

2020 Sustainability Report



Clean Energy for a Sustainable World

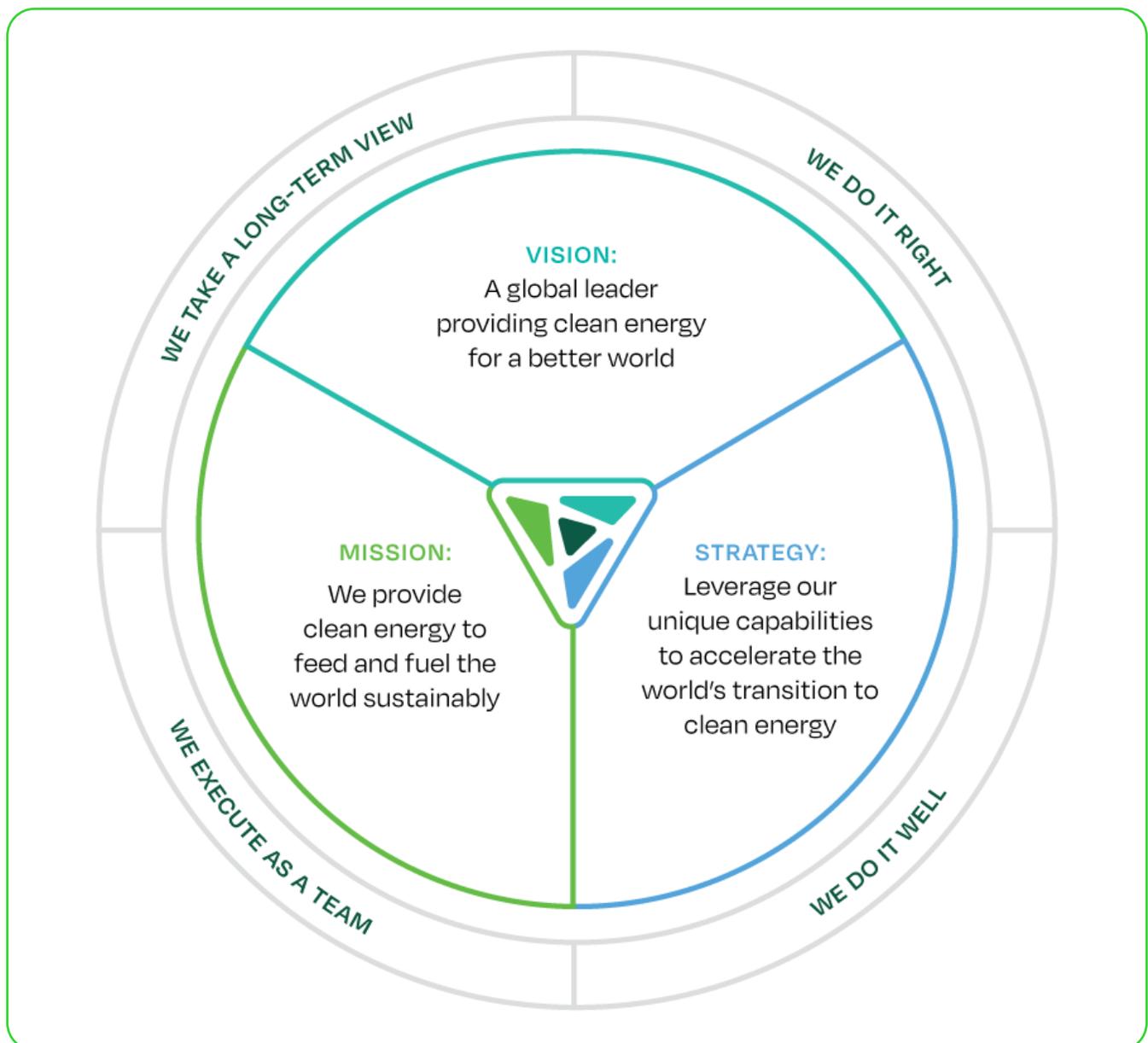


About CF Industries

GRI 102-1, 102-2, 102-4, 102-6, 102-7, 103-1; SASB RT-CH-000.A

At CF Industries, our mission is to provide clean energy to feed and fuel the world sustainably. Our employees are focused on safe and reliable operations, environmental stewardship, and disciplined capital and corporate management. We are on a path to decarbonize our ammonia production network – the world’s largest – to enable green and blue hydrogen and nitrogen products for energy, fertilizer, emissions abatement and other

industrial activities. Our 9 manufacturing complexes in the United States, Canada, and the United Kingdom, an unparalleled storage, transportation and distribution network in North America, and logistics capabilities enabling a global reach underpin our strategy to leverage our unique capabilities to accelerate the world’s transition to clean energy. For additional information, please visit www.cfindustries.com.



A Message from Our CEO

GRI 102-14; TCFD Governance B, Strategy A, B, C, Metrics and Targets C

TO OUR STAKEHOLDERS:

2020 will be remembered for the challenges and difficulties our society faced. At CF Industries, we will also remember our achievements and progress that marked the year.

I want to highlight a couple of the more significant accomplishments of 2020:

- ▶ We fulfilled our role as part of the critical infrastructure of every country where we operate, ensuring our vital products were available to grow the food the world needed.
- ▶ We achieved our lowest year-end recordable incident rate ever, ending the year with only four recordable injuries and zero lost-time injuries across our network.
- ▶ As is typically the case, safe operations are also more productive. We produced a Company-record 10.4 million tons of gross ammonia and set an all-time sales record of over 20 million product tons for the first time.
- ▶ Our collective efforts to manage the risks of COVID-19 at our locations have helped protect the health and well-being of employees and those who enter our locations. To date, we have not experienced a single known transmission of COVID-19 at our locations, nor any disruptions to our business from the pandemic.

In addition to our outstanding business performance, we made substantial progress across our environmental, social and governance (ESG) agenda as part of our commitment to a more sustainable world.

OUR STRATEGIC DIRECTION: ACCELERATING THE WORLD'S TRANSITION TO CLEAN ENERGY

In 2020, we announced a major shift in our Company's strategy linked with a set of comprehensive ESG goals covering critical environmental, societal, and workforce imperatives. Meeting the challenge of climate change is at the center of our strategy, which is focused on supporting and accelerating the world's transition to a clean energy economy. This commitment provides a long-term growth platform for the Company, as well as doing our part to make the world more sustainable. As you will read in this report, our core product—ammonia—is a critical part of unlocking hydrogen as a clean fuel and can serve as a clean fuel in its own right.





GRI 102-51, 102-52

Our strategy is to leverage our unique capabilities to accelerate the world's transition to clean energy. We will decarbonize our network and aggressively scale our ability to produce green and blue ammonia, positioning CF Industries at the forefront of clean hydrogen and ammonia supply. We also expect demand for blue ammonia to increase as the agriculture industry decarbonizes. We believe that as we execute our strategy and help develop the market for clean and blue ammonia, we will generate sustainable value for all of our stakeholders.

ACCOUNTABILITY AND TRANSPARENCY

Linked to our strategy of accelerating the world's transition to clean energy, we announced a comprehensive set of ESG commitments. These commitments include a dramatic reduction in carbon emissions across our global network to achieve net-zero carbon emissions by 2050 and an intermediate goal of a 25% reduction in emissions intensity by 2030. Our ESG goals also encompass other issues important to CF Industries and its stakeholders, including diversity and inclusion, safety, food security, nutrient management and community involvement. Our complete list of ESG goals appears later in this report and can also be found at www.cfindustries.com.

Given the critical importance of these efforts to the Company, shareholders and stakeholders, our Board of Directors has begun aligning executive compensation directly to ESG objectives. It has also established a new committee, the Environmental Sustainability and Community Committee, to

oversee all aspects of the progress toward net-zero carbon emissions and the Company's active involvement in the communities in which it operates.

We also have continued to increase the level of transparency and detail on our annual nonfinancial reporting. In our 2018 reporting cycle, we began reporting on a comprehensive basis and we disclosed to all standards of the Global Reporting Initiative (GRI). For 2019, we incorporated reporting to the Sustainability Accounting Standards Board, or SASB, framework. This year, we are for the first time reporting to the Task Force on Climate-related Financial Disclosures (TCFD) guidelines. Additionally, we remain committed to make the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and to engage in collaborative projects that advance the UN Sustainable Development Goals (SDGs).

OUR BROADER SOCIAL IMPACT

In 2019, through the Business Roundtable's Statement on the Purpose of a Corporation, we reaffirmed our commitment to the idea that everyone deserves an economy that allows each person to succeed through hard work and creativity and lead a life of meaning and dignity. 2020 demonstrated how fragile the social fabric that enables this success can be when confronted with both longstanding and unprecedented challenges.

We believe we have an opportunity to help create a better world not just through the products we make and the way we operate, but also through empowering our employees, strengthening our culture of inclusive leadership and supporting our communities. As you will see in this report, we took positive steps in these areas in 2020, and are looking to accelerate our progress in 2021 and beyond.

