in the second quarter and was similar for the first half of 2020 compared to the same periods last year as we were able to increase margins in key markets.

- **Services and other** sales were also higher in the periods due to contributions from our Australian business and higher custom applications in the US. Gross margin percentage decreased due to product mix changes resulting primarily from the acquisition of Ruralco.

Potash

	Three Months Ended June 30								
(millions of US dollars, except as otherwise noted)	Dollars			Tonnes (thousands)			Average per Tonne		
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Manufactured product									
Net sales									
North America	**232**	257	(10)	**1,201**	975	23	**194**	264	(27)
Offshore	**356**	591	(40)	**2,414**	2,480	(3)	**147**	238	(38)
	588	848	(31)	**3,615**	3,455	5	**163**	246	(34)
Cost of goods sold	**310**	317	(2)				**86**	92	(7)
Gross margin - manufactured	**278**	531	(48)				**77**	154	(50)
Gross margin - other [1]	**-**	-	-	Depreciation and amortization			**30**	33	(9)
Gross margin - total	**278**	531	(48)	Gross margin excluding depreciation					
Expenses [2]	**52**	92	(43)	and amortization - manufactured [3]			**107**	187	(43)
EBIT	**226**	439	(49)	Potash cash cost of product					
Depreciation and amortization	**109**	114	(4)	manufactured [3]			**52**	59	(12)
EBITDA	**335**	553	(39)						

1 Includes other potash and purchased products and is comprised of net sales of $Nil (2019 – $Nil) less cost of goods sold of $Nil (2019 – $Nil).
2 Includes provincial mining and other taxes of $46 million (2019 – $91 million).
3 See the “Non-IFRS Financial Measures” section.

	Six Months Ended June 30								
(millions of US dollars, except as otherwise noted)	Dollars			Tonnes (thousands)			Average per Tonne		
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Manufactured product									
Net sales									
North America	**457**	502	(9)	**2,348**	1,951	20	**195**	257	(24)
Offshore	**648**	1,042	(38)	**4,144**	4,424	(6)	**156**	235	(34)
	1,105	1,544	(28)	**6,492**	6,375	2	**170**	242	(30)
Cost of goods sold	**575**	589	(2)				**88**	92	(4)
Gross margin - manufactured	**530**	955	(45)				**82**	150	(45)
Gross margin - other [1]	**-**	1	(100)	Depreciation and amortization			**32**	34	(6)
Gross margin - total	**530**	956	(45)	Gross margin excluding depreciation					
Expenses [2]	**115**	156	(26)	and amortization - manufactured			**114**	184	(38)
EBIT	**415**	800	(48)	Potash cash cost of product					
Depreciation and amortization	**205**	214	(4)	manufactured			**56**	59	(5)
EBITDA	**620**	1,014	(39)						

1 Includes other potash and purchased products and is comprised of net sales of $Nil million (2019 – $1 million) less cost of goods sold of $Nil (2019 – $Nil).
2 Includes provincial mining and other taxes of $103 million (2019 – $154 million).

- **EBITDA** decreased in the second quarter and first half of 2020 due to lower global potash prices. This was partially offset by record high sales volumes and lower cost of goods sold per tonne.

- **Sales volumes** were the highest of any second quarter and first half on record. Strong demand in North America for both the second quarter and the first half of 2020 resulted from an increase in US planted acreage and more normal weather this spring following several challenging application seasons. Offshore sales volumes declined slightly compared to the same periods last year due to lower Chinese import demand and some short-term cautious spot purchasing in certain international markets.

- **Net realized selling price** decreased in the second quarter and first half of 2020, reflecting pressure in global benchmark prices during much of the first half of 2020.

- **Cost of goods sold per tonne** decreased in both periods due to lower production costs and lower depreciation and amortization related to production mix. Potash cash cost of product manufactured in the second quarter and first half of 2020 was significantly lower than the same periods in 2019 primarily due to production efficiency gains and the deferral of maintenance projects due to COVID-19 precautions.

Canpotex Sales by Market

(percentage of sales volumes, except as otherwise noted)	Three Months Ended June 30			Six Months Ended June 30		
	2020	2019	% Change	**2020**	2019	% Change
Latin America	**36**	29	24	**31**	24	29
Other Asian markets [1]	**26**	27	(4)	**28**	30	(7)
China	**19**	25	(24)	**22**	27	(19)
India	**12**	9	33	**12**	10	20
Other markets	**7**	10	(30)	**7**	9	(22)
	100	100		**100**	100	

1 All Asian markets except China and India.

Nitrogen

(millions of US dollars, except as otherwise noted)	Three Months Ended June 30								
	Dollars			Tonnes (thousands)			Average per Tonne		
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Manufactured product									
Net sales									
Ammonia	**229**	296	(23)	**935**	1,041	(10)	**244**	285	(14)
Urea	**273**	305	(10)	**1,000**	969	3	**273**	314	(13)
Solutions, nitrates and sulfates	**194**	201	(3)	**1,255**	1,137	10	**154**	177	(13)
	696	802	(13)	**3,190**	3,147	1	**218**	255	(15)
Cost of goods sold	**508**	531	(4)				**159**	169	(6)
Gross margin - manufactured	**188**	271	(31)				**59**	86	(31)
Gross margin - other [1]	**20**	23	(13)	Depreciation and amortization			**54**	49	10
Gross margin - total	**208**	294	(29)	Gross margin excluding depreciation					
Expenses (income)	**(3)**	(11)	(73)	and amortization - manufactured			**113**	135	(16)
EBIT	**211**	305	(31)	Ammonia controllable cash cost of					
Depreciation and amortization	**172**	154	12	product manufactured [2]			**40**	45	(11)
EBITDA	**383**	459	(17)						

1 Includes other nitrogen (including ESN® and Rainbow) and purchased products and is comprised of net sales of $157 million (2019 – $164 million) less cost of goods sold of $137 million (2019 – $141 million).
2 See the "Non-IFRS Financial Measures" section.

(millions of US dollars, except as otherwise noted)	Six Months Ended June 30								
	Dollars			Tonnes (thousands)			Average per Tonne		
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Manufactured product									
Net sales									
Ammonia	**359**	458	(22)	**1,502**	1,685	(11)	**239**	272	(12)
Urea	**510**	518	(2)	**1,856**	1,616	15	**275**	321	(14)
Solutions, nitrates and sulfates	**357**	372	(4)	**2,360**	2,085	13	**151**	178	(15)
	1,226	1,348	(9)	**5,718**	5,386	6	**214**	250	(14)
Cost of goods sold	**952**	929	2				**166**	172	(3)
Gross margin - manufactured	**274**	419	(35)				**48**	78	(38)
Gross margin - other [1]	**31**	41	(24)	Depreciation and amortization			**56**	50	12
Gross margin - total	**305**	460	(34)	Gross margin excluding depreciation					
Expenses (income)	**8**	(6)	n/m	and amortization - manufactured			**104**	128	(19)
EBIT	**297**	466	(36)	Ammonia controllable cash cost of					
Depreciation and amortization	**322**	267	21	product manufactured			**43**	44	(2)
EBITDA	**619**	733	(16)						

1 Includes other nitrogen (including ESN® and Rainbow) and purchased products and is comprised of net sales of $305 million (2019 – $295 million) less cost of goods sold of $274 million (2019 – $254 million).

- **EBITDA** decreased in the second quarter and first half of 2020 as lower net realized selling prices more than offset the benefit of higher sales volumes into North American agricultural markets and lower cost of goods sold per tonne.

- **Sales volumes** in the second quarter and first half of 2020 increased compared to the same periods in 2019 due to strong fertilizer demand. This more than offset lower ammonia sales caused by reduced industrial demand in the periods.

- **Net realized selling price** of nitrogen decreased in the second quarter and first half of 2020 due to lower global and North American benchmark prices across all products.

- **Cost of goods sold per tonne** for nitrogen decreased in the periods as a result of lower natural gas prices and fixed costs. This was partially offset by higher depreciation and amortization due to expansion and turnaround work that was completed in late 2019. Ammonia controllable cash cost of product manufactured per tonne decreased in the second quarter and first half of 2020 compared to the same periods last year due to lower fixed costs and favorable foreign exchange rates related to our Canadian operations.

Natural Gas Prices

	Three Months Ended June 30			Six Months Ended June 30		
(US dollars per MMBtu, except as otherwise noted)	**2020**	2019	% Change	**2020**	2019	% Change
Overall gas cost excluding realized derivative impact	**2.09**	2.34	(11)	**2.16**	2.68	(19)
Realized derivative impact	**0.06**	0.17	(65)	**0.06**	0.10	(40)
Overall gas cost	**2.15**	2.51	(14)	**2.22**	2.78	(20)
Average NYMEX	**1.72**	2.64	(35)	**1.83**	2.89	(37)
Average AECO	**1.37**	0.88	56	**1.50**	1.18	27

- **Gas costs** decreased in the second quarter and first half of 2020 compared to the same periods in 2019 primarily due to lower US gas costs and a lower realized derivative impact.

Phosphate

	Three Months Ended June 30								
(millions of US dollars, except as otherwise noted)	Dollars			Tonnes (thousands)			Average per Tonne		
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Manufactured product									
Net sales									
Fertilizer	**146**	263	(44)	**472**	681	(31)	**309**	385	(20)
Industrial and feed	**104**	104	-	**194**	182	7	**538**	569	(5)
	250	367	(32)	**666**	863	(23)	**375**	424	(12)
Cost of goods sold	**224**	375	(40)				**335**	434	(23)
Gross margin - manufactured	**26**	(8)	n/m				**40**	(10)	n/m
Gross margin - other [1]	**2**	(2)	n/m	Depreciation and amortization			**84**	72	17
Gross margin - total	**28**	(10)	n/m	Gross margin excluding depreciation					
Expenses	**7**	14	(50)	and amortization - manufactured			**124**	62	100
EBIT	**21**	(24)	n/m						
Depreciation and amortization	**56**	62	(10)						
EBITDA	**77**	38	103						

1 Includes other phosphate and purchased products and is comprised of net sales of $27 million (2019 - $51 million) less cost of goods sold of $25 million (2019 - $53 million).

