
Nutrien™
Feeding the Future™
Investor Day Market Outlook
November 30, 2020

Forward Looking Statements

Forward-Looking Statements

Certain statements and other information included in this presentation constitute "forward-looking information" or "forward-looking statements" (collectively, "forward-looking statements") under applicable securities laws. All statements in this presentation, other than those relating to historical information or current conditions, are forward-looking statements, including, but not limited to: expectations regarding Nutrien's business and operations; expectations regarding results of Nutrien's operations in 2020 and in the future, including expectations regarding our expected adjusted EBITDA (both consolidated and by segment) for 2020 and beyond; expectations regarding our Carbon Program, including the anticipated timing of the implementation thereof and the benefits to be realized (by Nutrien and otherwise) therefrom; expectations regarding our environmental, social and governance (ESG) performance, including greenhouse gas (GHG) emissions reductions, capital spending expectations (both consolidated and by segment) for 2020 and beyond; expectations regarding performance of our operating segments in 2020 and beyond; our market outlooks and market conditions for 2020 and beyond; expectations regarding completion of previously announced and expected expansion projects (including timing and volumes of production associated therewith) and acquisitions and divestitures, including the synergies expected in connection therewith; expectations about our ability to deliver shareholder value, including dividends; 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 import and export volumes. 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.

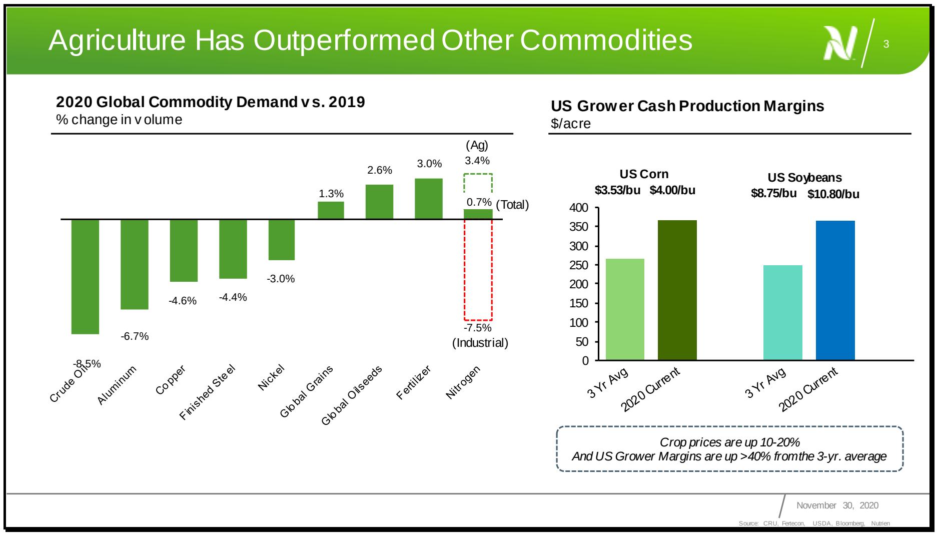
All of the forward-looking statements are qualified by the assumptions that are stated or inherent in such forward-looking statements, including the assumptions referred to below and elsewhere in this presentation. Although we believe that these assumptions are reasonable, having regard to our experience 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 completed and future acquisitions and divestitures, 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 the development and execution of strategies to implement our Carbon Program; 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 the COVID-19 pandemic 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; the failure to successfully integrate and realize the expected synergies of future acquisitions, including within the expected timeframe; 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, services and programs; failure to realize technological improvements required to implement our Carbon Program, including our ability to develop and/or access such technology; 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 business and economic conditions; and other risk factors detailed from time to time in Nutrien reports, including our 2019 annual report dated February 19, 2020, our annual information form dated February 19, 2020 for the year ended December 31, 2019 and our third quarter 2020 interim report dated November 2, 2020, filed with the Canadian securities regulators and the Securities and Exchange Commission (SEC) in the United States.
This presentation contains certain information which constitutes "financial outlook" and "future-oriented financial information" under applicable Canadian securities laws, including our expected adjusted EBITDA (consolidated and by segment), the purpose of which is to assist readers in understanding our expected and targeted financial results, and this information may not be appropriate for other purposes.