LONG-TERM VALUE CREATION FOR ALL STAKEHOLDERS

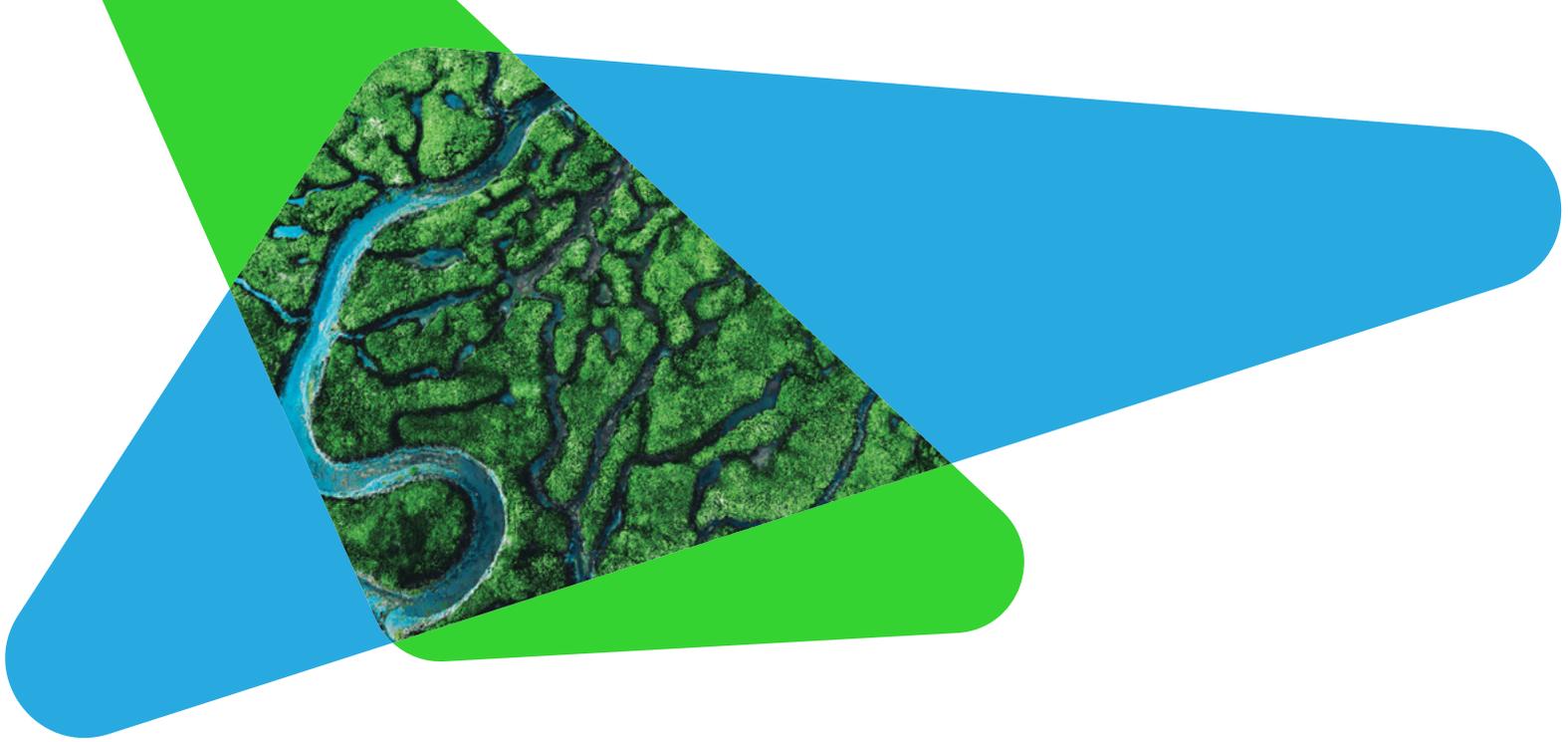
Earlier this year, we marked 75 years in business, a milestone that underscores the value CF Industries has provided to stakeholders through our products, how we engage employees and our commitment to our communities. As you will see in the following pages, we are focused on building on this legacy in the years ahead to continue to create value for all our stakeholders.

Thank you for your interest in CF Industries. We look forward to working with you as we advance our shared commitment to a more sustainable world.



Tony Will
President and Chief Executive Officer





Accelerating the World's Transition to Clean Energy

As the world's largest producer of ammonia – a simple molecule composed of three parts hydrogen and one part nitrogen – CF Industries has been at the center of helping the world meet its greatest challenges. For 75 years, our business has primarily revolved around how the nitrogen in ammonia helped the world meet the challenge of feeding a growing population. The fertilizers we manufacture let farmers grow more food from every acre. By producing more with less, farmers increase food security, help the population thrive, conserve resources and prevent the destruction of carbon-sequestering forests.

Today, ammonia has the potential to help the world meet another challenge: decarbonizing economies. As countries around the world work to reach net-zero carbon emissions by 2050, hydrogen has emerged as a leading source of clean energy. Industry experts project hydrogen will meet approximately 20% of the world's energy needs by 2050, up from less than 1% today. Green and blue ammonia is a critical enabler for the storage and transport of hydrogen and thus

has a major role to play in decarbonizing industries. Ammonia can also be a clean fuel in its own right.

Meeting the challenge of climate change is at the center of our Company strategy, which is to leverage our unique capabilities to accelerate the world's transition to clean energy. We will decarbonize our network and aggressively scale our ability to produce green and blue ammonia, positioning CF Industries at the forefront of clean hydrogen and ammonia supply. We also expect demand for blue ammonia to increase as the agriculture industry decarbonizes.

In line with and central to achieving our strategy, in 2020 the Company announced a set of comprehensive environmental, social and governance (ESG) goals, including a dramatic reduction in carbon emissions across our global network, a commitment to achieve net-zero carbon emissions by 2050 and specific goals related to inclusion and diversity.

TCFD Governance B, Strategy A, B, C

Comprehensive ESG Goals

GRI 102-21, 102-40, 102-42, 102-43, 102-46, 102-47; SASB RT-CH-110a.2; TCFD Metrics and Targets A, B, C

MATERIAL ISSUES

CF's material issues fall under four key dimensions: energy, emissions and climate change; workplaces and communities; food security and product stewardship; and ethics and governance. We identified these material issues through internal and external stakeholder engagement by aligning with long-term business strategy and emerging trends and issues of importance.

We believe an issue is material if it meets two conditions: if it impacts our business significantly in terms of growth, cost or risk and if it is important to our stakeholders and they expect us to take action on the issue. In determining if an issue is material, we consider our impacts across the entire value chain.

STAKEHOLDER ENGAGEMENT

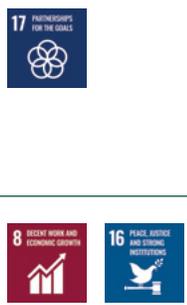
CF Industries believes in fostering open dialogue with all of our stakeholders, which includes listening to and communicating with our customers, employees,

farmers, policymakers, government officials, non-governmental organizations (NGOs), shareholders, suppliers and our communities. We identify relevant stakeholders as those individuals and/or groups that our people, facilities and products impact directly. As we embark on a new path to support a clean energy economy, those stakeholders have expanded and we continue to engage new groups. Examples of stakeholder engagement include:

- ▷ Investor calls/conferences
- ▷ Customer meetings/events
- ▷ Dialogue with local community leaders
- ▷ Partnerships with industry groups, industry coalitions and events/conferences
- ▷ Partnerships with NGOs
- ▷ Engagement with governmental officials
- ▷ Employee surveys and town hall meetings

Energy, Emissions and Climate Change		Our Workplaces and Communities		Food Security and Product Stewardship		Ethics and Governance	
CF'S IDENTIFIED MATERIAL ISSUES							
GHG Emissions					Diversity and Inclusion		
Energy Management					Community Relations		
Air Quality					Safety & Environmental Stewardship of Chemicals		
Climate Change					Environmental Compliance		
Water Management					Food Security		
Workforce Health & Safety					Product Design for Use-Phase Efficiency		
Process Safety, Emergency Preparedness & Response					Ethics		
Training and Development					Management of Legal and Regulatory Environment		

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Energy, Emissions and Climate Change</p>	<p>GHG Emissions; Energy Management; Climate Change</p> <p>Reduce carbon emissions</p> <ul style="list-style-type: none"> ▶ During 2021, develop and prioritize a list of viable GHG reduction capital projects ▶ Reduce total CO₂ equivalent emissions by 25% per ton of product by 2030 (2015 baseline year) ▶ Achieve net-zero carbon emissions by 2050 	   
	<p>Climate Change</p> <p>Begin to report and disclose Company data in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework for climate-related risks and opportunities, in addition to the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB)</p>	 
	<p>Water Management</p> <p>Ensure sustainable management of water (availability, use, and discharge) for all manufacturing operations:</p> <ul style="list-style-type: none"> ▶ During 2021, identify and evaluate a list of viable water reuse/reduction projects ▶ Develop integrated water resource management plans to ensure sustainable withdrawals and discharges 	  
 <p>Our Workplaces + Communities</p>	<p>Workforce Health & Safety</p> <p>Strengthen and improve behavioral safety practices that support the commitment to safety excellence</p> <ul style="list-style-type: none"> ▶ At least 95% of the aggregated safety grades of all employees at manufacturing and distribution sites must be a "B" or better for the year ▶ Safety critical equipment inspections completed per schedule ▶ Management of changes in current year closed within 90 days of pre-startup review 	
	<p>Diversity & Inclusion</p> <p>Continue to improve the inclusiveness and diversity of the Company and the Culture</p> <ul style="list-style-type: none"> ▶ Increase representation of females and persons of color in senior leadership roles (director level and above) to at least 30% by end of 2025 ▶ Implement a program to create additional pathways to long-term professional growth for traditionally underrepresented employee groups by end of 2021 with the ultimate goal of increasing the hiring and promotion of minority and female candidates 	  

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Our Workplaces + Communities</p>	<p>Community Relations</p> <p>Increase engagement and support with our local communities and expand the corporate giving philosophy to include environmental sustainability, food access and security, STEM education and first responders within our local communities</p> <p>Implement a Volunteer Time Off (“VTO”) program by the end of 2021 which provides paid time off for employees to volunteer in their communities with organizations that are part of the Company’s giving campaign. Achieve 25% employee participation in VTO program by the end of 2025</p>	
 <p>Food Security and Product Stewardship</p>	<p>Food Security; Environmental Compliance</p> <p>Be a driving force to increase adoption of enhanced conservation practices and nutrient management practices that promote sustainable agriculture</p> <ul style="list-style-type: none"> ▷ Reach 90,000 farmers with 4R Plus program by 2023 ▷ Expand partnerships to achieve 60 million acres of farmland using sustainable practices by 2030 <p>Safety & Environmental Stewardship of Chemicals</p> <p>Receive the “Protect & Sustain” certification (or equivalent environmental/product stewardship certification) for 100% of manufacturing sites by 2030</p>	
 <p>Ethics and Governance</p>	<p>Management of Legal & Regulatory Environment</p> <p>Engage suppliers and service providers annually representing 50% of the Company’s total procurement and supply chain expenditures and assess their commitment to and performance in key ESG areas</p> <p>Ethics</p> <ul style="list-style-type: none"> ▷ Annually require 100% of employees to be trained on and certify compliance with the Code of Corporate Conduct ▷ Annually require 100% of employees to be trained on and certify compliance with the Environmental, Health, Safety, and Security Policy ▷ Annually require 100% of employees to be trained on diversity and inclusion matters ▷ Annually require 100% of employees to be trained on and certify compliance with Anti-corruption Compliance Policy 	

Decarbonizing the World's Largest Ammonia Production Network

GRI 103-1, 103-2, 103-3; TCFD Governance B, Strategy A, B, C, Metrics and Targets B, C

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Energy, Emissions and Climate Change</p>	<p>GHG Emissions; Energy Management; Climate Change</p> <p>Reduce carbon emissions</p> <ul style="list-style-type: none"> During 2021, develop and prioritize a list of viable GHG reduction capital projects Reduce total CO₂ equivalent emissions by 25% per ton of product by 2030 (2015 baseline year) Achieve net-zero carbon emissions by 2050 	   
	<p>Climate Change</p> <p>Begin to report and disclose Company data in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework for climate-related risks and opportunities, in addition to the Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB)</p>	 

WHAT WE'RE DOING: WITHIN OUR OPERATIONS

The Haber-Bosch process that enables the production of ammonia is one of the transformative innovations of the twentieth century. Billions of lives have been made possible because ammonia and nitrogen fertilizers raise crop yields so that the world can feed a growing population and use less land to do it, preserving carbon-sequestering forests. Fertilizer is responsible for 50% of the world's food supply.