(millions of US dollars, except as otherwise noted)	Six Months Ended June 30 Dollars			Tonnes (thousands)			Average per Tonne		
	2020	2019	% Change	**2020**	2019	% Change	**2020**	2019	% Change
Manufactured product									
Net sales									
Fertilizer	**319**	471	(32)	**1,040**	1,172	(11)	**307**	401	(23)
Industrial and feed	**210**	215	(2)	**385**	386	-	**546**	556	(2)
	529	686	(23)	**1,425**	1,558	(9)	**372**	440	(15)
Cost of goods sold	**511**	679	(25)				**359**	436	(18)
Gross margin - manufactured	**18**	7	157				**13**	4	225
Gross margin - other [1]	**3**	(3)	n/m	Depreciation and amortization			**84**	78	8
Gross margin - total	**21**	4	425	Gross margin excluding depreciation and amortization - manufactured			**97**	82	18
Expenses	**17**	20	(15)						
EBIT	**4**	(16)	n/m						
Depreciation and amortization	**119**	122	(2)						
EBITDA	**123**	106	16						

1 Includes other phosphate and purchased products and is comprised of net sales of $61 million (2019 - $81 million) less cost of goods sold of $58 million (2019 - $84 million).

- **EBITDA** increased in the second quarter and first half of 2020 primarily due to a change in estimate related to an asset retirement obligation resulting in a gain of $46 million in the second quarter. Excluding this impact, EBITDA would have been lower in the periods compared to the previous year, as declines in net realized selling prices and sales volumes more than offset the benefit of a reduction in cost of goods sold per tonne.

- **Sales volumes** decreased in the second quarter and first half of 2020 primarily due to the conversion of the Redwater phosphate facility to ammonium sulfate in 2019 and lower phosphoric acid exports in 2020.

- **Net realized selling price** of phosphate decreased in the second quarter and first half of 2020, consistent with declines in global benchmark prices.

- **Cost of goods sold per tonne** decreased significantly in both periods primarily due to the asset retirement obligation revaluation gain and lower raw material costs.

Corporate and Others

(millions of US dollars, except as otherwise noted)	Three Months Ended June 30			Six Months Ended June 30		
	2020	2019	% Change	**2020**	2019	% Change
Sales [1]	**20**	36	(44)	**47**	64	(27)
Cost of goods sold	**18**	36	(50)	**43**	64	(33)
Gross margin	**2**	-	n/m	**4**	-	n/m
Selling expenses	**(8)**	(3)	167	**(13)**	(9)	44
General and administrative expenses	**65**	62	5	**125**	126	(1)
Provincial mining and other taxes	**1**	4	(75)	**1**	5	(80)
Share-based compensation expense (recovery)	**12**	59	(80)	**(20)**	116	n/m
Impairment of assets	**-**	-	-	**-**	33	(100)
Other expenses	**79**	51	55	**86**	55	56
EBIT	**(147)**	(173)	(15)	**(175)**	(326)	(46)
Depreciation and amortization	**17**	11	55	**26**	22	18
EBITDA	**(130)**	(162)	(20)	**(149)**	(304)	(51)
Finance costs	**139**	143	(3)	**272**	266	2
Income tax expense	**235**	294	(20)	**219**	306	(28)
Other comprehensive income (loss)	**201**	(14)	n/m	**(157)**	18	n/m

1 Primarily relates to our non-core Canadian business.

- **Share-based compensation expense (recovery)** - We had an expense for the three months ended June 30, 2020 as share-based awards vest over time. This is partially offset by the impact of a lower share price during this period.

  We had a recovery for the six months ended June 30, 2020 as our share price decreased primarily resulting from market volatility due to the COVID-19 pandemic, compared to an increase in our share price in the comparative period in 2019.

- **Impairment of assets** was lower for the first half of 2020 due to a $33 million impairment of our intangible assets as a result of Fertilizantes Heringer S.A. filing for bankruptcy protection in 2019.

- **Finance costs** in the second quarter and first half of 2020 were similar to the same periods last year. Lower interest rates were more than offset by higher finance costs related to COVID-19 as we managed, and continue to manage, our liquidity position during the pandemic.

- **Income tax expense** decreased due to lower earnings before income taxes for the second quarter and first half of 2020 compared to the same periods in 2019.

- **Other comprehensive income (loss)** - For the three months ended June 30, 2020, we had higher other comprehensive income from a gain on translation of our Retail operations in Canada and Australia as the Canadian and Australian dollars significantly appreciated as global markets partially rebounded following the COVID-19 outbreak in the early part of 2020.

  We had an other comprehensive loss in the first half of 2020 from the translation of our Retail operations in Canada. We also had higher unrealized fair value losses in our investment in Sinofert Holdings Ltd. These greater-than-normal fluctuations in foreign exchange rates and the mark-to-market value of our investment were primarily attributable to increased market volatility as a result of the global COVID-19 pandemic.

Financial Condition Review

The following balance sheet categories contained variances that were considered significant:

	As at			
(millions of US dollars, except as otherwise noted)	**June 30, 2020**	December 31, 2019	$ Change	% Change
Assets				
Cash and cash equivalents	**1,415**	671	744	111
Receivables	**5,712**	3,542	2,170	61
Inventories	**4,199**	4,975	(776)	(16)
Prepaid expenses and other current assets	**444**	1,477	(1,033)	(70)
Liabilities and Equity				
Short-term debt	**1,247**	976	271	28
Current portion of long-term debt	**-**	502	(502)	(100)
Payables and accrued charges	**7,306**	7,437	(131)	(2)
Long-term debt	**10,032**	8,553	1,479	17
Retained earnings	**7,320**	7,101	219	3

- Explanations for changes in **Cash and cash equivalents** are in the “Sources and Uses of Cash” section.

- **Receivables** increased due to seasonal Retail sales resulting in higher receivables from customers and vendor rebates receivables.

- **Inventories** decreased due to seasonal Retail sales.

- **Prepaid expenses and other current assets** decreased due to Retail taking delivery of prepaid inventory (primarily seed and crop protection) during the spring application season.

- **Short-term debt** increased primarily from commercial paper issuances as part of our seasonal working capital management.

- **Payables and accrued charges** decreased primarily due to lower customer prepayments as Retail customers took delivery of prepaid sales. The decrease was partially offset by an increase primarily related to a shift in timing of supplier payments.

- **Long-term debt (including current portion)** increased due to the addition of $1.5 billion in notes issued in May 2020 exceeding the repayment of $500 million in notes that matured in the first quarter of 2020.

- **Retained earnings** increased as net earnings in the first half of 2020 exceeded dividends declared.

Liquidity and Capital Resources

Sources and Uses of Liquidity

We believe that internally generated cash flow, supplemented by available borrowings under our existing financing sources, if necessary, will be sufficient to meet our anticipated capital expenditures and other cash requirements for at least the next 12 months. As further developments and impacts of COVID-19 are highly uncertain and cannot be predicted, we continue to monitor our liquidity position. Refer to the “Capital Structure and Management” section for details on our existing long-term debt and credit facilities.

Key uses in the second quarter and/or six months ended June 30, 2020 included:

- Repaid $3.5 billion of revolving credit facilities during the three months ended June 30, 2020.
- Repaid at maturity $500 million of 4.875 percent notes during the six months ended June 30, 2020. See Note 7 to the interim financial statements.
- Paid $258 million and $514 million in dividends to shareholders for the three and six months ended June 30, 2020, respectively.
- Repurchased approximately 4 million common shares for cancellation at a cost of $160 million with an average price per share of $41.96 during the six months ended June 30, 2020. At June 30, 2020, we had approximately 28 million shares available to repurchase under the normal course issuer bid, which expires on February 26, 2021. See Note 8 to the interim financial statements.

Key sources in the second quarter and/or six months ended June 30, 2020 included:

- Issued $1.5 billion of notes on May 13, 2020. See Note 7 to the interim financial statements.

In March and April 2020, in response to the market uncertainty caused by the COVID-19 pandemic, we established new committed revolving credit facilities totaling approximately $1.5 billion. We closed these credit facilities after the issuance of the new notes as described above. We also use commercial paper as a source of liquidity. For the three and six months ended June 30, 2020, outstanding commercial paper decreased by $646 million and increased by $355 million, respectively.

Sources and Uses of Cash

	Three Months Ended June 30			Six Months Ended June 30		
(millions of US dollars, except as otherwise noted)	**2020**	2019	% Change	**2020**	2019	% Change
Cash provided by operating activities	**1,756**	1,172	50	**1,230**	657	87
Cash used in investing activities	**(408)**	(420)	(3)	**(853)**	(1,229)	(31)
Cash (used in) provided by financing activities	**(3,139)**	(500)	528	**380**	(1,109)	n/m
Effect of exchange rate changes on cash and cash equivalents	**24**	(9)	n/m	**(13)**	(17)	(24)
(Decrease) increase in cash and cash equivalents	**(1,767)**	243	n/m	**744**	(1,698)	n/m

Cash and cash equivalents decreased by $1,767 million this quarter compared to an increase of $243 million in the comparative quarter in 2019, due to:

- An increase of $584 million in cash provided by operating activities over the same period in 2019, mostly due to improved working capital management. The most significant change was an increase in payables and accrued charges related to a shift in timing of supplier payments. These improvements were partially offset by a decrease in net earnings due to lower crop nutrient prices.
- A $114 million increase in cash used for acquisitions compared to the same period in 2019 primarily from the Tec Agro Group acquisition in the second quarter of 2020, partially offset by lower capital expenditures.
- An increase in our short-term debt net repayments of $4.2 billion compared to the same period in 2019, as we repaid $3.5 billion of revolving credit facilities in the second quarter of 2020, and improved working capital management.
- $500 million long-term debt repayment in the second quarter of 2019, compared to minimal repayment in the second quarter of 2020.
- A decrease of $1.1 billion in cash payments to shareholders in the form of share repurchases compared to the same period in 2019.

Cash and cash equivalents increased by $744 million in the first half of 2020 compared to a decrease of $1,698 million in the first half of 2019, due to:

- An increase of $573 million in cash provided by operating activities over the same period in 2019, mostly due to improved non-cash operating working capital management. The most significant change is an increase in payables and accrued charges related to a shift in timing of supplier payments. These improvements were partially offset by a decrease in net earnings due to lower crop nutrient prices.
- A $316 million decrease in cash used for Retail acquisitions compared to 2019.
- A decrease in our short-term debt net proceeds of $755 million compared to the same period in 2019, due to improved working capital management.
- A $493 million decrease in long-term debt repayments compared to the same period in 2019.
- A decrease of $1.8 billion in cash payments to shareholders in the form of share repurchases compared to the same period in 2019.