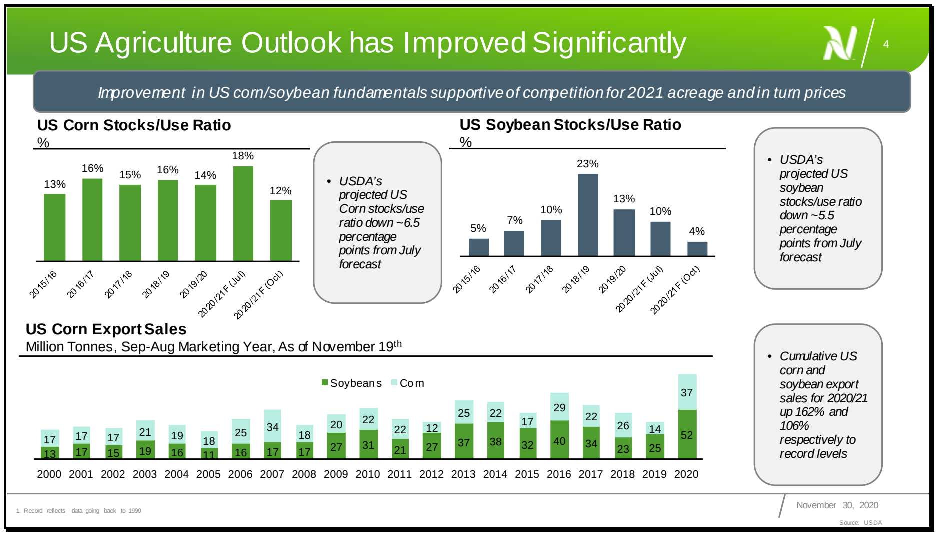
The forward-looking statements in this presentation are made as of the date hereof and Nutrien disclaims any intention or obligation to update or revise any forward-looking statements in this presentation as a result of new information or future events, except as may be required under applicable Canadian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

Non-IFRS Financial Measures Advisory

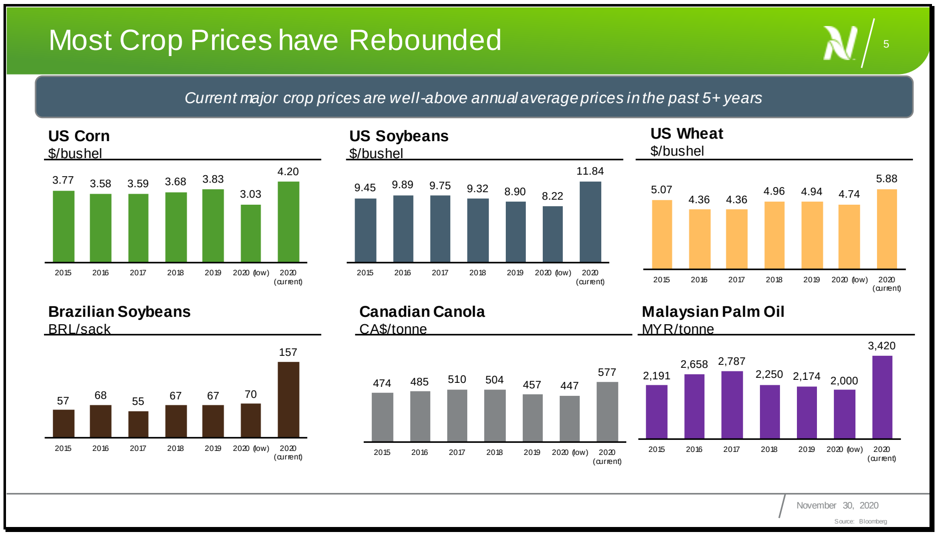
This presentation contains certain non-IFRS financial measures including adjusted EBITDA (consolidated), adjusted EBITDA (consolidated) guidance, adjusted net debt to adjusted EBITDA, Retail adjusted average working capital to sales, Retail adjusted EBITDA to sales, Nutrien Financial receivables, Retail cash operating coverage ratio, Retail adjusted EBITDA per US selling location, Potash cash cost of product manufactured (COPM), ammonia controllable COPM, P_2O_5 controllable COPM and the combined historical results of Potash Corporation of Saskatchewan Inc. and Agrium Inc. for the year ended December 31, 2017. We consider non-IFRS financial measures to provide useful information to both management and investors in measuring our financial performance and financial condition. Refer to the disclosure under the heading "Appendix B – Non-IFRS Financial Measures" included in our management's discussion and analysis dated November 2, 2020 for three and nine months ended September 30, 2020, as well as non-IFRS financial measures disclosures in prior management's discussion and analysis as filed with the Canadian securities regulators and the SEC in the United States, for a reconciliation of these non-IFRS financial measures to the most directly comparable measures calculated in accordance with IFRS and for a further discussion of how these measures are calculated and their usefulness to users, including management of Nutrien. Non-IFRS financial measures are not recognized measures under IFRS and our method of calculation may not be comparable to that of other companies. 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.