At the same time, Haber-Bosch is an energy-intensive process that results in carbon emissions when using fossil fuels as a feedstock. We actively manage our network to maximize efficiency and reduce our emissions intensity. Today, we do this in three ways:

- ▶ **Choice of feedstock:** The two most common hydrogen feedstocks for ammonia production are natural gas and coal. All CF Industries facilities use natural gas, which results in one-third the carbon emissions compared to the use of coal.
- ▶ **Investing in our manufacturing network:** CF Industries continually invests in our locations to

improve safety, energy efficiency and reliability.

Over the past 10 years, we have invested approximately \$10 billion in our facilities to enhance safety, improve efficiency and add state-of-the-art manufacturing technologies. As a result, CF Industries operates some of the most energy-efficient nitrogen plants in the world.

- ▶ **High-efficiency operations:** Emissions are closely related to our energy use, which itself is largely a function of our production volumes. Our capacity utilization, which is among the highest in our industry and 13 percentage points higher than our peers in North America, allows us to produce more product tons for the same energy inputs.

In 2020, we established the goal of reducing our CO₂e emissions intensity 25% by 2030, compared to a 2015 baseline. Our management approach has allowed us to achieve a 16% reduction through 2020 compared to the baseline. As part of our comprehensive ESG goals, we are developing and prioritizing a list of viable GHG Scope 1 emissions

reduction capital projects in 2021. This list will assist us in achieving our intensity reduction targets and help build a roadmap to achieve net-zero carbon emissions by 2050.

Achieving our 2030 and 2050 emissions reduction goals will require CF Industries to successfully execute our strategy as described earlier in this report. In 2020, we announced initial efforts focused on both green ammonia and blue ammonia production.

CF produces ammonia using the Haber-Bosch process, which combines nitrogen from the air with hydrogen.

Conventional ammonia is ammonia produced using natural gas as the source of hydrogen. Carbon dioxide emissions are a natural output of this chemical process.

Blue ammonia relates to ammonia with CO₂ removed through carbon capture and sequestration (CCS) and other certified carbon abatement projects.

Green ammonia refers to ammonia produced using hydrogen from carbon-free sources.

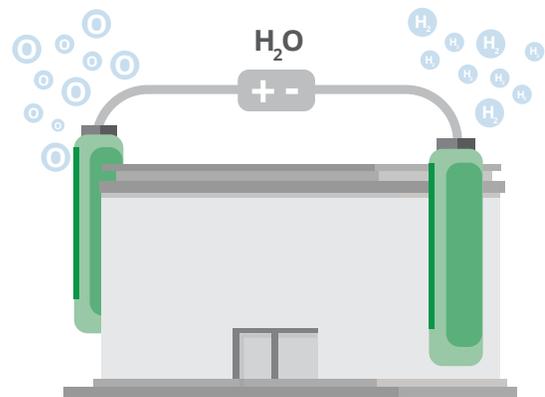
INVESTING IN GREEN AMMONIA PRODUCTION

CF Industries' Board of Directors approved an initial green ammonia project at our flagship Donaldsonville, Louisiana, manufacturing complex to produce approximately 20,000 tons per year of green ammonia. We will install a state-of-the-art electrolysis system at Donaldsonville to generate carbon-free hydrogen from water that will then be supplied to an existing plant to produce green ammonia. The unit is expected to be operational by the end of 2023.

Once produced, green ammonia and conventional ammonia are chemically identical. This will allow

us to use our existing ammonia transportation and logistics networks to supply green ammonia to decarbonizing industries.

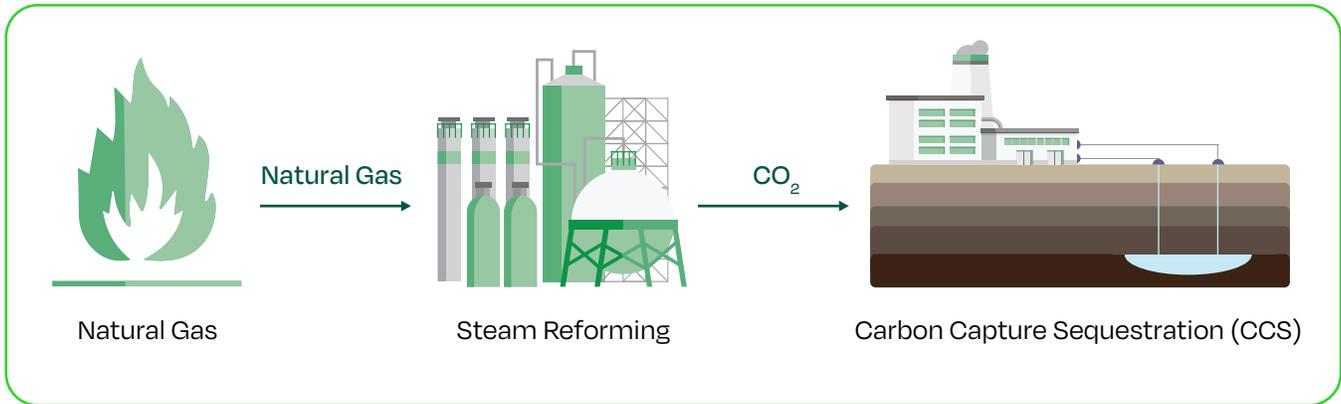
We believe that, over time, we could scale up the technology from the Donaldsonville project to produce approximately 1 million tons of green ammonia across our network.



How does an electrolyzer work to produce green ammonia?

- ▶ An electrolyzer consists of an anode and a cathode separated by an electrolyte
- ▶ Renewable electricity (where available) is used to split water into hydrogen and oxygen, forming gaseous hydrogen
- ▶ This carbon-free hydrogen is fed into an existing ammonia plant to produce green ammonia

Renewable energy: Today, approximately one-quarter of the electricity we purchase is from renewable sources, which is more than will be required to produce 20,000 tons of green ammonia per year from our initial green ammonia project. We expect the availability of electricity from renewable sources to increase dramatically over the coming decade, further supporting our focus on green ammonia production.



PRODUCING BLUE AMMONIA

Our approach to reducing greenhouse gas emissions from our locations also includes the production of blue ammonia. We could produce approximately 3.5 million tons of blue ammonia per year in the near future, which represents about one-third of our annual ammonia production capacity, without affecting our current product mix.

Blue ammonia production can be produced through using carbon capture and sequestration (CCS) and through certified carbon abatement projects

CCS requires a three-step process:

- ▶ Process CO₂ is captured and removed from the synthesis gas (H₂, N₂) during ammonia production. CF Industries already has this capability installed across our production network.
- ▶ Captured CO₂ is purified, compressed and transported (usually via pipelines) to permitted injection wells.
- ▶ CO₂ is injected into deep underground rock formation. Ideal formations are more than one mile beneath the surface and consist of porous rock.

CF Industries has access to potential CCS sites at seven of our nine manufacturing sites. We are in discussions with several partners regarding CCS opportunities.

We also will enable the production of blue ammonia through certified carbon abatement projects that fully eliminate carbon emissions. These projects will generate certified carbon credits that we could use to offset carbon emissions from conventional ammonia production.

Our manufacturing sites in the UK are a part of two carbon capture, utilization and storage cluster projects in development in that country — [HyNet North West](#) and [Net Zero Teeside \(NZE\)](#). Both projects are working to develop net-zero industrial clusters in their region to be operational by 2025, and reduce regional carbon dioxide emissions by up to 10 million metric tons every year by 2030. This is equivalent to the average energy use of more than three million UK homes. The projects will enable us not only to access new customers but also decarbonize our ammonia production, UK agriculture and existing downstream chemical supply chains.



WHAT WE'RE DOING: OUTSIDE OF OUR OPERATIONS

CF Industries is also working beyond our operations to support lower emissions from industrial activities and to reduce externalities associated with the use of nitrogen fertilizers.

Our products are used by a variety of industries with selective catalytic reduction technology for emissions abatement. For example, ammonia is used in power plants to control nitrogen oxide (NO_x) emissions. Additionally, we are the world's largest producer of diesel exhaust fluid (DEF), which is widely used by diesel truck fleets to reduce NO_x emissions by up to 95%.

We also work to ensure the proper use of our products in agricultural production, which can help limit GHG emissions and nutrient runoff. See the Nutrient Stewardship section for more information.