Capital Structure and Management

Principal Debt Instruments

In response to the COVID-19 pandemic, we continue to monitor our liquidity position. We added new credit facilities of $1.5 billion in March and April 2020, which we subsequently closed in May 2020 after the issuance of the new notes described below. We use a combination of cash generated from operations and short-term and long-term debt to finance our operations. We are in compliance with our debt covenants and did not have any changes to our credit ratings in the six months ended June 30, 2020.

Short-term Debt

	As at June 30, 2020			
(millions of US dollars)	Rate of Interest (%)	Total Facility Limit	**Outstanding and Committed**	Remaining Available
Credit facilities				
Unsecured revolving term credit facility	NIL	4,500	**-**	4,500
Uncommitted revolving demand facility	NIL	500	**-**	500
Other credit facilities [1]	0.9 - 11.8	640	**242**	398
Commercial paper	0.4 - 2.8		**1,005**	
Total			**1,247**	

1 Other credit facilities are unsecured and consist of South American facilities with debt of $184 (December 31, 2019 – $149) and interest rates ranging from 2.4 percent to 11.8 percent, Australian facilities with debt of $27 (December 31, 2019 – $157) and an interest rate of 1.3 percent, and Other facilities with debt of $31 (December 31, 2019 – $20) and interest rates ranging from 0.9 percent to 4.0 percent.

The amount available under the commercial paper program is limited to the availability of backup funds under the $4,500 million unsecured revolving term credit facility and excess cash invested in highly liquid securities.

Long-term Debt

Our long-term debt consists primarily of notes. See the “Capital Structure and Management” section of our 2019 Annual Report for information on balances, rates and maturities for our notes. On May 13, 2020, we issued $1.5 billion in notes. See Note 7 to the interim financial statements. During the first half of 2020, we repaid the $500 million 4.875 percent notes that matured March 30, 2020.

Outstanding Share Data

	As at August 7, 2020
Common shares	**569,145,935**
Options to purchase common shares	**11,177,625**

For more information on our capital structure and management, see Note 26 to our 2019 financial statements.

Quarterly Results

(millions of US dollars, except as otherwise noted)	**Q2 2020**	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019	Q4 2018	Q3 2018
Sales	**8,416**	4,186	3,442	4,169	8,693	3,719	3,762	4,034
Net earnings (loss) from continuing operations	**765**	(35)	(48)	141	858	41	296	(1,067)
Net earnings from discontinued operations	**-**	-	-	-	-	-	2,906	23
Net earnings (loss)	**765**	(35)	(48)	141	858	41	3,202	(1,044)
EBITDA	**1,656**	555	499	785	1,781	596	944	(932)
Earnings (loss) per share ("EPS") from continuing operations								
Basic	**1.34**	(0.06)	(0.08)	0.25	1.48	0.07	0.48	(1.74)
Diluted	**1.34**	(0.06)	(0.08)	0.24	1.47	0.07	0.48	(1.74)
EPS								
Basic	**1.34**	(0.06)	(0.08)	0.25	1.48	0.07	5.23	(1.70)
Diluted	**1.34**	(0.06)	(0.08)	0.24	1.47	0.07	5.22	(1.70)

Seasonality in our business results from increased demand for products during the planting season. Crop input sales are generally higher in the spring and fall application seasons. Crop nutrient inventories are normally accumulated leading up to each application season. Our cash collections generally occur after the application season is complete, while customer prepayments made to us are concentrated in December and January and inventory prepayments paid to our vendors are typically concentrated in the period from November to January. Feed and industrial sales are more evenly distributed throughout the year.

Since the fourth quarter of 2019, Potash earnings were impacted by lower net realized selling prices caused by a temporary slowdown in global demand. In the fourth quarter of 2018, earnings were impacted by $2.9 billion in after-tax gains on the sales of our investments in Sociedad Quimica y Minera de Chile S.A. and Arab Potash Company, which were categorized as discontinued operations. In the third quarter of 2018, earnings were impacted by a $1.8 billion non-cash impairment to property, plant and equipment in the Potash segment.

Risk Factors

Coronavirus Disease (COVID-19) Pandemic

Epidemics, pandemics or other such crises or public health concerns in regions of the world where we have operations or source material or sell products, could impact or disrupt our business. Specifically, the ongoing COVID-19 outbreak has resulted in travel restrictions and extended shutdowns of certain businesses around the world, as well as a deterioration of general economic conditions. These or any governmental or other regulatory developments or health concerns in countries in which we operate could result in operational restrictions or social and economic instability, or labor shortages. More specifically, there remains uncertainty relating to the potential impact that COVID-19 could eventually have on our business. It is still possible that COVID-19 could impact our operations, create supply chain disruptions and/or limit our ability to timely sell or distribute our products in the future which would negatively impact our business, financial condition and operating results. It is also possible the fallout from COVID-19 could negatively impact our customers, even though the agriculture sector is classified as an essential service. Any significant long-term downturn in the global economy or agricultural markets could impact the Company's access to capital or credit ratings, or our customers' access to liquidity, which could increase our counterparty credit exposure.

Controls and Procedures

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the *Securities Exchange Act of 1934*, as amended, and National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*. Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS. Any system of internal control over financial reporting, no matter how well designed, has inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

There have been changes to our internal control over financial reporting during the quarter ended June 30, 2020. As part of our digital transformation, we have implemented a new enterprise resource planning system in the Retail segment resulting in a more automated control environment for our Canadian and Loveland Products operations. This change has materially affected our internal control over financial reporting.

Also, with the acquisition of Ruralco and the integration of the Australian Retail operations, the internal control over the Australian Retail operations will come into scope of the Company's internal control over financial reporting for the fourth quarter of 2020. The acquisition of Ruralco was previously excluded from management's evaluation of the effectiveness of the Company's internal control over financial reporting as of December 31, 2019 due to the proximity of the acquisition to year-end. The integration of the Australian Retail operations is expected to materially affect our internal control over financial reporting.

COVID-19 has also affected our business. During the quarter, corporate office staff and many site administrative staff have worked from home. This change has required certain processes and controls that were previously done or documented manually to be completed and retained in electronic form. This change has not materially affected our internal control over financial reporting.

Except as discussed herein, there have been no changes that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Forward-Looking Statements

Certain statements and other information included and incorporated by reference in this document constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") under applicable securities laws (such statements are often accompanied by words such as "anticipate", "forecast", "expect", "believe", "may", "will", "should", "estimate", "intend" or other similar words). All statements in this document, other than those relating to historical information or current conditions, are forward-looking statements, including, but not limited to: Nutrien's 2020 annual guidance, including expectations regarding our adjusted net earnings per share, adjusted EBITDA and EBITDA by segment; capital spending expectations for 2020; expectations regarding our liquidity; expectations regarding performance of our operating segments in 2020; our operating segment market outlooks and market conditions for 2020, including the impact of COVID-19 thereon, and the anticipated supply and demand for our products and services, expected market and industry conditions with respect to crop nutrient application rates, planted acres, crop mix, prices and the impact of currency fluctuations and import and export volumes; and acquisitions and divestitures, and the expected synergies associated with various acquisitions, including timing thereof. These forward-looking statements are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such forward-looking statements. As such, undue reliance should not be placed on these forward-looking statements.

All of the forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions referred to below and elsewhere in this document. Although we believe that these assumptions are reasonable, having regard to our experience and our perception of historical trends, this list is not exhaustive of the factors that may affect any of the forward-looking statements and the reader should not place an undue reliance on these assumptions and such forward-looking statements. Current conditions, economic and otherwise, render assumptions, although reasonable when made, subject to greater uncertainty. The additional key assumptions that have been made include, among other things, assumptions with respect to our ability to successfully complete, integrate and realize the anticipated benefits of our already completed and future acquisitions, and that we will be able to implement our standards, controls, procedures and policies at any acquired businesses to realize the expected synergies; that future business, regulatory and industry conditions will be within the parameters expected by us, including with respect to prices, margins, demand, supply, product availability, supplier agreements, availability and cost of labor and interest, exchange and effective tax rates; the completion of our expansion projects on schedule, as planned and on budget; assumptions with respect to global economic conditions and the accuracy of our market outlook expectations for 2020 and in the future; our expectations regarding the impacts, direct and indirect, of COVID-19 on our business, customers, business partners, employees, supply chain, other stakeholders and the overall economy; the adequacy of our cash generated from operations and our ability to access our credit facilities or capital markets for additional sources of financing; our ability to identify suitable candidates for acquisitions and divestitures and negotiate acceptable terms; our ability to maintain investment grade ratings and achieve our performance targets; and the receipt, on time, of all necessary permits, utilities and project approvals with respect to our expansion projects and that we will have the resources necessary to meet the projects' approach.

Events or circumstances that could cause actual results to differ materially from those in the forward-looking statements include, but are not limited to: general global economic, market and business conditions; failure to complete announced and future acquisitions or divestitures at all or on the expected terms and within the expected timeline; climate change and weather conditions, including impacts from regional flooding and/or drought conditions; crop planted acreage, yield and prices; the supply and demand and price levels for our products; governmental and regulatory requirements and actions by governmental authorities, including changes in government policy (including tariffs, trade restrictions and climate change initiatives), government ownership requirements, changes in environmental, tax and other laws or regulations and the interpretation thereof; political risks, including civil unrest, actions by armed groups or conflict and malicious acts including terrorism; the occurrence of a major environmental or safety incident; innovation and cybersecurity risks related to our systems, including our costs of addressing or mitigating such risks; regional natural gas supply restrictions; counterparty and sovereign risk; delays in completion of turnarounds at our major facilities; gas supply interruptions; any significant impairment of the carrying value of certain assets; risks related to reputational loss; certain complications that may arise in our mining processes; the ability to attract, engage and retain skilled employees and strikes or other forms of work stoppages; the COVID-19 pandemic and its resulting effects on economic conditions, restrictions imposed by public health authorities or governments, fiscal and monetary responses by governments and financial institutions and disruptions to global supply chains; and other risk factors detailed from time to time in Nutrien reports filed with the Canadian securities regulators and the SEC in the United States.

The purpose of our expected adjusted net earnings per share, adjusted EBITDA and EBITDA by segment guidance ranges are to assist readers in understanding our expected financial results, and this information may not be appropriate for other purposes.