- Although Covid-19 has resulted in economic hardship for many industries, agriculture has been resilient and demand has been strong, particularly in the second half of 2020 in China.
- Crop prices have taken a major step up and are now at their highest levels in the last 5+ years. This has improved grower sentiment in markets around the world.
- We also estimate that fertilizer demand growth has been strong, despite the COVID-19 pandemic, partly aided by good growth in fertilizer applications in China.
- However, industrial nitrogen consumption declined significantly as a result of the decline in global industrial activity due to the pandemic.

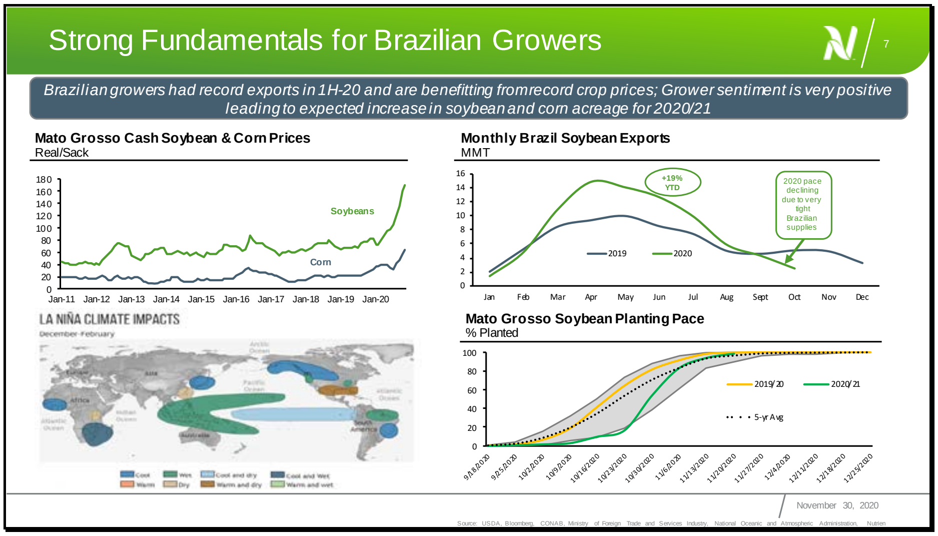


- Early 2020 USDA supply forecasts were bearish due to expected high acreage and above trend yields, however, dry weather this summer, reduced acreage and yields versus original expectations, and record import demand from China has resulted in dramatically lower inventories than previously forecast.
- Stocks/use ratios are now at their lowest levels since 2013/14 and prices have rebounded significantly as a result. This has increased the profitability of the US grower, which we expect to support increased acreage in 2021, particularly if spring weather is more normal than the past two years.

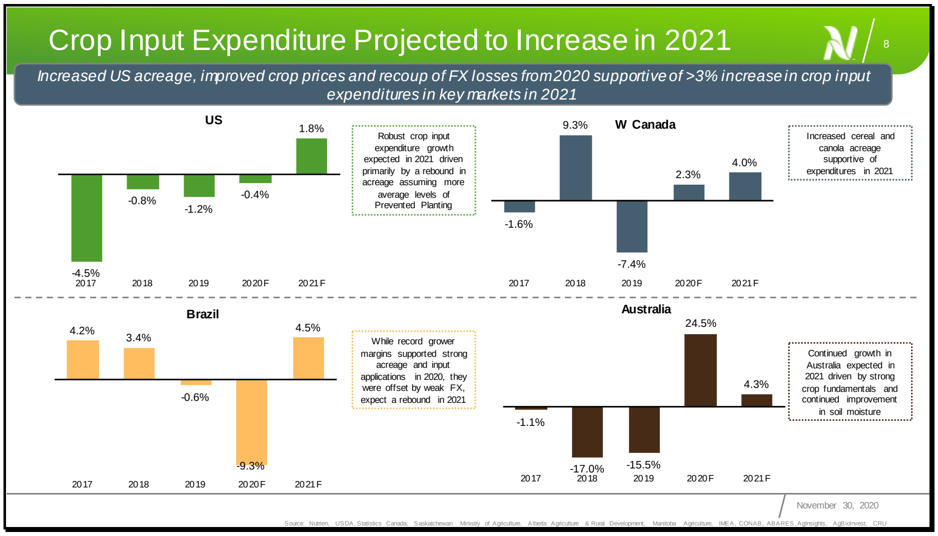


- Crop prices have rebounded from summer lows caused by COVID-19 headwinds and are now at the highest levels in at least the last five years.
- Higher crop prices in 2020/21 are supportive of the highest cash margins in several years, supporting net farm income and in turn crop input demand in 2021.