OVERSIGHT

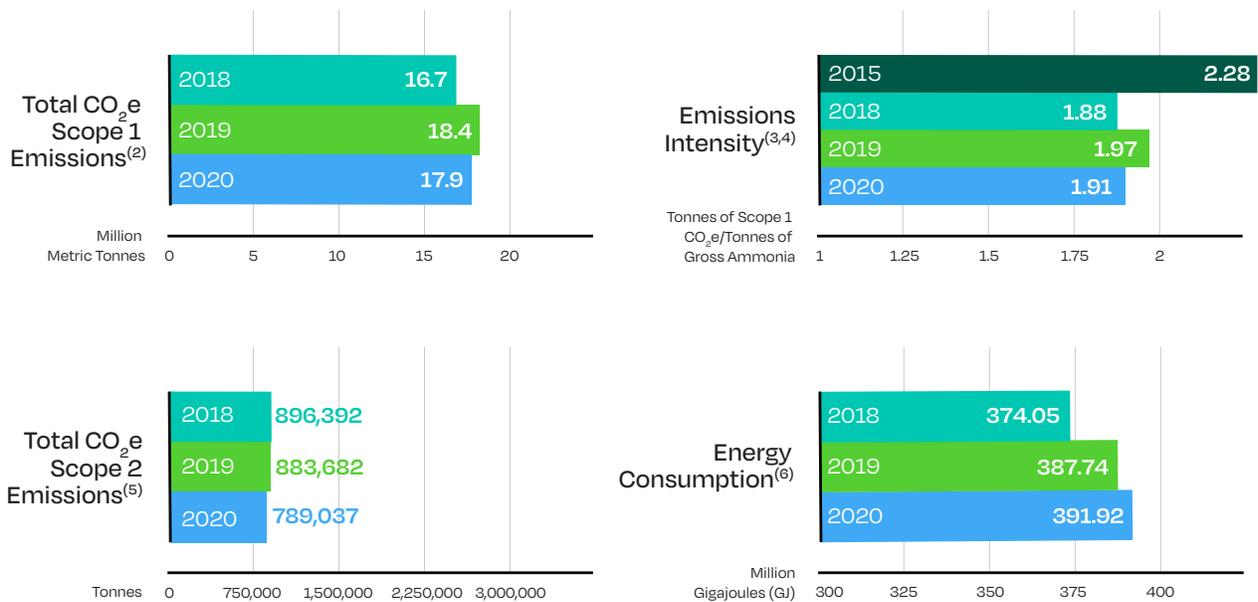
In 2020, the Board of Directors established the Environmental Sustainability and Community Committee, to oversee CF's strategies and activities relating to energy, emissions and climate change and other material dimensions. For a full description of the committee, please see the Sustainability Governance section within this report.

Management has established an internal cross-functional team to track and manage these issues,

which reports to Ashraf Malik, Senior Vice President, Manufacturing and Distribution. This team is focused on:

- ▷ GHG reduction projects
- ▷ Green ammonia projects
- ▷ Blue ammonia projects
- ▷ Partnerships
- ▷ Advocacy

ENERGY AND EMISSIONS⁽¹⁾



⁽¹⁾ Source: Internal CF Industries data and Ruby Canyon

⁽²⁾ Scope 1 emissions account for direct GHG emissions from sources that are owned or controlled by CF Industries

⁽³⁾ 2015 is the baseline year for CF Industries' goal of reducing emissions intensity by 25% by 2030

⁽⁴⁾ For the 2020 reporting year, CF Industries changed the calculation for its Scope 1 CO₂e emissions intensity to be per tonnes of gross ammonia production, which better reflects the Company's strategy. Previous intensity numbers have been updated to reflect this change in calculation.

⁽⁵⁾ Scope 2 emissions account for GHG emissions from the generation of purchased electricity consumed by CF Industries

⁽⁶⁾ For the 2020 reporting year, CF Industries changed the calculation for its reported energy consumption to include all types of energy consumed (e.g. natural gas and electricity). Previous energy consumption numbers have been updated to reflect this change in calculation.

Note: Pollutants such as PM₁₀, PM_{2.5}, NO_x, SO₂ and VOCs are reported in our GRI Report.

Enhanced Water Management

GRI 103-1, 103-2; SASB RT-CH-140a.3; TCFD Governance B, Strategy A

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Energy, Emissions and Climate Change</p>	<p>Water Management</p> <p>Ensure sustainable management of water (availability, use, and discharge) for all manufacturing operations:</p> <ul style="list-style-type: none"> ▶ During 2021, identify and evaluate a list of viable water reuse/reduction projects ▶ Develop integrated water resource management plans to ensure sustainable withdrawals and discharges 	  

As the frequency of water shortages increases around the world, we believe it is more important than ever to be responsible stewards of this vital resource. In our operations, we use water to generate steam, to cool equipment and as an additive in products such as aqua ammonia and DEF.

Our water management approach includes:

- ▶ Responsibly sourcing water: We do not withdraw or discharge water in areas of water stress, based upon cross-referencing of facility locations against the World Resources Institute "Aqueduct Water Risk Atlas."
- ▶ Minimizing the water we extract for our operations: We use the water we withdraw as efficiently as possible. Each gallon of water we extract is reused an average of 29 times in our operations.
- ▶ Returning clean water to its source: Over the last three years more than 75% of surface water or river intake withdrawals was returned to its source after treatment to ensure it was in better condition than when the withdrawal occurred.

Our Environment, Health and Safety (EHS) leadership team and our local sites are responsible for managing this issue.

100% of our major facilities' water withdrawals are measured using either invoices or meter data.

100% of our major facilities' water discharges are measured using either invoices, meter data, or engineering estimates.



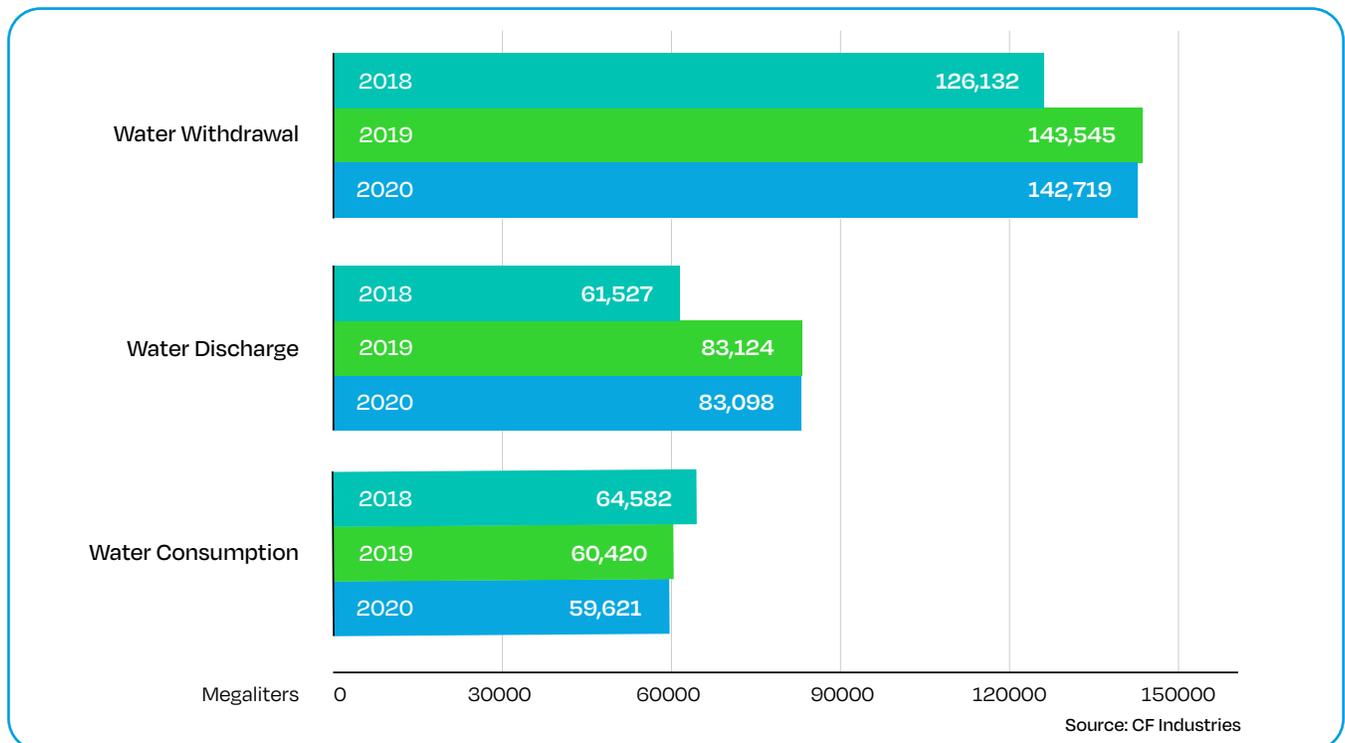


GRI 303-3, 303-4, 303-5; SASB RT-CH-140a.1

IMPROVING WATER QUALITY RELATED TO OUR PRODUCTS' END USE

We are committed to supporting efforts that increase awareness of how best to apply our products in agriculture so that their vital nutrients stay on farmland and out of adjacent water bodies.

We have partnered with The Nature Conservancy and 60 other stakeholders in Iowa to advance the 4R Plus program to support nutrient stewardship. See the Nutrient Stewardship section for more information.



Protect Health and Well-Being of All Employees: Workplace Health and Process Safety

GRI 103-1, 103-2

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Our Workplaces + Communities</p>	<p>Workforce Health & Safety</p> <p>Strengthen and improve behavioral safety practices that support the commitment to safety excellence</p> <ul style="list-style-type: none"> ▶ At least 95% of the aggregated safety grades of all employees at manufacturing and distribution sites must be a "B" or better for the year ▶ Safety critical equipment inspections completed per schedule ▶ Management of changes in current year closed within 90 days of pre-startup review 	

CULTURE OF ENVIRONMENT, HEALTH AND SAFETY EXCELLENCE

Our top priority is the safety of those who work at or live near our locations. Safety at CF Industries starts with our Do It Right philosophy, which includes equipping our employees with the proper safety knowledge, tools and procedures, and a culture that encourages employees to act with safety in mind every time they come to work.

Our employees' commitment to the Company's Do It Right safety culture was evident throughout 2020. Our team not only successfully adjusted how we work in response to the COVID-19 pandemic, but we also achieved new safety milestones and records, highlighted by the fewest injuries and lowest year-end rolling average recordable incident rate in Company history.