Nutrien disclaims any intention or obligation to update or revise any forward-looking statements in this document as a result of new information or future events, except as may be required under applicable Canadian securities legislation or applicable US federal securities laws.

Terms and Definitions

For the definitions of certain financial and non-financial terms used in this document, as well as a list of abbreviated company names and sources, see the “Terms and Definitions” section of our 2019 Annual Report dated February 19, 2020. All references to per share amounts pertain to diluted net earnings (loss) per share, “n/m” indicates information that is not meaningful and all financial data are stated in millions of US dollars, unless otherwise noted.

About Nutrien

Nutrien is the world's largest provider of crop inputs and services, playing a critical role in helping growers increase food production in a sustainable manner. We produce and distribute 25 million tonnes of potash, nitrogen and phosphate products world-wide. With this capability and our leading agriculture retail network, we are well positioned to supply the needs of our customers. We operate with a long-term view and are committed to working with our stakeholders as we address our economic, environmental and social priorities. The scale and diversity of our integrated portfolio provides a stable earnings base, multiple avenues for growth and the opportunity to return capital to shareholders.

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Selected financial data for download can be found in our data tool at www.nutrien.com/investors/interactive-datatool
Such data is not incorporated by reference herein.

Nutrien will host a Conference Call on Tuesday, August 11, 2020 at 10:00 am Eastern Time.

- In order to expedite access to our conference call, each participant will be required to **pre-register** for the event:
  - Online: http://www.directeventreg.com/registration/event/4497183.
  - Via Phone: 1-888-869-1189 **Conference ID 4497183**.
- Once the registration is complete, a confirmation will be sent providing the dial in number and both the Direct Event Passcode and your unique Registrant ID to join this call. For security reasons, please do not share your information with anyone else.
- Live Audio Webcast: Visit www.nutrien.com/investors/events/2020-q2-earnings-conference-call

Appendix A - Selected Additional Financial Data

Selected Retail measures	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Proprietary products margin as a percentage of product line margin (%)				
Crop nutrients	**24**	23	**26**	23
Crop protection products	**42**	44	**42**	43
Seed	**47**	42	**44**	42
All products	**29**	29	**28**	28
Crop nutrients sales volumes (tonnes - thousands)				
North America	**5,098**	4,913	**6,524**	6,052
International	**1,024**	704	**1,623**	1,144
Total	**6,122**	5,617	**8,147**	7,196
Crop nutrients selling price per tonne				
North America	**427**	472	**425**	472
International	**340**	433	**332**	397
Total	**413**	467	**406**	460
Crop nutrients gross margin per tonne				
North America	**101**	102	**100**	101
International	**42**	56	**40**	51
Total	**91**	96	**88**	93

Financial performance measures	2020 Target	2020 Actuals
Retail EBITDA to sales (%) [1, 2]	**10**	**10**
Retail adjusted average working capital to sales (%) [1, 2]	**21**	**18**
Retail cash operating coverage ratio (%) [1, 2]	**61**	**61**
Retail normalized comparable store sales (%) [2]		**6**
Retail EBITDA per US selling location (thousands of US dollars) [1, 2]	**1,000**	**1,075**

1 Rolling four quarters ended June 30, 2020.
2 See the “Non-IFRS Financial Measures” section.

Nutrien Financial	As at June 30, 2020				
(millions of US dollars)	**Current**	**31-90 days past due**	**>90 days past due**	**Allowance** [2]	**Total**
Nutrien Financial receivables [1]	2,068	32	24	(16)	**2,108**

1 See the “Non-IFRS Financial Measures” section.
2 Allowance for expected credit losses of receivables from customers.

Selected Nitrogen measures

	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Sales volumes (tonnes - thousands)				
Fertilizer	**2,173**	1,882	**3,584**	2,900
Industrial and feed	**1,017**	1,265	**2,134**	2,486
Net sales (millions of US dollars)				
Fertilizer	**510**	555	**828**	839
Industrial and feed	**186**	247	**398**	509
Net selling price per tonne				
Fertilizer	**235**	295	**231**	289
Industrial and feed	**182**	196	**186**	205

Production measures

	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Potash production (Product tonnes - thousands)	**3,346**	3,285	**6,381**	6,784
Potash shutdown weeks [1]	**22**	15	**34**	16
Nitrogen production (Ammonia tonnes - thousands) [2]	**1,619**	1,599	**3,066**	3,234
Ammonia operating rate (%) [3]	**97**	91	**94**	92
Phosphate production (P_2O_5 tonnes - thousands) [4]	**357**	357	**729**	750
Phosphate P_2O_5 operating rate (%) [4]	**84**	84	**86**	89

1 Represents weeks of full production shutdown, excluding the impact of any periods of reduced operating rates and planned routine annual maintenance shutdowns and announced workforce reductions.
2 All figures are provided on a gross production basis.
3 Excludes Trinidad and Joffre.
4 Excludes Redwater.

Appendix B - Non-IFRS Financial Measures

We use both IFRS and certain non-IFRS financial measures to assess performance. Non-IFRS financial measures are numerical measures of a company's performance, that either exclude or include amounts that are not normally excluded or included in the most directly comparable measures calculated and presented in accordance with IFRS. In evaluating these measures, investors should consider that the methodology applied in calculating such measures may differ among companies and analysts.

Management believes the non-IFRS financial measures provide transparent and useful supplemental information to help investors evaluate our financial performance, financial condition and liquidity using the same measures as management. These non-IFRS financial measures should not be considered as a substitute for, or superior to, measures of financial performance prepared in accordance with IFRS.

The following section outlines our non-IFRS financial measures, their definitions and why management uses each measure. It includes reconciliations to the most directly comparable IFRS measures. Except as otherwise described herein, our non-IFRS financial measures are calculated on a consistent basis from period to period and are adjusted for specific items in each period, as applicable. As non-recurring or unusual items arise, we generally exclude these items in our calculation.

EBITDA and Adjusted EBITDA

Most directly comparable IFRS financial measure: Net earnings (loss).

Definition: EBITDA is calculated as net earnings (loss) before finance costs, income taxes and depreciation and amortization. Adjusted EBITDA is calculated as net earnings (loss) before finance costs, income taxes, depreciation and amortization, Merger and related costs, certain acquisition and integration related costs, share-based compensation, impairment of assets, certain foreign exchange gain/loss (net of related derivatives), and COVID-19 related expenses. In 2020, we have amended our calculation of adjusted EBITDA to adjust for the impact of COVID-19 related expenses. There were no similar expenses in the comparative period.

Why we use the measure and why it is useful to investors: These are meaningful measures because they are not impacted by long-term investment and financing decisions, but rather focus on the performance of our day-to-day operations. These provide a measure of our ability to service debt and to meet other payment obligations.

	Three Months Ended June 30		**Six Months Ended June 30**	
(millions of US dollars)	**2020**	2019 [1]	**2020**	2019 [1]
Net earnings	**765**	858	**730**	899
Finance costs	**139**	143	**272**	266
Income tax expense	**235**	294	**219**	306
Depreciation and amortization	**517**	486	**990**	906
EBITDA	**1,656**	1,781	**2,211**	2,377
Merger and related costs	**-**	25	**-**	36
Acquisition and integration related costs	**18**	-	**28**	-
Share-based compensation expense (recovery)	**12**	59	**(20)**	116
Impairment of assets	**-**	-	**-**	33
COVID-19 related expenses	**17**	-	**19**	-
Foreign exchange loss (gain), net of related derivatives	**18**	5	**(9)**	12
Adjusted EBITDA	**1,721**	1,870	**2,229**	2,574

1 In the fourth quarter of 2019, we amended our calculations of adjusted EBITDA and restated the comparative periods to exclude the impact of foreign exchange gain/loss, net of related derivatives, as foreign exchange changes are not indicative of our operating performance.

Adjusted EBITDA and Adjusted Net Earnings Per Share Guidance

This guidance is provided on a non-IFRS basis. We do not provide a reconciliation of such forward-looking measures to the most directly comparable financial measures calculated and presented in accordance with IFRS due to unknown variables and the uncertainty related to future results. These unknown variables may include unpredictable transactions of significant value that may be inherently difficult to determine, without unreasonable efforts. Guidance excludes the impacts of acquisition and integration related costs, share-based compensation, certain foreign exchange gain/loss (net of related derivatives), and COVID-19 related expenses.

Adjusted Net Earnings and Adjusted Net Earnings Per Share

Most directly comparable IFRS financial measure: Net earnings (loss) and net earnings (loss) per share.

Definition: Net earnings (loss) before certain acquisition and integration related costs, share-based compensation, certain foreign exchange gain/loss (net of related derivatives), and COVID-19 related expenses (including those recorded under finance costs), net of tax. In 2020, we have amended our calculation of adjusted net loss to adjust for the impact of COVID-19 related expenses.

Why we use the measure and why it is useful to investors: Focuses on the performance of our day-to-day operations excluding the effects of non-operating items.

	Three Months Ended June 30, 2020			Six Months Ended June 30, 2020		
(millions of US dollars, except as otherwise noted)	Increases (Decreases)	Post-Tax	Per Diluted Share	Increases (Decreases)	Post-Tax	Per Diluted Share
Net earnings		765	1.34		730	1.28
Adjustments:						
Acquisition and integration related costs	18	14	0.03	28	22	0.04
Share-based compensation expense (recovery)	12	9	0.02	(20)	(15)	(0.03)
COVID-19 related expenses	29	22	0.04	31	24	0.04
Foreign exchange loss (gain), net of related derivatives	18	14	0.02	(9)	(7)	(0.01)
Adjusted net earnings		**824**	**1.45**		**754**	**1.32**

Free Cash Flow and Free Cash Flow Including Changes in Non-Cash Operating Working Capital

Most directly comparable IFRS financial measure: Cash from operations before working capital changes.

Definition: Cash from operations before working capital changes less sustaining capital expenditures. We also calculate a similar measure which includes changes in non-cash operating working capital.

Why we use the measure and why it is useful to investors: For evaluation of liquidity and financial strength, and as a component of employee remuneration calculations. These are also useful as an indicator of our ability to service debt, meet other payment obligations and make strategic investments. These do not represent residual cash flow available for discretionary expenditures.