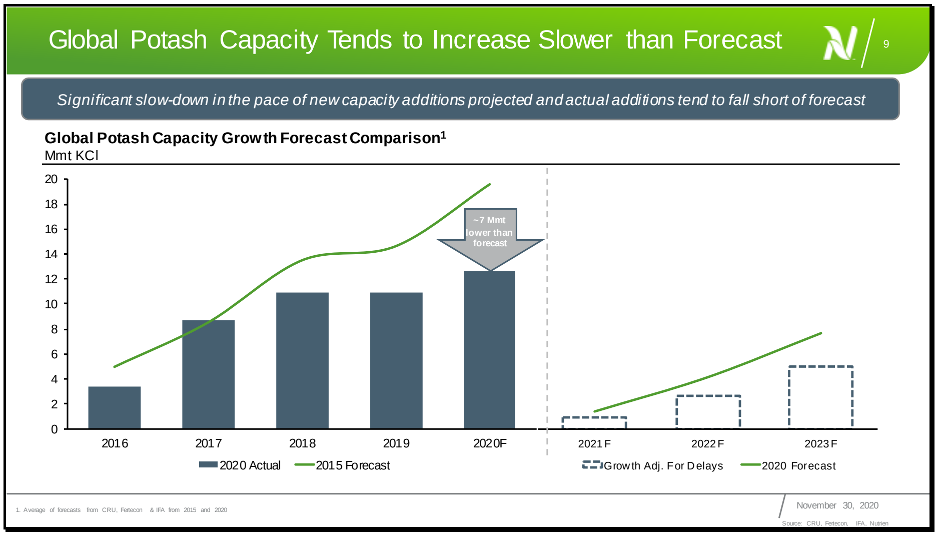
- China has been rebuilding their hog herd after African Swine Fever forced the culling of a large proportion of the herd. The rebuild has resulted in increased demand for feed grain, particularly corn and soybeans, as China shifts towards utilizing an increased proportion of these crops in feed rations at their hog operations.
- The Chinese economy has also rebounded since early 2020 Covid-19 lockdowns; improved consumer demand has been supportive for agricultural products.
- China has low stocks of corn and their 2020 crop was of low quality, forcing China to aggressively enter the global agricultural trade market and commit to record levels of US corn and soybeans. The structural deficit in corn production is supportive of continued Chinese import demand in 2021.



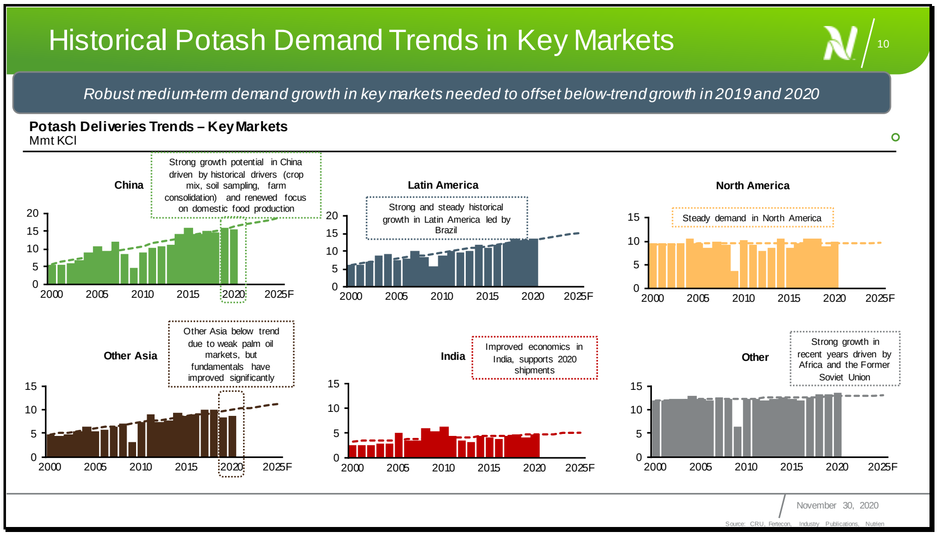
- Brazilian growers are experiencing record domestic corn and soybean prices due to high demand for exports and tight domestic supplies. This is resulting in growers receiving near-record returns on their 2020/21 crop. The strong fundamentals supports acreage growth in 2020 and 2021.
- Demand for soybeans from China in the first half of 2020 led to record soybean exports in 2020, and China's continued demand bodes well for 2021.
- The La Nina weather pattern has caused dryness in South America and delayed the planting of soybeans. This dry weather and delayed planting is likely to impact yields and second crop corn planting in Q1-2021.