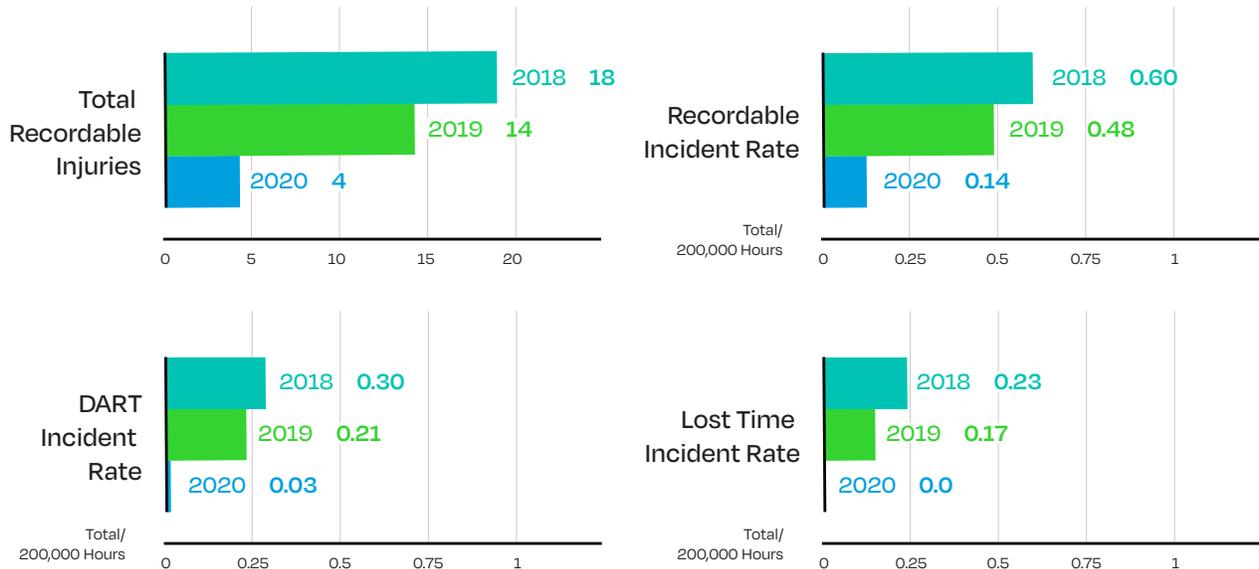


Our culture of EHS excellence is reinforced at every level by:

- ▶ **Knowing What's Right** through robust systems that provide clear direction and performance standards
- ▶ **Ability to Do It Right** through efficient and effective EHS practices and tools that add value to the business
- ▶ **Do It Right Every Time** through a high-performing culture and engaged workforce that drives continuous improvement of our EHS performance

At CF Industries, safety is ingrained in our corporate culture and values. We hold all 3,000 of our employees — from the corporate office to our manufacturing and distribution facilities — accountable for collectively conducting our business in a safe manner. We empower all employees to promote a culture of environment, health and safety (EHS) excellence where everyone is engaged, empowered and innovative in cultivating a workplace that promotes the safety and health of our employees, contractors, customers and partners, the communities where we operate, and the environment.

KEY SAFETY METRICS: A RECORD YEAR FOR SAFE OPERATIONS AT CF INDUSTRIES



Source: CF Industries

OUR COVID-19 RESPONSE

At the outset of the COVID-19 pandemic, we made protecting the health and well-being of our employees our top priority. We relied on our safety culture and a wide range of precautionary measures put in place across our network to limit potential exposure to the virus at our locations and enable continued safe distribution of products to customers.

The key steps we took included:

- ▶ Recognizing our frontline essential manufacturing and distribution facilities employees - who were required to be onsite to ensure our critical facilities continued to operate safely - with a special monthly bonus from March through June.
- ▶ Implementing a wide range of precautionary measures, such as temperature screening, limiting visitor access, control room plexiglass partitions, seating/standing arrangements that enforced social distancing, and reduced shared paperwork for truck drivers, vendors and personnel in control rooms.
- ▶ Ensuring non-salaried employees would be paid for any time they had to spend self-quarantining at home because of exposure to COVID-19.
- ▶ Implementing Company-wide contact tracing.
- ▶ Transitioning office-based staff to remote work arrangements.
- ▶ Communicating and engaging with employees through virtual town hall meetings.
- ▶ Covering 100% of costs for in-network providers for COVID-19 diagnosis, testing and treatment, and providing additional support for work-life issues.
- ▶ No furloughs or reductions in staff due to the pandemic.

We also implemented a number of measures during large maintenance activities that involved many contractors at our locations. These included many of the measures listed above, as well as requiring negative COVID-19 tests by contractors prior to the start of the activity and electronic tracking while onsite to facilitate contact tracing.

As a result, there has been no known spread of the virus at the Company's locations. In addition, positive COVID-19 tests among our employee population have not affected the Company's ability to maintain safe staffing levels and operations have not been disrupted by the COVID-19 pandemic.



Our employees are empowered to drive safety improvements. In fact, many of the measures we have implemented were developed by employees rather than directed from management.



GRI 102-19, 102-20, 103-1, 103-2, 103-3, 403-1, 403-2; TCFD Governance B

EHS GOVERNANCE

We outline EHS expectations in our EHS Policy and EHS Management Manual.

We monitor our safety performance using a number of key metrics, including injury rates, near miss and hazard identification reports, and safety leadership activities. Every two weeks, leaders of our locations meet specifically to discuss EHS performance, challenges, and issues on a conference call. Local teams regularly share suggestions and approaches to improve safety on these calls. When an EHS incident occurs, we investigate root causes and define a new standard procedure that we then roll out across all plants.

An EHS Steering Committee, comprised of the EHS Managers of our locations, sets Company EHS Standards and ensures business alignment, promotes shared practices and helps drive harmonization of EHS processes, and ensures continuous innovation and improvement of our EHS systems. EHS Councils create internal networking opportunities to share best practice ideas and lessons learned and to review incident/near-miss data trends to identify improvement opportunities. We also benchmark externally via various professional associations and engage external stakeholders at certain locations to evaluate our workplace safety and health culture.

Our Vice President, Environmental, Health, Safety and Quality, reports to the Senior Vice President of Manufacturing and Distribution, who provides briefings to the CF Industries Board of Directors at every meeting. Our corporate EHS programs are also supported by a team of auditors who conduct audits and facilitate best practices across all CF operations.

EHS ORG CHART



THE WILSON AWARD FOR EXCELLENCE IN SAFETY

CF Industries recognizes the most impactful safety innovations and improvements made across the Company every year with the Wilson Award for Excellence in Safety. Each CF Industries location nominates initiatives, and finalists are chosen by a cross-functional selection committee. Our Senior Leadership Team selects the winner based on impact on safety performance and culture, transferability to other sites, ability to be sustained and improved upon, and demonstration of our Core Values.

2020 WILSON AWARD WINNER:

COURTRIGHT MANUFACTURING COMPLEX IN ONTARIO

The Courtright team focused on the challenge presented by equipment or piping failures, which can be dangerous for employees and the environment. Because these failures can have many causes, they are often difficult to predict. The team's winning idea was to deploy a wireless monitoring technology to collect thousands of data points securely and remotely, giving employees real-time data that is key to diagnosing and preventing these failures.

" We had a pump fail five times in the last two years. We wouldn't detect any failure until it had already failed. When we put the wireless monitoring on the pump, within 24 hours we saw what the root cause was. We saw immediate feedback, immediate reward, and we haven't seen a failure since. "

-Ryan Mapletoft, Rotating Equipment and Reliability Engineer,
CF Industries Courtright Nitrogen Complex



Creating an Environment Where Our Team Can Thrive

INVESTING IN OUR PEOPLE

Success at CF Industries starts with the culture that we have worked hard to build. Our culture is built on quality work, long-term thinking and supportive communities, and it means that we can work at a global scale while retaining remarkable agility. We provide a place for employees to get better at what they do and have a positive impact on the world.

We offer employees a safe, challenging and rewarding workplace, attractive salaries and competitive health, retirement and lifestyle benefits. All full-time employees work under an incentive bonus plan. Employees are also eligible to participate in retirement plans, such as pensions, 401(k) or equivalent plans. With our 401(k) plan, the Company provides a 100 percent match on the first six percent of the employee's contribution. We also recently introduced a new benefit to deliver financial planning services to all employees.

LISTENING TO OUR PEOPLE

In 2020, we conducted our first all-employee engagement survey. Highlights include:

- ▶ 76% engagement rate, as measured by our external survey partner
- ▶ Key strengths identified by employees were leadership, organizational communication, and having the resources necessary to do their jobs
- ▶ Key opportunities included taking action more quickly on issues that are important to employees, making employees feel their opinions count, and empowerment

Action plans to address opportunities identified through the employee engagement survey are being developed throughout the Company.

DEVELOPING OUR PEOPLE

Building a learning culture that enables continuous growth and development is as important as making capital improvements to our manufacturing plants. At the heart of our efforts is our Core Curriculum, which is a series of courses designed to familiarize CF Industries employees with our business, values, culture, and people processes. The program aligns to our CF Industries Leadership Competencies leader levels and provides current and new employees with a consistent understanding of who we are, what we do, and how we do it.

We also offer many other training opportunities, including job competency, compliance and safety training.

GRI 103-2, 201-3, 403-5, 404-2



Strengthening Our Culture of Inclusive Leadership and Diversity

OUR COMMITMENT TO INCLUSION AND DIVERSITY

CF Industries has a longstanding commitment to inclusion and diversity (I&D). We view this commitment as analogous to our commitment to a safe workplace – we make it a priority simply because it is the right thing to do, and it makes us a better Company. We want everyone at CF Industries to feel welcomed and valued as a part of our team.