	Three Months Ended June 30		Six Months Ended June 30	
(millions of US dollars)	**2020**	2019	**2020**	2019
Cash from operations before working capital changes	**1,318**	1,551	**1,662**	2,101
Sustaining capital expenditures	**(145)**	(243)	**(308)**	(411)
Free cash flow	**1,173**	1,308	**1,354**	1,690
Changes in non-cash operating working capital	**438**	(379)	**(432)**	(1,444)
Free cash flow including changes in non-cash operating working capital	**1,611**	929	**922**	246

Potash Cash Cost of Product Manufactured ("COPM")

Most directly comparable IFRS financial measure: Cost of goods sold ("COGS") for the Potash segment.

Definition: Potash COGS for the period excluding depreciation and amortization expense and inventory and other adjustments divided by the production tonnes for the period.

Why we use the measure and why it is useful to investors: To assess operational performance. Potash cash COPM excludes the effects of production from other periods and long-term investment decisions, supporting a focus on the performance of our day-to-day operations.

	Three Months Ended June 30		Six Months Ended June 30	
(millions of US dollars, except as otherwise noted)	**2020**	2019	**2020**	2019
Total COGS - Potash	**310**	317	**575**	589
Change in inventory	**(40)**	(19)	**(32)**	25
Other adjustments	**(3)**	(5)	**(5)**	(12)
COPM	**267**	293	**538**	602
Depreciation and amortization included in COPM	**(92)**	(100)	**(181)**	(205)
Cash COPM	**175**	193	**357**	397
Production tonnes (tonnes - thousands)	**3,346**	3,285	**6,381**	6,784
Potash cash COPM per tonne	**52**	59	**56**	59

Ammonia Controllable Cash COPM

Most directly comparable IFRS financial measure: COGS for the Nitrogen segment.

Definition: The total of COGS for the Nitrogen segment excluding depreciation and amortization expense included in COGS, cash COGS for products other than ammonia, other adjustments, and natural gas and steam costs, divided by net ammonia production tonnes.

Why we use the measure and why it is useful to investors: To assess operational performance. Ammonia controllable cash COPM excludes the effects of production from other periods, the costs of natural gas and steam, and long-term investment decisions, supporting a focus on the performance of our day-to-day operations.

	Three Months Ended June 30		Six Months Ended June 30	
(millions of US dollars, except as otherwise noted)	**2020**	2019	**2020**	2019
Total COGS - Nitrogen	**645**	672	**1,226**	1,183
Depreciation and amortization in COGS	**(152)**	(136)	**(282)**	(231)
Cash COGS for products other than ammonia	**(369)**	(383)	**(730)**	(690)
Ammonia				
Total cash COGS before other adjustments	**124**	153	**214**	262
Other adjustments [1]	**(46)**	(50)	**(35)**	(33)
Total cash COPM	**78**	103	**179**	229
Natural gas and steam costs	**(53)**	(68)	**(119)**	(159)
Controllable cash COPM	**25**	35	**60**	70
Production tonnes (net tonnes [2] - thousands)	**644**	784	**1,388**	1,588
Ammonia controllable cash COPM per tonne	**40**	45	**43**	44

1 Includes changes in inventory balances and other adjustments.
2 Ammonia tonnes available for sale, as not upgraded to other Nitrogen products.

Gross Margin Excluding Depreciation and Amortization Per Tonne - Manufactured

Most directly comparable IFRS financial measure: Gross margin.

Definition: Gross margin from manufactured products per tonne less depreciation and amortization per tonne. Reconciliations are provided in the "Segment Results" section.

Why we use the measure and why it is useful to investors: Focuses on the performance of our day-to-day operations, which excludes the effects of items that primarily reflect the impact of long-term investment and financing decisions.

Retail EBITDA to Sales

Most directly comparable IFRS financial measure: Retail EBITDA divided by Retail sales.

Definition: Retail EBITDA divided by Retail sales for the last four rolling quarters.

Why we use the measure and why it is useful to investors: To evaluate operational efficiency. A higher or lower percentage represents increased or decreased efficiency, respectively.

	Rolling four quarters ended June 30, 2020				
(millions of US dollars, except as otherwise noted)	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Total
EBITDA	190	231	7	964	**1,392**
Sales	2,499	2,171	2,649	6,749	**14,068**
EBITDA to sales (%)					**10**

Nutrien Financial Receivables

Most directly comparable IFRS financial measure: Receivables.

Definition: Nutrien Financial receivables are a subcategory of US Retail receivables managed in the Nutrien Financial portfolio, segregated predominately according to credit quality. We manage our credit portfolio based on a combination of customer credit metrics, past experience with the customer and by managing exposure to any single customer.

Why we use the measure and why it is useful to investors: Used by credit rating agencies and other users to evaluate overall credit risk.

(millions of US dollars)	As at June 30, 2020
Nutrien Financial receivables	**2,108**
Non-Nutrien Financial receivables	**3,604**
Receivables	**5,712**

Retail Adjusted Average Working Capital to Sales

Most directly comparable IFRS financial measure: (Current assets minus current liabilities for Retail) divided by Retail sales.

Definition: Retail adjusted average working capital divided by Retail adjusted sales for the last four rolling quarters. We exclude in our calculations the working capital and sales of certain acquisitions (such as Ruralco) during the first year of acquisition. We have amended our calculation to adjust for the sales of certain recently acquired businesses.

Why we use the measure and why it is useful to investors: To evaluate operational efficiency. A lower or higher percentage represents increased or decreased efficiency, respectively.

	Rolling four quarters ended, June 30, 2020				
(millions of US dollars, except as otherwise noted)	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Average/Total
Working capital	3,699	1,759	2,288	2,030	
Working capital from certain recent acquisitions	(75)	(138)	(108)	63	
Adjusted working capital	3,624	1,621	2,180	2,093	**2,380**
Sales	2,499	2,171	2,649	6,749	
Sales from certain recent acquisitions	-	(249)	(348)	(338)	
Adjusted sales	2,499	1,922	2,301	6,411	**13,133**
Adjusted average working capital to sales (%)					**18**

Retail Cash Operating Coverage Ratio

Most directly comparable IFRS financial measure: Retail operating expenses as a percentage of Retail gross margin.

Definition: Retail operating expenses excluding depreciation and amortization expense, divided by Retail gross margin excluding depreciation and amortization expense in cost of goods sold for the last four rolling quarters.

Why we use the measure and why it is useful to investors: To understand the costs and underlying economics of our Retail operations and to assess our Retail operating performance and ability to generate free cash flow.

	Rolling four quarters ended June 30, 2020				
(millions of US dollars, except as otherwise noted)	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Total
Operating expenses [1]	617	667	677	811	**2,772**
Depreciation and amortization in operating expenses	(150)	(160)	(153)	(161)	**(624)**
Operating expenses excluding depreciation and amortization	467	507	524	650	**2,148**
Gross margin	655	736	529	1,612	**3,532**
Depreciation and amortization in cost of goods sold	2	2	2	2	**8**
Gross margin excluding depreciation and amortization	657	738	531	1,614	**3,540**
Cash operating coverage ratio (%)					**61**

1 Includes Retail expenses below gross margin including selling expenses, general and administrative expenses and other (income) expenses.

Retail EBITDA per US Selling Location

Most directly comparable IFRS financial measure: Retail US EBITDA.

Definition: Total Retail US EBITDA for the last four rolling quarters adjusted for acquisitions in those quarters, divided by the number of US locations that have generated sales in the last four rolling quarters adjusted for acquired locations.

Why we use the measure and why it is useful to investors: To assess our US Retail operating performance. Includes locations we have owned for more than 12 months.

	Rolling four quarters ended June 30, 2020				
(millions of US dollars, except as otherwise noted)	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Total
US EBITDA	142	143	(44)	766	**1,007**
Adjustments for acquisitions					**(23)**
US EBITDA adjusted for acquisitions					**984**
Number of US selling locations adjusted for acquisitions					**915**
EBITDA per US selling location (thousands of US dollars)					**1,075**

Retail Normalized Comparable Store Sales

Most directly comparable IFRS financial measure: Retail sales from comparable base as a component of total Retail sales.

Definition: Prior year comparable store sales adjusted for published potash, nitrogen and phosphate benchmark prices and foreign exchange rates used in the current year. We retain sales of closed locations in the comparable base if the closed location is in close proximity to an existing location, unless we plan to exit the market area or are unable to economically or logistically serve it. We do not adjust for temporary closures, expansions or renovations of stores.

Why we use the measure and why it is useful to investors: To evaluate sales growth by adjusting for fluctuations in commodity prices and foreign exchange rates. Includes locations we have owned for more than 12 months.

	Six Months Ended June 30	
(millions of US dollars, except as otherwise noted)	2020	2019
Sales from comparable base		
Current period	**8,602**	8,307
Prior period	**8,551**	8,372
Comparable store sales (%)	**1**	(1)
Prior period normalized for benchmark prices and foreign exchange rates	**8,104**	8,587
Normalized comparable store sales (%)	**6**	(3)

Unaudited In millions of US dollars except as otherwise noted

Condensed Consolidated Financial Statements

Condensed Consolidated Statements of Earnings

	Note	Three Months Ended June 30		Six Months Ended June 30	
		2020	2019	**2020**	2019
			Note 1		Note 1
SALES	2	**8,416**	8,693	**12,602**	12,412
Freight, transportation and distribution		**237**	215	**449**	386
Cost of goods sold		**6,024**	6,166	**9,125**	8,739
GROSS MARGIN		**2,155**	2,312	**3,028**	3,287
Selling expenses		**763**	690	**1,405**	1,228
General and administrative expenses		**101**	95	**205**	190
Provincial mining and other taxes		**48**	96	**105**	161
Share-based compensation expense (recovery)		**12**	59	**(20)**	116
Impairment of assets		**-**	-	**-**	33
Other expenses	3	**92**	77	**112**	88
EARNINGS BEFORE FINANCE COSTS AND INCOME TAXES		**1,139**	1,295	**1,221**	1,471
Finance costs		**139**	143	**272**	266
EARNINGS BEFORE INCOME TAXES		**1,000**	1,152	**949**	1,205
Income tax expense	4	**235**	294	**219**	306
NET EARNINGS		**765**	858	**730**	899
NET EARNINGS PER SHARE ("EPS")					
Basic		**1.34**	1.48	**1.28**	1.52
Diluted		**1.34**	1.47	**1.28**	1.52
Weighted average shares outstanding for basic EPS		**569,146,000**	581,433,000	**570,157,000**	591,792,000
Weighted average shares outstanding for diluted EPS		**569,146,000**	582,360,000	**570,157,000**	592,714,000