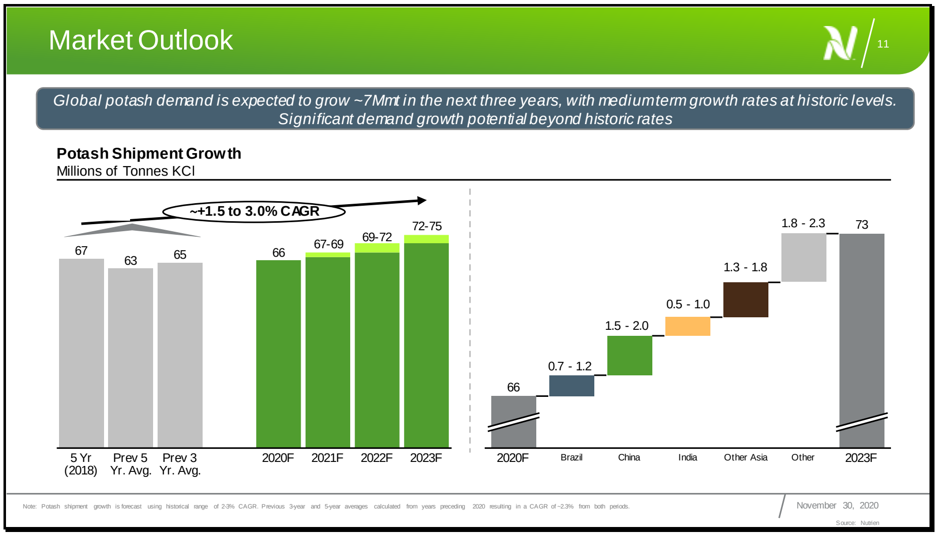
- Much improved grower sentiment in all operating regions, paired with strong grower economics improves the outlook for 2021 input demand. Growers are likely to increase acreage and spend in 2021 due to their strong financial position in 2020
- Non-US currency depreciation in 2020 negatively impacted US dollar expenditures – we expect continued strong demand and increased pass-through to support expenditures in 2021.



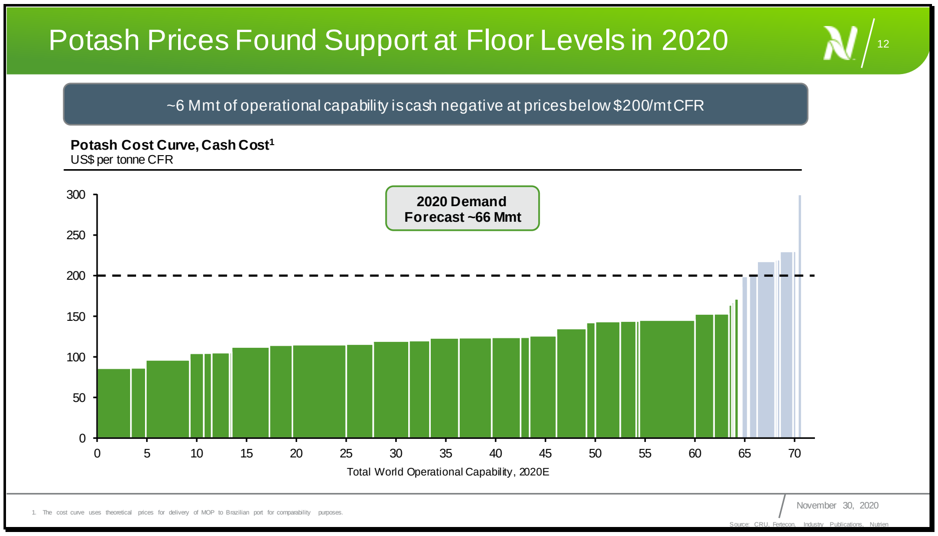
- We believe the time and capital costs required to build new potash capacity are often underestimated. This was highlighted over the past few years by multiple announcements of project delays and postponements.
- These changes have removed approximately 7 million tonnes of potash capacity from what we forecasted back in 2015.
- While the volume of new projects projected over the next 3 years is significantly lower than the past 5 years, we expect that there is the potential for further delays as has typically been the case historically.