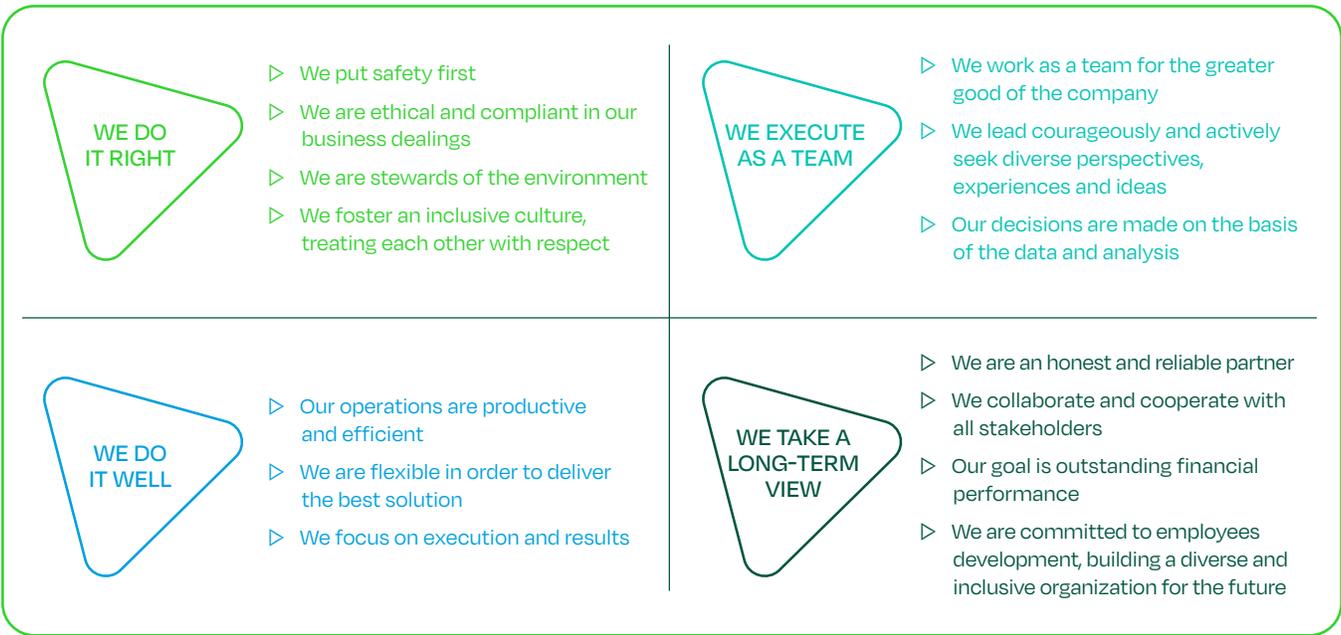
We believe our commitment has been implicit in what we do and how we operate. In 2020, we took several steps to raise the profile of our efforts internally and accelerate our journey to creating the fully inclusive Company we aspire to be.

UPDATING OUR CORE VALUES

In 2019, senior management began updating the underlying principles of the Company's Core Values: We Do It Right, We Do It Well, We Execute as a Team and We Take a Long-term View. One of the most notable set of updates to the underlying principles was a more explicit expression across the Core Values of our longstanding commitment to I&D. The importance of this effort became even clearer as events in 2020 again exposed how far we have to go as a society to realize a future of equality and understanding.

We introduced our updated Core Values, rolling them out Company-wide at an all-employee town hall meeting and broadcasting them across our communications channels. As part of the roll-out, all employees completed new training *Living CF's Values*.

GRI 102-16, 102-26, 103-1, 103-2

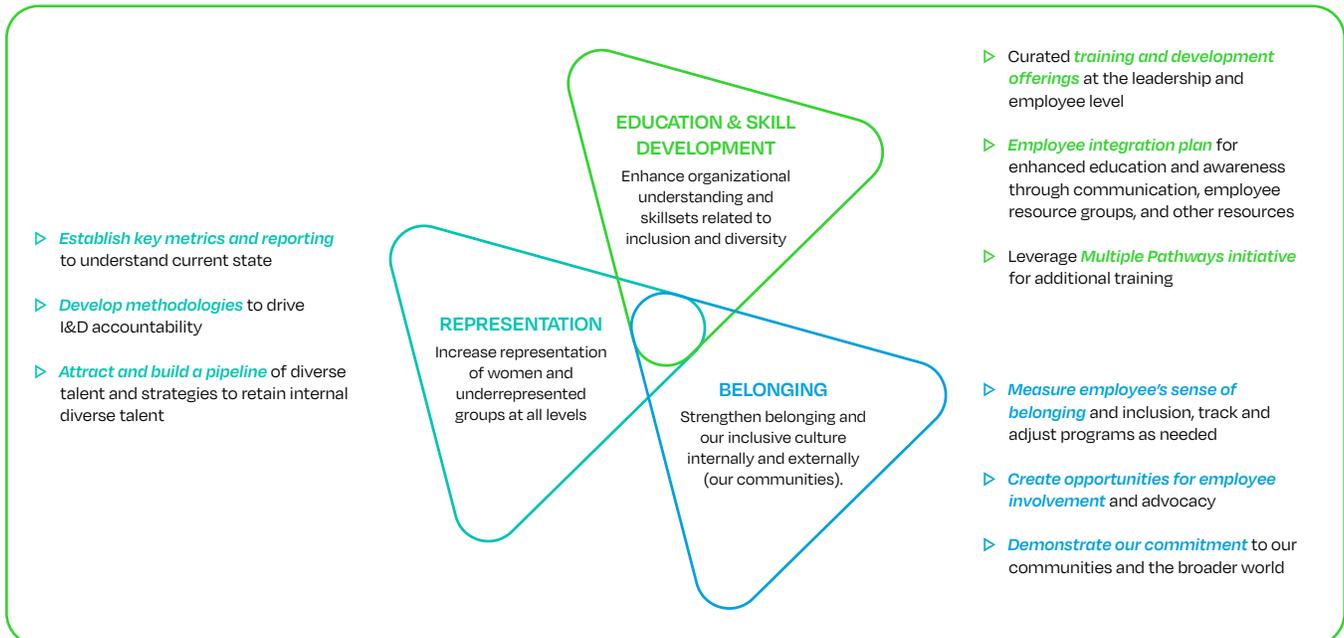


DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Our Workplaces + Communities</p>	<p>Diversity & Inclusion</p> <p>Continue to improve the inclusiveness and diversity of the Company and the Culture</p> <ul style="list-style-type: none"> ▷ Increase representation of females and persons of color in senior leadership roles (director level and above) to at least 30% by end of 2025 ▷ Implement a program to create additional pathways to long-term professional growth for traditionally underrepresented employee groups by end of 2021 with the ultimate goal of increasing the hiring and promotion of minority and female candidates 	  

INCLUSION AND DIVERSITY STRATEGY

We have developed a long-term Inclusion and Diversity (I&D) strategy to provide direction to our ongoing efforts to strengthen our culture of inclusive

leadership. Our strategy focuses on three key areas: employee education and skill development, representation, and belonging.



PROGRESS IN 2020

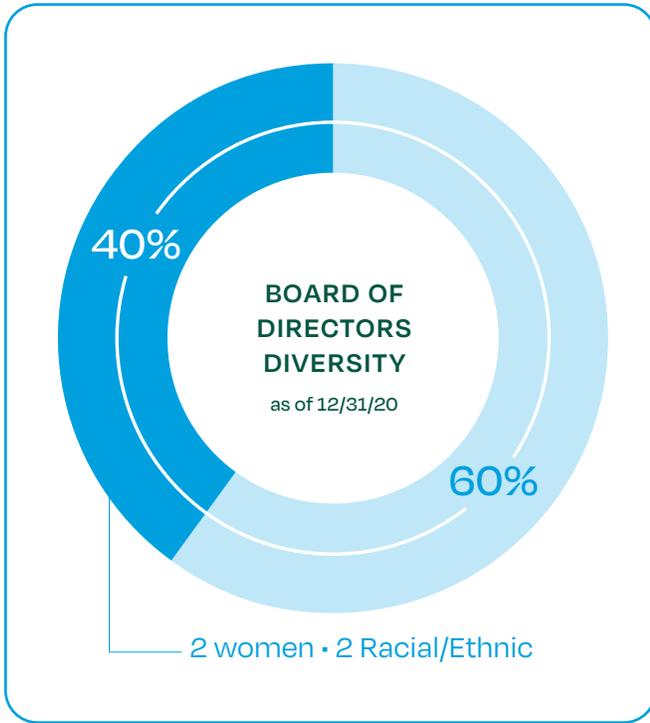
As part of the Education & Skill Development pillar of our I&D strategy, we introduced curated training for enterprise learning and targeted audiences. Across the Company, all employees completed training in recognizing **unconscious bias**. Leaders in the organization also received training in **inclusive leadership**, completing a three-part course that included an instructor-led session.

THE MULTIPLE PATHWAYS INITIATIVE

As a Business Roundtable (BRT) member company, we joined the BRT's Multiple Pathways Initiative (MPI) in December 2020. The MPI is a new, multi-year effort to improve companies' hiring and talent management practices to emphasize the value of skills, rather than just credentials, and to improve equity, diversity and workplace culture. As part of MPI, our goals for 2021 are to:

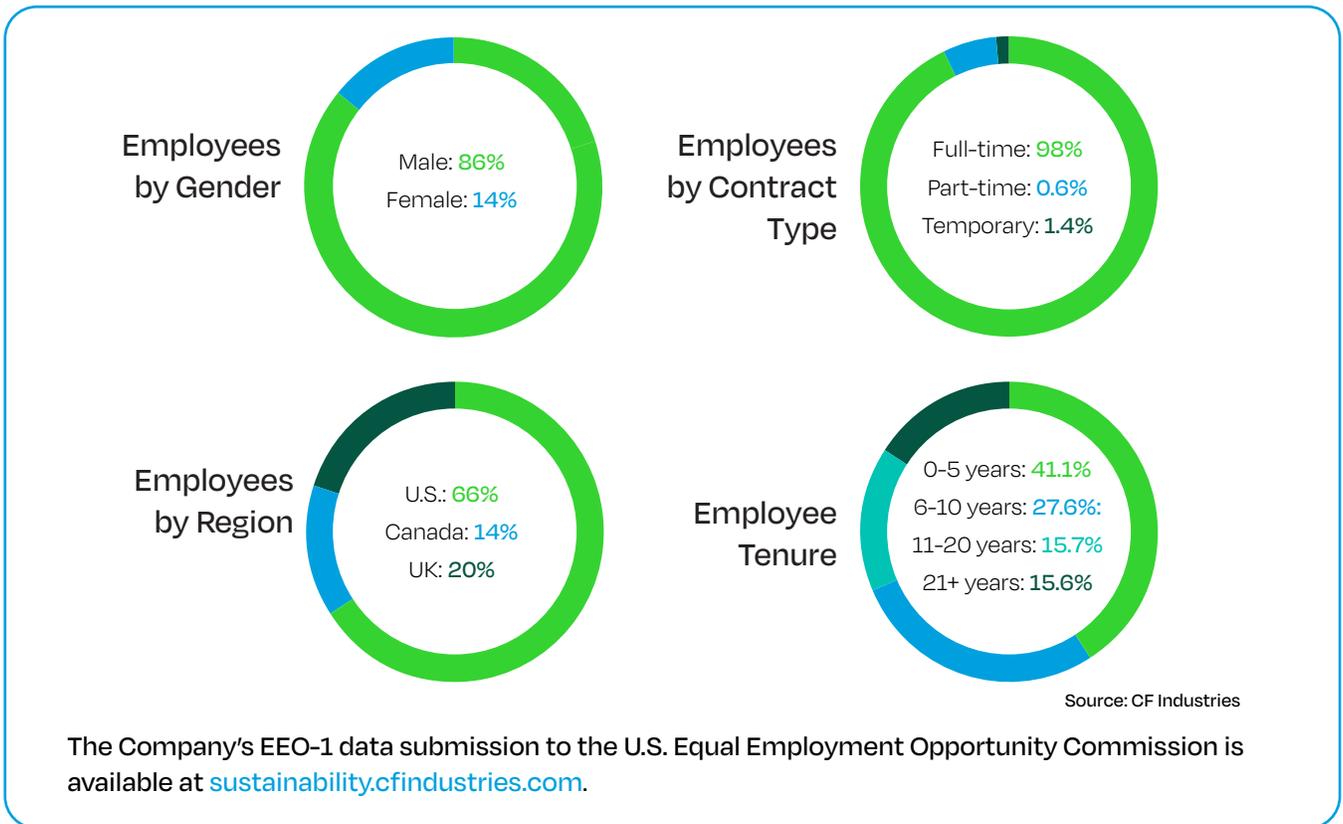
- ▷ Create a Company-wide understanding of our commitment to creating equitable talent practices that provide opportunities for talent from diverse backgrounds;
- ▷ Increase inclusiveness and belonging for employees with non-traditional backgrounds;
- ▷ Provide career and economic opportunities and pathways to long-term professional growth;
- ▷ Broaden our access to diverse talent; and
- ▷ Measure, communicate and celebrate successes.





Our Board of Directors believes that its members should reflect a diversity of backgrounds, including experience and skills and personal characteristics such as race, gender and age. Over the past seven years, our Board has been undertaking a process in which it incorporates recruitment protocols in our director candidate searches that seek to identify candidates with these diversity characteristics.

During this time, six new independent directors have joined our Board. In addition to impeccable business credentials, in terms of personal characteristics, these new directors include two women, an African American and a director of Asian origin who lives in the United Kingdom and has dual citizenship in the US and UK. At our 2021 annual meeting, the nominees for director will include three women candidates. Accordingly, following our 2021 annual meeting, we expect our board of directors will be composed of 10 independent board members, including three women and two members who are racially or ethnically diverse.



Engaging Our Communities

GRI 103-1, 103-2, 103-3, 203-1, 203-2; SASB RT-CH-210a.1

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Our Workplaces + Communities</p>	<p>Community Relations</p> <p>Increase engagement and support with our local communities and expand the corporate giving philosophy to include environmental sustainability, food access and security, STEM education and first responders within our local communities</p> <p>Implement a Volunteer Time Off (“VTO”) program by the end of 2021 which provides paid time off for employees to volunteer in their communities with organizations that are part of the Company’s giving campaign. Achieve 25% employee participation in VTO program by the end of 2025</p>	

CHARITABLE GIVING

CF Industries believes in supporting the communities where we live and work, employing a highly local giving strategy aligned with our business strategy. In response to the COVID-19 pandemic, we amplified our commitment by increasing our financial donations by 20%. This included nearly \$600,000

in donations to Feeding America and food banks serving our communities where our headquarters, manufacturing complexes and distribution facilities are located. We also donated excess personal protective equipment (PPE) to local healthcare providers and first responders.

CONTRIBUTION OVERVIEW

- ▶ 4.1 million+ in monetary and in-kind donations given in 2020

Largest contributions in 2020:

- ▶ \$1 million to the One Acre Fund, which helps smallholder farmers in Africa improve their productivity and increase their on-farm incomes

- ▶ \$600,000 to The Nature Conservancy, CF’s partner in our 4R Plus nutrient stewardship campaign in Iowa

- ▶ \$574,000 to hunger organizations and local food banks to provide additional support during the COVID-19 pandemic





OUR APPROACH

We have evolved our philanthropy strategy to target volunteer and financial resources across four philanthropic focus areas that support the Company's values and align with the business.

- ▶ **Environmental Sustainability:** Protecting and caring for the lands and natural resources that feed and fuel our communities.
- ▶ **Healthy Food Access:** Improving access to nutritious, affordable foods that members of all communities – including low-income communities and communities of color – need to grow and thrive.
- ▶ **STEM Education and Awareness:** Helping people of all backgrounds, genders and races access education and career development in the areas that will support sustainability efforts and our clean energy future.
- ▶ **Local Community Advancement:** Making a difference in local communities where CF Industries employees live and work while addressing the needs of marginalized cultural groups and supporting first responders.

VOLUNTEER TIME OFF PROGRAM

Beginning in 2021, CF Industries will encourage employees to participate in volunteer activities by providing paid time off. Employees may use the volunteer benefit program to contribute their time and talents to recognized charities, causes or not-for-profit organizations, making a positive difference in communities where employees live and work. The Volunteer Time Off Program will provide CF Industries employees with eight hours of paid volunteer time off each year.

Nutrient Stewardship

GRI 103-1, 103-2, 103-1, 103-2, 201-2, 305-3; TCFD Governance B, Strategy A

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Food Security and Product Stewardship</p>	<p>Food Security; Environmental Compliance</p> <p>Be a driving force to increase adoption of enhanced conservation practices and nutrient management practices that promote sustainable agriculture</p> <ul style="list-style-type: none"> ▷ Reach 90,000 farmers with 4R Plus program by 2023 ▷ Expand partnerships to achieve 60 million acres of farmland using sustainable practices by 2030 	

THE 4R PLUS PROGRAM

Applying nutrients correctly has a variety of benefits. It creates the best possible conditions for plants to grow, enabling farmers to increase crop yields and maximize their productivity while providing food to a growing global population. Proper nutrient application also delivers key environmental benefits, from protecting water sources to lowering emissions while ensuring food security.

Through a longstanding partnership with The Nature Conservancy, we are helping to improve soil health across the state of Iowa. Now in its fifth year, this

program, called 4R Plus, is designed to increase awareness and understanding among Iowa's farmers and crop advisers of two important farming practices: (1) 4R Nutrient Stewardship, and (2) conservation.

When implemented effectively, 4R Plus practices have significant environmental benefits — including improving soil health, reducing nutrient runoff and air emissions, optimizing land use — and support rural communities by increasing farmers' yields and bottom lines.

4R NUTRIENT STEWARDSHIP REFERS TO:

Right Source: Choose the type of fertilizer best suited to the crop and soil.

Right Rate: Use only as much fertilizer as the crop needs to avoid excess being lost into the atmosphere or nearby waterways.

Right Time: Apply fertilizer when crops and their root systems are prepared for optimal nutrient absorption.

Right Place: Apply fertilizers in locations that optimize absorption.

THE "PLUS" REFERS TO A VARIETY OF CONSERVATION PRACTICES THAT OFFER ENVIRONMENTAL BENEFITS, INCLUDING:

Cover Crops help manage soil erosion and use nitrogen so it is not released as nitrous oxide (N₂O).

Reduced Tillage leaves organic matter intact, reducing the release of N₂O from soil.

Buffer Strips surrounding fields limit nitrate from getting into surface water and are a good sediment management tool.



In 2020, the 4R Plus coalition grew to nearly 60 organizations. During the COVID-19 pandemic, the program had to pivot from on-farm education to online events. Through innovative programming and continued outreach, the coalition's events were able to increase attendance and dialogue.

We continue to gather feedback from farmers and crop advisors to improve the program. During the reporting period, the 4R Plus coalition developed working groups on the topics of non-operating landowners, marketing, and engaging with certified crop advisors to capture new perspectives in those areas.

THE IMPACT OF 4R PLUS OUTREACH

85-90% of Iowa farmers were reached at least seven times in 2020 by 4R Plus media campaign messages via radio, print and digital media. (Source: TNC's July-Dec. 2020 Report)

60,000 farmers were reached by 30 seasonal 4R Plus radio spots that ran on 54 stations on the Iowa Agribusiness Radio Network in all of Iowa and parts of surrounding states.

In 2021, the 4R Plus coalition is reaching out to a broader range of stakeholders and is developing plans to expand its geographic reach.

PROVIDING ACCURATE SOIL N ANALYSIS TO FARMERS IN THE UK

At our operations in the UK, we continue to focus on helping growers use fertilizers effectively and consistent with environmental best practices through our N Min Analysis. We access a nationwide network of soil testers to provide critical information to farmers to plan their nutrient applications to achieve both productivity and environmental goals. CF Industries has developed this program through running our own trials over several years and we look forward to helping farmers fine-tune their nitrogen applications and avoid over-application of nitrogen fertilizers that is important both to reduce emissions and prevent runoff.