Condensed Consolidated Statements of Comprehensive Income

	Three Months Ended June 30		Six Months Ended June 30	
(Net of related income taxes)	**2020**	2019	**2020**	2019
NET EARNINGS	**765**	858	**730**	899
Other comprehensive income (loss)				
Items that will not be reclassified to net earnings:				
Net actuarial gain on defined benefit plans	**-**	-	**3**	-
Net fair value loss on investments	**(2)**	(24)	**(21)**	(15)
Items that have been or may be subsequently reclassified to net earnings:				
Gain (loss) on currency translation of foreign operations	**194**	16	**(121)**	35
Other	**9**	(6)	**(18)**	(2)
OTHER COMPREHENSIVE INCOME (LOSS)	**201**	(14)	**(157)**	18
COMPREHENSIVE INCOME	**966**	844	**573**	917

(See Notes to the Condensed Consolidated Financial Statements)

Unaudited In millions of US dollars except as otherwise noted

Condensed Consolidated Statements of Cash Flows

	Note	Three Months Ended June 30		Six Months Ended June 30	
		2020	2019	**2020**	2019
			Note 1		Note 1
OPERATING ACTIVITIES					
Net earnings		**765**	858	**730**	899
Adjustments for:					
Depreciation and amortization		**517**	486	**990**	906
Share-based compensation expense (recovery)		**12**	59	**(20)**	116
Impairment of assets		**-**	-	**-**	33
Provision for deferred income tax		**84**	150	**62**	147
Other long-term liabilities and miscellaneous		**(60)**	(2)	**(100)**	-
Cash from operations before working capital changes		**1,318**	1,551	**1,662**	2,101
Changes in non-cash operating working capital:					
Receivables		**(1,824)**	(1,905)	**(2,147)**	(2,051)
Inventories		**2,174**	2,207	**746**	698
Prepaid expenses and other current assets		**247**	369	**1,013**	824
Payables and accrued charges		**(159)**	(1,050)	**(44)**	(915)
CASH PROVIDED BY OPERATING ACTIVITIES		**1,756**	1,172	**1,230**	657
INVESTING ACTIVITIES					
Additions to property, plant and equipment		**(298)**	(369)	**(661)**	(659)
Additions to intangible assets		**(36)**	(37)	**(68)**	(75)
Business acquisitions, net of cash acquired	9	**(116)**	(2)	**(173)**	(489)
Proceeds from disposal of discontinued operations, net of tax		**-**	45	**-**	55
Purchase of investments		**(29)**	(96)	**(66)**	(122)
Other		**71**	39	**115**	61
CASH USED IN INVESTING ACTIVITIES		**(408)**	(420)	**(853)**	(1,229)
FINANCING ACTIVITIES					
Transaction costs on long-term debt		**(15)**	(29)	**(15)**	(29)
(Repayment of) proceeds from short-term debt, net		**(4,290)**	(45)	**204**	959
Proceeds from long-term debt	7	**1,500**	1,510	**1,506**	1,510
Repayment of long-term debt	7	**(6)**	(500)	**(507)**	(1,000)
Repayment of principal portion of lease liabilities		**(70)**	(63)	**(134)**	(116)
Dividends paid	8	**(258)**	(256)	**(514)**	(520)
Repurchase of common shares	8	**-**	(1,132)	**(160)**	(1,930)
Issuance of common shares		**-**	15	**-**	17
CASH (USED IN) PROVIDED BY FINANCING ACTIVITIES		**(3,139)**	(500)	**380**	(1,109)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		**24**	(9)	**(13)**	(17)
(DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS		**(1,767)**	243	**744**	(1,698)
CASH AND CASH EQUIVALENTS – BEGINNING OF PERIOD		**3,182**	373	**671**	2,314
CASH AND CASH EQUIVALENTS – END OF PERIOD		**1,415**	616	**1,415**	616
Cash and cash equivalents comprised of:					
Cash		**1,106**	378	**1,106**	378
Short-term investments		**309**	238	**309**	238
		1,415	616	**1,415**	616
SUPPLEMENTAL CASH FLOWS INFORMATION					
Interest paid		**153**	128	**249**	242
Income taxes paid (received)		**30**	70	**65**	(45)
Total cash outflow for leases		**96**	88	**188**	164

(See Notes to the Condensed Consolidated Financial Statements)

In millions of US dollars except as otherwise noted

Condensed Consolidated Statements of Changes in Shareholders' Equity

	Number of Common Shares	Share Capital	Contributed Surplus	Accumulated Other Comprehensive (Loss) Income ("AOCI") Net Fair Value Loss on Investments	Net Actuarial Gain on Defined Benefit Plans [1]	Loss on Currency Translation of Foreign Operations	Other	Total AOCI	Retained Earnings	Total Equity [2]
BALANCE – DECEMBER 31, 2018	608,535,477	16,740	231	(7)	-	(251)	(33)	(291)	7,745	24,425
Net earnings	-	-	-	-	-	-	-	-	899	899
Other comprehensive (loss) income	-	-	-	(15)	-	35	(2)	18	-	18
Shares repurchased (Note 8)	(36,066,766)	(992)	-	-	-	-	-	-	(886)	(1,878)
Dividends declared	-	-	-	-	-	-	-	-	(244)	(244)
Effect of share-based compensation including issuance of common shares	397,889	20	7	-	-	-	-	-	-	27
Transfer of net loss on sale of investment	-	-	-	3	-	-	-	3	(3)	-
Transfer of net loss on cash flow hedges	-	-	-	-	-	-	4	4	-	4
BALANCE – JUNE 30, 2019	572,866,600	15,768	238	(19)	-	(216)	(31)	(266)	7,511	23,251
BALANCE – DECEMBER 31, 2019	**572,942,809**	**15,771**	**248**	**(29)**	**-**	**(204)**	**(18)**	**(251)**	**7,101**	**22,869**
Net earnings	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**730**	**730**
Other comprehensive (loss) income	**-**	**-**	**-**	**(21)**	**3**	**(121)**	**(18)**	**(157)**	**-**	**(157)**
Shares repurchased (Note 8)	**(3,832,580)**	**(105)**	**(55)**	**-**	**-**	**-**	**-**	**-**	**-**	**(160)**
Dividends declared	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(514)**	**(514)**
Effect of share-based compensation including issuance of common shares	**35,706**	**1**	**7**	**-**	**-**	**-**	**-**	**-**	**-**	**8**
Transfer of net loss on cash flow hedges	**-**	**-**	**-**	**-**	**-**	**-**	**11**	**11**	**-**	**11**
Transfer of net actuarial gain on defined benefit plans	**-**	**-**	**-**	**-**	**(3)**	**-**	**-**	**(3)**	**3**	**-**
BALANCE – JUNE 30, 2020	**569,145,935**	**15,667**	**200**	**(50)**	**-**	**(325)**	**(25)**	**(400)**	**7,320**	**22,787**

1 Any amounts incurred during a period were transferred to retained earnings at each period-end. Therefore, no balance exists at the beginning or end of period.
2 All equity transactions were attributable to common shareholders.

(See Notes to the Condensed Consolidated Financial Statements)

Unaudited In millions of US dollars except as otherwise noted

Condensed Consolidated Balance Sheets

As at	Note	June 30 2020	June 30 2019	December 31 2019
			Note 1	
ASSETS				
Current assets				
Cash and cash equivalents		**1,415**	616	671
Receivables		**5,712**	5,200	3,542
Inventories		**4,199**	4,346	4,975
Prepaid expenses and other current assets		**444**	383	1,477
		11,770	10,545	10,665
Non-current assets				
Property, plant and equipment		**20,178**	19,840	20,335
Goodwill	9	**12,096**	11,716	11,986
Other intangible assets		**2,376**	2,291	2,428
Investments		**803**	796	821
Other assets		**578**	518	564
TOTAL ASSETS		**47,801**	45,706	46,799
LIABILITIES				
Current liabilities				
Short-term debt	6	**1,247**	1,609	976
Current portion of long-term debt	7	**-**	503	502
Current portion of lease liabilities		**228**	208	214
Payables and accrued charges		**7,306**	5,483	7,437
		8,781	7,803	9,129
Non-current liabilities				
Long-term debt	7	**10,032**	8,558	8,553
Lease liabilities		**841**	770	859
Deferred income tax liabilities	4	**3,212**	3,082	3,145
Pension and other post-retirement benefit liabilities		**435**	420	433
Asset retirement obligations and accrued environmental costs		**1,575**	1,657	1,650
Other non-current liabilities		**138**	165	161
TOTAL LIABILITIES		**25,014**	22,455	23,930
SHAREHOLDERS' EQUITY				
Share capital	8	**15,667**	15,768	15,771
Contributed surplus		**200**	238	248
Accumulated other comprehensive loss		**(400)**	(266)	(251)
Retained earnings		**7,320**	7,511	7,101
TOTAL SHAREHOLDERS' EQUITY		**22,787**	23,251	22,869
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**47,801**	45,706	46,799

(See Notes to the Condensed Consolidated Financial Statements)

Notes to the Condensed Consolidated Financial Statements

As at and for the Three and Six Months Ended June 30, 2020

NOTE 1 BASIS OF PRESENTATION

Nutrien Ltd. (collectively with its subsidiaries, known as “Nutrien”, “we”, “us”, “our” or the “Company”) is the world’s largest provider of crop inputs and services. Nutrien plays a critical role in helping growers around the globe increase food production in a sustainable manner.

These unaudited interim condensed consolidated financial statements (“interim financial statements”) are based on International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”) and have been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting”. The accounting policies and methods of computation used in preparing these interim financial statements are consistent with those used in the preparation of our 2019 annual consolidated financial statements. These interim financial statements include the accounts of Nutrien and its subsidiaries; however, they do not include all disclosures normally provided in annual consolidated financial statements and should be read in conjunction with our 2019 annual consolidated financial statements.

Certain immaterial 2019 figures have been reclassified in the condensed consolidated statements of earnings, condensed consolidated statements of cash flows, condensed consolidated balance sheets and segment information.