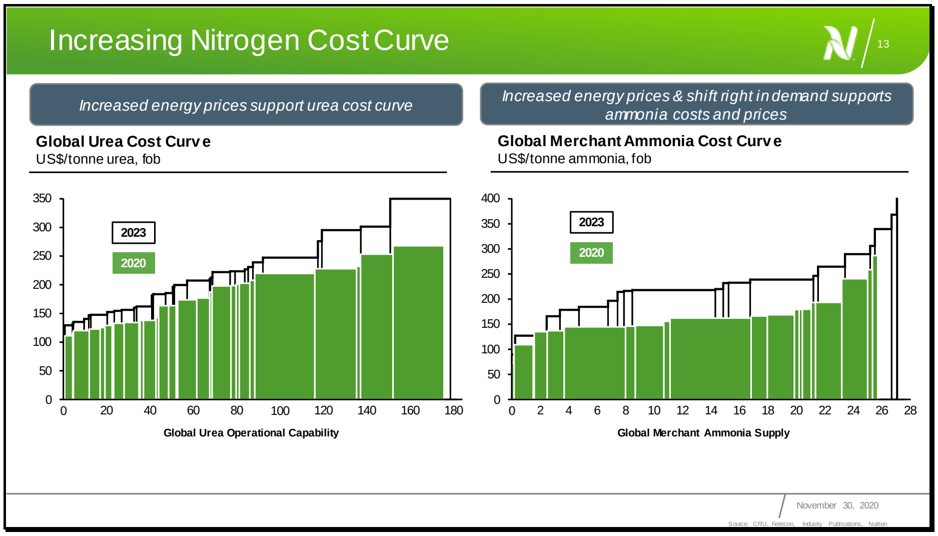
- Long-term world potash demand has grown at an average annual rate between 2.5 and 3.0 percent since 2000, with the primary growth occurring in the large developing markets of Asia and Latin America. These regions are characterized by having a combination of expanding crop production base and/or historical underapplication of potash compared to scientifically recommended levels.
- Potash consumption has closely followed growth in production of grains, oilseeds, fruits and vegetables.
- In the long run, we expect potash consumption will continue to grow, largely driven by the need to increase crop production and by improved potash application rates, particularly in developing countries.



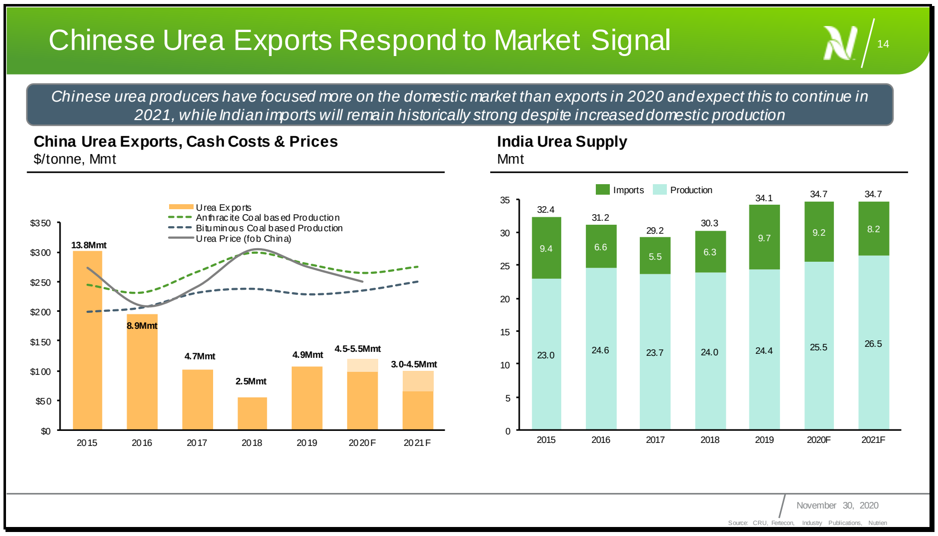
- Growth in world demand has fallen below historical trend levels over the past two years as a result of the combination of poor weather, weak prices for key ag commodities and inventory shifts.
- Demand for potash has cycled in this manner historically – in the past, periods of slower growth are followed by above-trend demand growth. We believe supportive agriculture fundamentals and the need to address declining soil fertility levels will enable strong demand growth in the years ahead.
- We project that a return to the long-term trendline will lead potash demand to be in the range of 73 million tonnes by 2023, with growth concentrated in China and Other Asia, which have fallen below historical trend levels over the past two years.



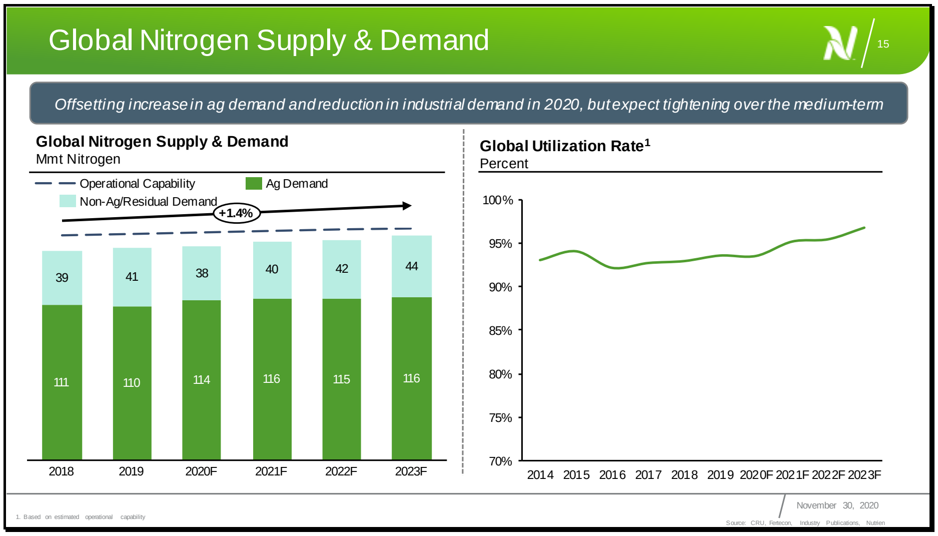
- Potash operating costs are largely impacted by geological conditions such as ore grade and consistency, operational size, labor costs and the degree of automation. Weakened currencies, relative to the US dollar, have also been key factors affecting production costs in the last few years, mostly benefiting FSU (Russian/Belarusian) producers.
- When producing at high operating rates – and in a low energy cost environment – the cash cost of production for most producers is within a relatively narrow band. The operations in Saskatchewan are among the lowest-cost on a global scale due to their large scale and the high quality of Canadian potash deposits.
- Higher-cost facilities are primarily older, smaller-scale European and US plants as well as the smaller producers in China. The relatively low potash prices have pressured margins for these high-cost producers, resulting in some announced capacity closures over the last few years.
- In both 2016 and 2020, global potash prices tested floor levels and we estimate that approximately 6 million tonnes of operational capability is cash negative with prices in the range of the traded lows in 2020.



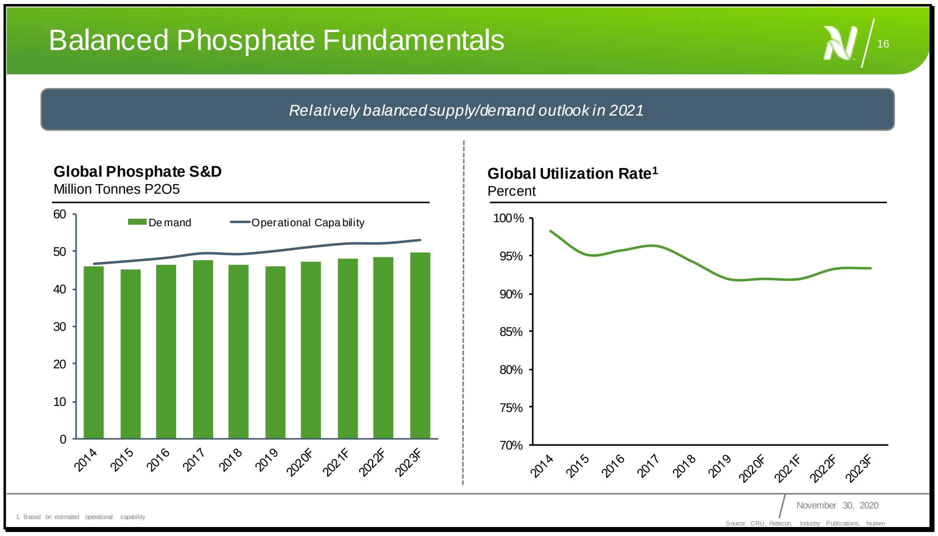
- With energy feedstock costs accounting for the bulk of nitrogen production costs, lower global energy prices in 2020 have brought down nitrogen production costs in many regions, particularly in Europe. This has positioned additional competitive volumes into the market and pressured nitrogen prices particularly in the first half of the year.
- However, industry consultants forecast higher global energy prices, which are expected to lift nitrogen production costs in key producing regions in 2023. While natural gas prices in Europe are projected to remain below 2018 levels, they are projected to increase versus the unsustainably low levels of 2020.
- Meanwhile, projected increasing coal prices in markets such as China are also projected to support marginal costs compared to historically low levels in 2020.
- The high end of the ammonia cost curve is relatively steep and prices fell below those levels in 2020 as a result of low industrial demand. We expect that the combination of increased energy prices, as forecast by industry consultants, and more normal demand in the coming years will support marginal ammonia costs at a higher point in the cost curve over the next one to three years.