In management’s opinion, the interim financial statements include all adjustments necessary to fairly present such information in all material respects. Interim results are not necessarily indicative of the results expected for any other interim period or the fiscal year. On March 11, 2020, the World Health Organization declared the novel strain of coronavirus (“COVID-19”) a global pandemic. We have assessed our accounting estimates and other matters that require the use of forecasted financial information for the impact of the COVID-19 pandemic. The assessment included estimates of the unknown future impacts of the pandemic using information that is reasonably available at this time. Accounting estimates and other matters assessed include the allowance for expected credit losses of receivables from customers, inventory valuation, goodwill and other long-lived assets, financial assets, tax assets, pension obligation and assets, and revenue recognition. Based on the current assessment, there was not a material impact to these interim financial statements. As additional information becomes available, the future assessment of these estimates, including expectations about the severity, duration and scope of the pandemic, could differ materially in future reporting periods.

These interim financial statements were authorized by the audit committee of the Board of Directors for issue on August 10, 2020.

NOTE 2 SEGMENT INFORMATION

The Company has four reportable operating segments: Retail, Potash, Nitrogen and Phosphate. The Retail segment distributes crop nutrients, crop protection products, seed and merchandise, and provides services directly to growers through a network of farm centers in North and South America and Australia. The Potash, Nitrogen and Phosphate segments are differentiated by the chemical nutrient contained in the products that each produces. Sales reported under our Corporate and Others segment primarily relates to our non-core Canadian business.

In millions of US dollars except as otherwise noted

	Three Months Ended June 30, 2020						
	Retail	**Potash**	**Nitrogen**	**Phosphate**	**Corporate and Others**	**Eliminations**	**Consolidated**
Sales – third party	**6,739**	**617**	**755**	**285**	**20**	**-**	**8,416**
– intersegment	**10**	**64**	**246**	**49**	**-**	**(369)**	**-**
Sales – total	**6,749**	**681**	**1,001**	**334**	**20**	**(369)**	**8,416**
Freight, transportation and distribution	**-**	**93**	**148**	**57**	**-**	**(61)**	**237**
Net sales	**6,749**	**588**	**853**	**277**	**20**	**(308)**	**8,179**
Cost of goods sold	**5,137**	**310**	**645**	**249**	**18**	**(335)**	**6,024**
Gross margin	**1,612**	**278**	**208**	**28**	**2**	**27**	**2,155**
Selling expenses	**764**	**1**	**5**	**1**	**(8)**	**-**	**763**
General and administrative expenses	**30**	**1**	**2**	**3**	**65**	**-**	**101**
Provincial mining and other taxes	**-**	**46**	**1**	**-**	**1**	**-**	**48**
Share-based compensation expense	**-**	**-**	**-**	**-**	**12**	**-**	**12**
Other expenses (income)	**17**	**4**	**(11)**	**3**	**79**	**-**	**92**
Earnings (loss) before finance costs and income taxes	**801**	**226**	**211**	**21**	**(147)**	**27**	**1,139**
Depreciation and amortization	**163**	**109**	**172**	**56**	**17**	**-**	**517**
EBITDA [1]	**964**	**335**	**383**	**77**	**(130)**	**27**	**1,656**
Assets – at June 30, 2020	**20,529**	**11,915**	**10,708**	**2,111**	**2,835**	**(297)**	**47,801**

1 EBITDA is calculated as net earnings (loss) before finance costs, income taxes, and depreciation and amortization.

	Three Months Ended June 30, 2019						
	Retail	Potash	Nitrogen	Phosphate	Corporate and Others	Eliminations	Consolidated
Sales – third party	6,503	873	857	424	36	-	8,693
– intersegment	9	47	235	60	-	(351)	-
Sales – total	6,512	920	1,092	484	36	(351)	8,693
Freight, transportation and distribution	-	72	126	66	-	(49)	215
Net sales	6,512	848	966	418	36	(302)	8,478
Cost of goods sold	5,072	317	672	428	36	(359)	6,166
Gross margin	1,440	531	294	(10)	-	57	2,312
Selling expenses	683	1	7	2	(3)	-	690
General and administrative expenses	27	-	5	1	62	-	95
Provincial mining and other taxes	-	91	-	1	4	-	96
Share-based compensation expense	-	-	-	-	59	-	59
Other expenses (income)	39	-	(23)	10	51	-	77
Earnings (loss) before finance costs and income taxes	691	439	305	(24)	(173)	57	1,295
Depreciation and amortization	145	114	154	62	11	-	486
EBITDA	836	553	459	38	(162)	57	1,781
Assets – at December 31, 2019	19,990	11,696	10,991	2,198	2,129	(205)	46,799

Unaudited In millions of US dollars except as otherwise noted

	Six Months Ended June 30, 2020						
	Retail	**Potash**	**Nitrogen**	**Phosphate**	**Corporate and Others**	**Eliminations**	**Consolidated**
Sales – third party	**9,379**	**1,164**	**1,401**	**611**	**47**	**-**	**12,602**
– intersegment	**19**	**128**	**378**	**106**	**-**	**(631)**	**-**
Sales – total	**9,398**	**1,292**	**1,779**	**717**	**47**	**(631)**	**12,602**
Freight, transportation and distribution	**-**	**187**	**248**	**127**	**-**	**(113)**	**449**
Net sales	**9,398**	**1,105**	**1,531**	**590**	**47**	**(518)**	**12,153**
Cost of goods sold	**7,257**	**575**	**1,226**	**569**	**43**	**(545)**	**9,125**
Gross margin	**2,141**	**530**	**305**	**21**	**4**	**27**	**3,028**
Selling expenses	**1,399**	**4**	**12**	**3**	**(13)**	**-**	**1,405**
General and administrative expenses	**68**	**3**	**4**	**5**	**125**	**-**	**205**
Provincial mining and other taxes	**-**	**103**	**1**	**-**	**1**	**-**	**105**
Share-based compensation recovery	**-**	**-**	**-**	**-**	**(20)**	**-**	**(20)**
Other expenses (income)	**21**	**5**	**(9)**	**9**	**86**	**-**	**112**
Earnings (loss) before finance costs and income taxes	**653**	**415**	**297**	**4**	**(175)**	**27**	**1,221**
Depreciation and amortization	**318**	**205**	**322**	**119**	**26**	**-**	**990**
EBITDA	**971**	**620**	**619**	**123**	**(149)**	**27**	**2,211**
Assets – at June 30, 2020	**20,529**	**11,915**	**10,708**	**2,111**	**2,835**	**(297)**	**47,801**

	Six Months Ended June 30, 2019						
	Retail	Potash	Nitrogen	Phosphate	Corporate and Others	Eliminations	Consolidated
Sales – third party	8,533	1,580	1,469	766	64	-	12,412
– intersegment	18	110	372	117	-	(617)	-
Sales – total	8,551	1,690	1,841	883	64	(617)	12,412
Freight, transportation and distribution	-	145	198	116	-	(73)	386
Net sales	8,551	1,545	1,643	767	64	(544)	12,026
Cost of goods sold	6,702	589	1,183	763	64	(562)	8,739
Gross margin	1,849	956	460	4	-	18	3,287
Selling expenses	1,215	5	14	3	(9)	-	1,228
General and administrative expenses	54	-	7	3	126	-	190
Provincial mining and other taxes	-	154	1	1	5	-	161
Share-based compensation expense	-	-	-	-	116	-	116
Impairment of assets	-	-	-	-	33	-	33
Other expenses (income)	51	(3)	(28)	13	55	-	88
Earnings (loss) before finance costs and income taxes	529	800	466	(16)	(326)	18	1,471
Depreciation and amortization	281	214	267	122	22	-	906
EBITDA	810	1,014	733	106	(304)	18	2,377
Assets – at December 31, 2019	19,990	11,696	10,991	2,198	2,129	(205)	46,799

Unaudited In millions of US dollars except as otherwise noted

Presented below is revenue from contracts with customers disaggregated by product line or geographic location for each reportable segment to show how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Retail sales by product line				
Crop nutrients	**2,527**	2,626	**3,312**	3,313
Crop protection products	**2,436**	2,286	**3,446**	3,030
Seed	**1,141**	1,197	**1,535**	1,553
Merchandise	**253**	144	**469**	252
Services and other	**392**	259	**636**	403
	6,749	6,512	**9,398**	8,551
Potash sales by geography				
Manufactured product				
North America	**325**	329	**644**	647
Offshore [1]	**356**	591	**648**	1,042
Other potash and purchased products	**-**	-	**-**	1
	681	920	**1,292**	1,690
Nitrogen sales by product line				
Manufactured product				
Ammonia	**291**	354	**447**	541
Urea	**304**	331	**566**	562
Solutions, nitrates and sulfates	**233**	229	**429**	420
Other nitrogen and purchased products	**173**	178	**337**	318
	1,001	1,092	**1,779**	1,841
Phosphate sales by product line				
Manufactured product				
Fertilizer	**185**	307	**406**	547
Industrial and feed	**117**	116	**237**	240
Other phosphate and purchased products	**32**	61	**74**	96
	334	484	**717**	883

1 Relates to Canpotex Limited ("Canpotex") (Note 11).

NOTE 3 OTHER EXPENSES (INCOME)

	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Merger and related costs	**-**	25	**-**	36
Acquisition and integration related costs	**18**	-	**28**	-
Foreign exchange loss (gain), net of related derivatives	**18**	5	**(13)**	12
Earnings of equity-accounted investees	**(13)**	(30)	**(23)**	(47)
Bad debts	**21**	29	**27**	35
COVID-19 related expenses	**17**	-	**19**	-
Other expenses	**31**	48	**74**	52
	92	77	**112**	88

Unaudited In millions of US dollars except as otherwise noted

NOTE 4 INCOME TAXES

A separate estimated average annual effective income tax rate was determined for each taxing jurisdiction and applied individually to the interim period pre-tax earnings for each jurisdiction.

	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Income tax expense	**235**	294	**219**	306
Actual effective tax rate on earnings (%)	**25**	26	**24**	25
Actual effective tax rate including discrete items (%)	**24**	26	**23**	25
Discrete tax adjustments that impacted the tax rate	**(13)**	(11)	**(11)**	4

Income tax balances within the condensed consolidated balance sheets were comprised of the following:

Income Tax Assets and Liabilities	Balance Sheet Location	**As at June 30, 2020**	As at December 31, 2019
Income tax assets			
Current	Receivables	**43**	104
Non-current	Other assets	**71**	36
Deferred income tax assets	Other assets	**265**	249
Total income tax assets		**379**	389
Income tax liabilities			
Current	Payables and accrued charges	**89**	43
Non-current	Other non-current liabilities	**43**	44
Deferred income tax liabilities	Deferred income tax liabilities	**3,212**	3,145
Total income tax liabilities		**3,344**	3,232

NOTE 5 FINANCIAL INSTRUMENTS

Fair Value

Estimated fair values for financial instruments are designed to approximate amounts for which the instruments could be exchanged in a current arm's-length transaction between knowledgeable, willing parties. The valuation policies and procedures for financial reporting purposes are determined by our finance department. There have been no changes to our valuation methods presented in Note 12 of the 2019 annual consolidated financial statements and those valuation methods have been applied in these interim financial statements.