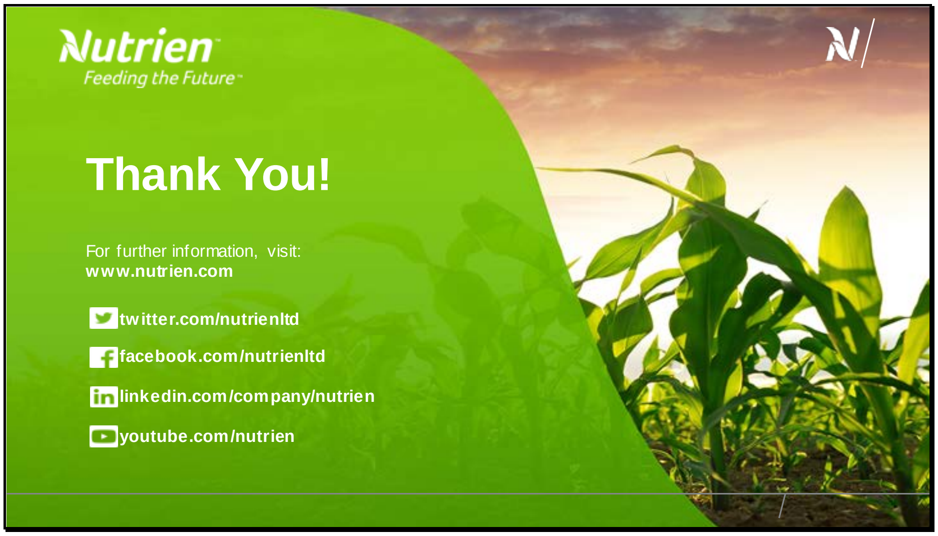
- Chinese urea exports were limited throughout much of 2020 by strong domestic fertilizer demand, but the pace increased in the second half of the year due to strong Indian urea import demand.
- We expect that Chinese urea exports will decline in 2021 as domestic demand is supported by robust agricultural fundamentals, which in addition to firm feedstock prices and more stringent environmental regulations are expected to reduce exportable supplies.
- Indian nitrogen consumption has grown by nearly 20 percent since 2010. Despite the slight increase in domestic production, India continues to be the world's largest urea importer.
- Historically, Chinese urea exports have trended with Indian imports and we expect that Chinese exports will continue to be higher in years with strong Indian demand.



- World nitrogen consumption for agricultural and industrial uses has risen at a compound annual growth rate of approximately 1.8 percent over the past decade, and we expect this trend will continue in the medium-term although at a slightly lower growth rate.
- Following a decline in 2020, we expect improved global industrial nitrogen demand in 2021, which in combination with robust nitrogen fertilizer demand growth is expected to support the supply/demand balance next year.
- While we do expect new nitrogen plants to come online over the medium-term, recent history suggests that projects are likely to be delayed and, in some cases, canceled and some are being constructed.
- Given the slow pace of projects projected to come on stream, particularly after 2021, we expect demand growth will outpace capacity additions in the next few years, resulting in higher global operating rates.



- We expect a relatively balanced phosphate market in 2021. Global consumption is forecast to grow at approximately 1.5 percent per year, with demand growth projected for South Asia and Latin America largely offset by additional supplies from Morocco.
- Phosphate raw material prices continue to be relatively low but have increased from levels earlier in 2020. Changes in raw material costs will be a key supply-side driver in 2021 and beyond.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