The following table presents our fair value hierarchy for financial instruments carried at fair value on a recurring basis or measured at amortized cost:

	June 30, 2020			December 31, 2019		
Financial assets (liabilities) measured at	**Carrying Amount**	**Level 1** [1]	**Level 2** [1]	Carrying Amount	Level 1 [1]	Level 2 [1]
Fair value on a recurring basis						
Cash and cash equivalents	**1,415**	**-**	**1,415**	671	-	671
Derivative instrument assets	**24**	**-**	**24**	5	-	5
Other current financial assets - marketable securities [2]	**152**	**22**	**130**	193	27	166
Investments at FVTOCI [3]	**139**	**139**	**-**	161	161	-
Derivative instrument liabilities	**(31)**	**-**	**(31)**	(33)	-	(33)
Amortized cost						
Current portion of long-term debt						
Notes and debentures	**-**	**-**	**-**	(494)	-	(503)
Fixed and floating rate debt	**-**	**-**	**-**	(8)	-	(8)
Long-term debt						
Notes and debentures	**(10,001)**	**(8,715)**	**(2,392)**	(8,528)	(1,726)	(7,440)
Fixed and floating rate debt	**(31)**	**-**	**(31)**	(25)	-	(25)

1 During the period ended June 30, 2020, there were no transfers between Level 1 and Level 2 for financial instruments measured at fair value on a recurring basis.
2 Marketable securities consist of equity and fixed income securities. We determine the fair value of equity securities based on the bid price of identical instruments in active markets. We value fixed income securities using quoted prices of instruments with similar terms and credit risk.
3 Investments at fair value through other comprehensive income ("FVTOCI") are comprised of shares in Sinofert Holdings Ltd.

Unaudited In millions of US dollars except as otherwise noted

NOTE 6 SHORT-TERM DEBT

Short-term debt was comprised of:

	Rate of Interest (%)	Total Facility Limit as at June 30, 2020	**As at June 30, 2020**	As at December 31, 2019
Credit facilities				
Unsecured revolving term credit facility	NIL	4,500	**-**	-
Uncommitted revolving demand facility	NIL	500	**-**	-
Other credit facilities [1]	0.9 - 11.8	640	**242**	326
Commercial paper	0.4 - 2.8		**1,005**	650
			1,247	976

1 Other credit facilities are unsecured and consist of South American facilities with debt of $184 (December 31, 2019 – $149) and interest rates ranging from 2.4 percent to 11.8 percent, Australian facilities with debt of $27 (December 31, 2019 – $157) and an interest rate of 1.3 percent, and Other facilities with debt of $31 (December 31, 2019 – $20) and interest rates ranging from 0.9 percent to 4.0 percent.

The amount available under the commercial paper program is limited to the availability of backup funds under the $4,500 unsecured revolving term credit facility and excess cash invested in highly liquid securities.

During the six months ended June 30, 2020, we entered into new committed revolving credit facilities totaling approximately $1,500, all with the same principal covenants and events of default as our existing credit facilities. We closed these credit facilities after the issuance of the new notes as described in Note 7.

NOTE 7 LONG-TERM DEBT

The following tables summarize our long-term debt issuances and repayment activities during the six months ended June 30, 2020:

	Rate of interest (%)	**Maturity**	**Amount**
Notes issued 2020	1.900	May 13, 2023	**500**
Notes issued 2020	2.950	May 13, 2030	**500**
Notes issued 2020	3.950	May 13, 2050	**500**
			1,500

The notes issued in 2020 are unsecured, rank equally with our existing unsecured notes, and have no sinking fund requirements prior to maturity. Each series is redeemable and provides for redemption prior to maturity, at our option, at specified prices.

	Rate of interest (%)	**Maturity**	**Amount**
Notes repaid 2020	4.875	March 30, 2020	**500**

In March 2020, we filed a base shelf prospectus in Canada and the US qualifying the issuance of up to $5,000 of common shares, debt and other securities during a period of 25 months from March 16, 2020. Issuance of securities requires us to file a prospectus supplement and is subject to availability of funding in capital markets. During the six months ended June 30, 2020, we filed a prospectus supplement to issue $1,500 of notes, as described above.

NOTE 8 SHARE CAPITAL

Share repurchase programs

	Board of Directors Approval	**Expiry**	**Maximum Shares for Repurchase**
2019 Normal Course Issuer Bid [1]	February 20, 2019	February 26, 2020	42,164,420
2020 Normal Course Issuer Bid [2]	February 18, 2020	February 26, 2021	28,572,458

1 The 2019 normal course issuer bid permitted the repurchase of up to 7 percent of our outstanding common shares for cancellation. As of the expiry date, we had repurchased 33,256,668 of the maximum shares for repurchase.
2 The 2020 normal course issuer bid permits the repurchase of up to 5 percent of our outstanding common shares for cancellation and can expire earlier than the date above if we acquire the maximum number of common shares allowable or otherwise decide not to make any further repurchases.

Purchases under the normal course issuer bids were, or may be, made through open market purchases at market prices as well as by other means permitted by applicable securities regulatory authorities, including private agreements.

Unaudited In millions of US dollars except as otherwise noted

The following table summarizes our share repurchase activities during the period:

	Three Months Ended June 30		Six Months Ended June 30	
	2020	2019	**2020**	2019
Number of common shares repurchased for cancellation	**-**	20,590,564	**3,832,580**	36,066,766
Average price per share (US dollars)	**-**	52.27	**41.96**	52.07
Total cost	**-**	1,076	**160**	1,878

Dividends declared

We declared dividends per share of $0.45 (2019 – $0.43) during the three months ended June 30, 2020, payable on July 17, 2020 to shareholders of record on June 30, 2020 and $0.90 (2019 – $0.43) during the six months ended June 30, 2020.

Subsequent to June 30, 2020, we declared a quarterly dividend of $0.45 per share payable on October 16, 2020 to shareholders of record on September 30, 2020. The total estimated dividend to be paid is $256.

NOTE 9 BUSINESS ACQUISITIONS

Ruralco

On September 30, 2019, we acquired Ruralco Holdings Limited ("Ruralco") for a purchase price, net of cash and cash equivalents acquired, of $330. We have engaged independent valuation experts to assist in determining the fair value of certain assets acquired and liabilities assumed.

Other Acquisitions

During the six months ended June 30, 2020, we acquired several businesses, the largest of which was Tec Agro Group, a leading agriculture retailer in Brazil. The acquired businesses include 29 Retail locations in North and South America and Australia. Expected benefits of the acquisitions include expansion of geographical coverage for the sale of crop input products and services, an increased customer base and workforce and synergies between Nutrien and the acquired businesses.

The preliminary values allocated to the acquired assets and assumed liabilities based upon fair values were as follows:

	June 30, 2020			
	Ruralco (Estimate)			Other Acquisitions
	Preliminary	Adjustments	Revised Fair Value	
Receivables	318	-	**318** [1]	**75**
Inventories	115	-	**115**	**62**
Prepaid expenses and other current assets	8	-	**8**	**2**
Property, plant and equipment	136	-	**136**	**40**
Goodwill	189	18	**207**	**147**
Other intangible assets	210	-	**210**	**-**
Investments	15	-	**15**	**-**
Other assets	16	-	**16**	**1**
Total assets	1,007	18	**1,025**	**327**
Short-term debt	167	-	**167**	**36**
Payables and accrued charges	342	21	**363**	**108**
Lease liabilities, including current portion	110	-	**110**	**-**
Deferred income tax liabilities	45	(3)	**42**	**1**
Other non-current liabilities	13	-	**13**	**9**
Total liabilities	677	18	**695**	**154**
Total consideration	330	-	**330**	**173**

1 Includes receivables from customers with gross contractual amounts of $260, of which $5 are considered to be uncollectible.

The preliminary value relating to Ruralco, included in the above table, was previously reported in our first quarter financial statements. The purchase price allocation is not final as we continue to obtain and verify information required to determine the fair value of certain assets and liabilities and the amount of deferred income taxes arising on their recognition. We estimated the preliminary purchase price allocation as of the date of the acquisition based on information that was available and continue to adjust those estimates as new information that existed at the date of acquisition becomes available. We will finalize the amounts recognized by September 30, 2020. All measurement period adjustments were offset against goodwill.

Unaudited In millions of US dollars except as otherwise noted

Financial information related to business acquisitions is as follows:

Pro Forma [1]	Other Acquisitions
Sales	**260**
EBIT	**19**

1 Estimated annual sales and earnings before finance costs and income taxes ("EBIT") if acquisitions occurred at January 1, 2020.

	Three Months Ended June 30, 2020	Six Months Ended June 30, 2020
From date of acquisition	**Other Acquisitions**	**Other Acquisitions**
Sales	**30**	**40**
EBIT	**-**	**-**

NOTE 10 SEASONALITY

Seasonality in our business results from increased demand for products during planting season. Crop input sales are generally higher in spring and fall application seasons. Crop input inventories are normally accumulated leading up to each application season. The results of this seasonality have a corresponding effect on receivables from customers and rebates receivables, inventories, prepaid expenses and other current assets and trade payables. Our short-term debt also fluctuates during the year to meet working capital needs. Our cash collections generally occur after the application season is complete, while customer prepayments made to us are typically concentrated in December and January and inventory prepayments paid to our vendors are typically concentrated in the period from November to January. Feed and industrial sales are more evenly distributed throughout the year.

NOTE 11 RELATED PARTY TRANSACTIONS

We sell potash from our Canadian mines for use outside Canada and the United States exclusively to Canpotex. Sales are at prevailing market prices and are settled on normal trade terms. Sales to Canpotex for the three months ended June 30, 2020 were $356 (2019 – $591) and the six months ended June 30, 2020 were $648 (2019 – $1,042). At June 30, 2020, $308 (December 31, 2019 – $194) was owing from Canpotex.