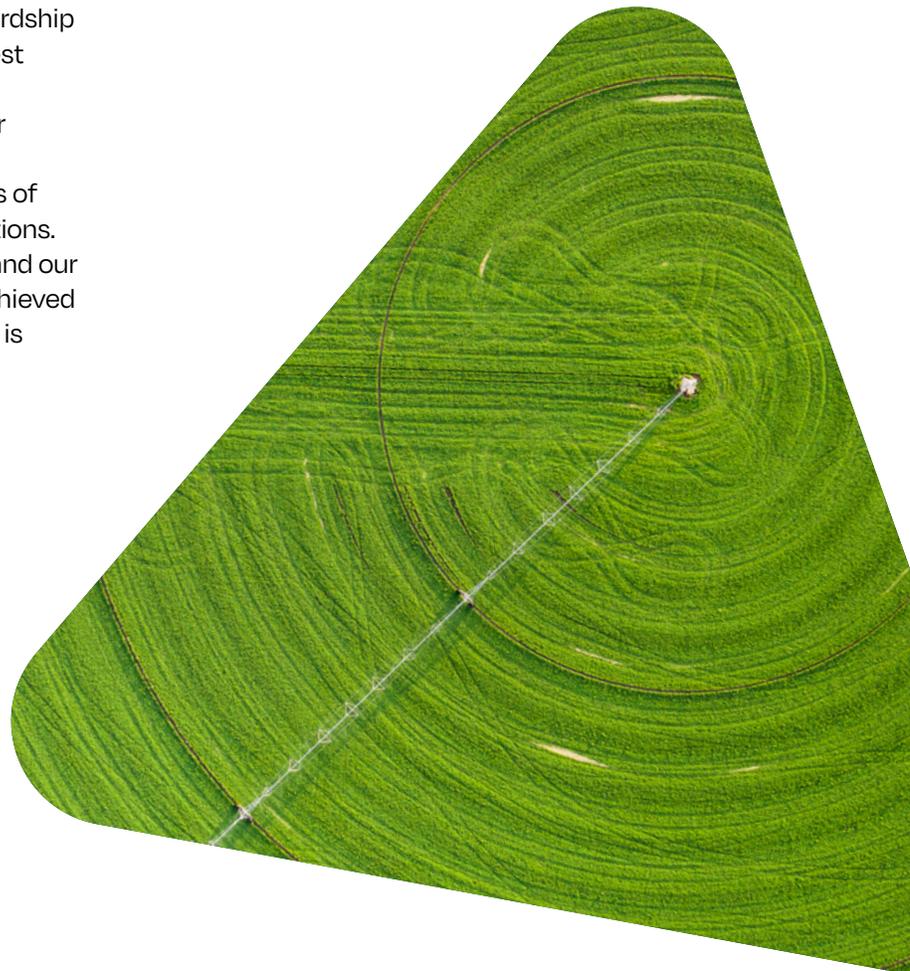
EXPANDING OUR FOCUS

Our success working with partners on the 4R Plus program, along with ongoing outreach to farmers in the UK, has demonstrated the impact we can have beyond our manufacturing process. We continue to evaluate opportunities to support farmers' ability to reduce emissions from agricultural production and sequester carbon in the soil. With our deep expertise in certified carbon credit markets, we are working to foster farmer-friendly carbon credit processes to incentive strong conservation practices that will benefit both farmers and the environment.

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Food Security and Product Stewardship</p>	<p>Safety & Environmental Stewardship of Chemicals Receive the "Protect & Sustain" certification (or equivalent environmental/product stewardship certification) for 100% of manufacturing sites by 2030</p>	 

SAFETY & ENVIRONMENTAL STEWARDSHIP OF CHEMICALS

As part of our safety culture, CF Industries also participates in the global industry product stewardship standard **Protect & Sustain**, promoting the highest levels of safety and security performance in the industry. Developed by the International Fertilizer Association (IFA), this standard builds on the environmental, health, safety and quality aspects of ISO 9001 and 14001 and OHSAS 18001 certifications. CF Industries' headquarters in Deerfield, Illinois, and our facility in Yazoo City, Mississippi, have already achieved the Protect & Sustain certification. CF Industries is working to certify our other facilities as well.



Engaging Suppliers

GRI 103-1, 103-2, 205-2

DIMENSION	MATERIAL ISSUE GOAL	UN SUSTAINABLE DEVELOPMENT GOALS
 <p>Ethics and Governance</p>	<p>Management of Legal & Regulatory Environment Engage suppliers and service providers annually representing 50% of the Company's total procurement and supply chain expenditures and assess their commitment to and performance in key ESG areas</p>	
	<p>Ethics</p> <ul style="list-style-type: none"> ▷ Annually require 100% of employees to be trained on and certify compliance with the Code of Corporate Conduct ▷ Annually require 100% of employees to be trained on and certify compliance with the Environmental, Health, Safety, and Security Policy ▷ Annually require 100% of employees to be trained on diversity and inclusion matters ▷ Annually require 100% of employees to be trained on and certify compliance with Anti-corruption Compliance Policy 	

CF's supply chain includes local, regional and global partners from whom we purchase products and services, including natural gas, transportation, utilities, maintenance services and capital equipment. We ask all suppliers to abide by the CF Industries Third Party Code of Corporate Conduct as part of the purchase agreements. Suppliers, especially those of chemicals and other hazardous materials, are held to the same EHS standards as our internal operations. For this reason, comprehensive screening of our suppliers is critical. We work with third parties in Canada, the UK and the United States to assist us with supplier screening and evaluation to ensure that:

- ▷ They meet the same EHS standards that we use for our internal operations and
- ▷ They abide by the CF Industries Third Party Code of Corporate Conduct, which is required in our purchase agreements.

At the completion of a job, we use performance scorecards to assess the supplier and then offer coaching to help them improve.

ASSESSING ESG GOALS OF OUR SUPPLY CHAIN

In 2021, CF Industries will, for the first time, conduct a survey assessing where our suppliers are on their sustainability journeys. We will send key suppliers a questionnaire about their emissions reduction goals, harassment policies, child labor policies, and other topics related to CF's new ESG goals.

Sustainability Governance

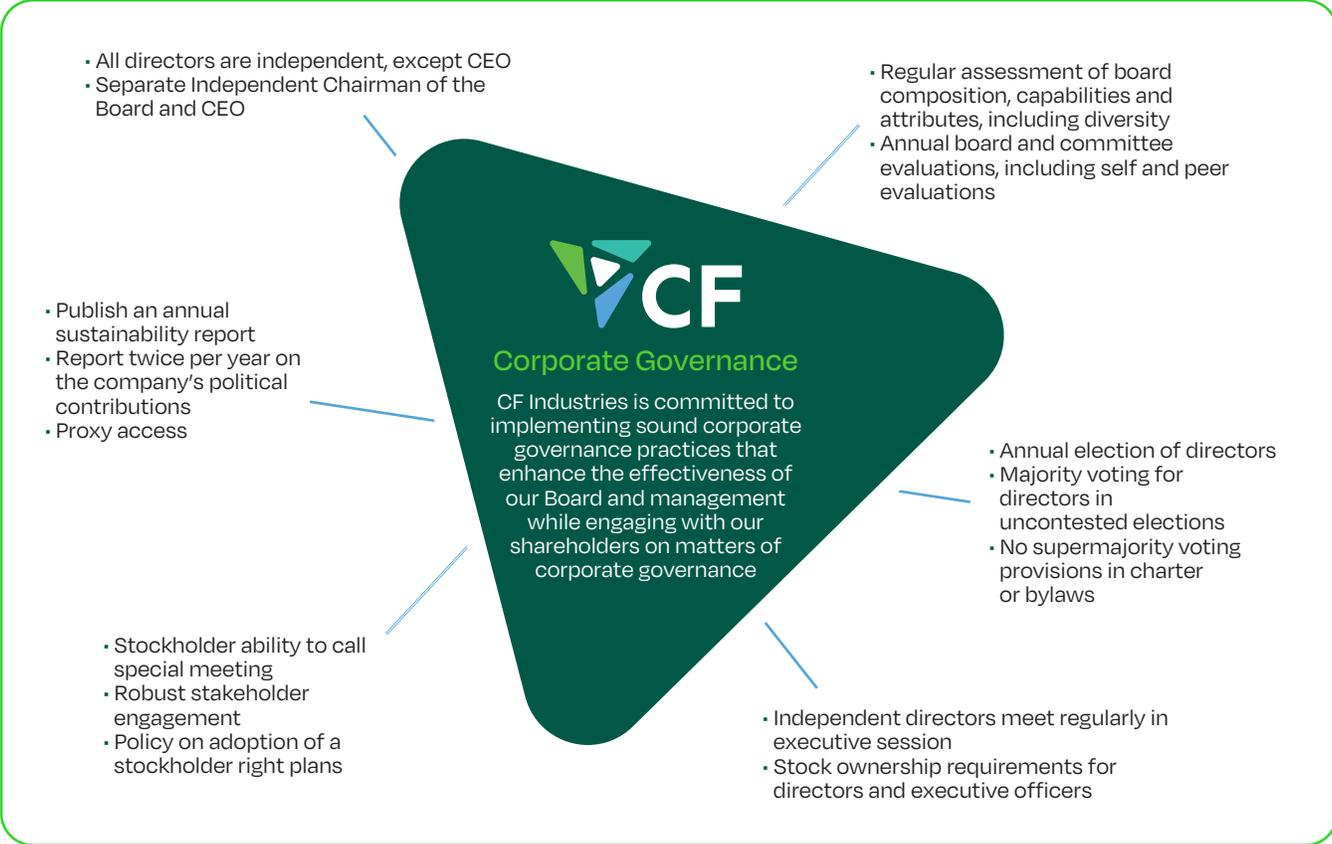
GRI 102-18, 102-23, 102-24, 102-26, 102-30, 102-31, 102-32, 102-35; TCFD Governance A, B

CF Industries is committed to sound corporate governance practices that make our Board of Directors and management team more effective. Our chairman of the Board is independent and separate from the chief executive officer. We regularly review Board composition to ensure we have diverse competencies and attributes represented, and we consider diversity when identifying new nominees. We also ensure that we engage shareholders in matters related to corporate governance.

BOARD OVERSIGHT OF ESG ISSUES

In October 2020, our Board of Directors established a new committee, the Environmental Sustainability and Community Committee, which held its first meeting in December 2020. This committee oversees all aspects of the progress toward net-zero carbon emissions, sustainability activities and reporting, and the Company's active involvement in the communities in which it operates. Going forward, the committee will meet five times per year and hold management accountable for meeting the Company's new goals.

The Board's Compensation and Management Development Committee has oversight of I&D and employee well-being initiatives.





EXECUTIVE COMPENSATION TIED TO ESG GOALS

As we announced our new ESG goals, we also announced executive compensation would be tied directly to progress to certain goals. This new policy, which applies to all corporate executives, is a tangible way to ensure we deliver on our commitment.

In 2021, progress in the following areas will directly affect compensation:

Goal: Identifying emission reduction projects

Goal: Behavioral and process safety

CORPORATE MANAGEMENT OF ESG ISSUES

Rather than having a management system specific to ESG issues, CF Industries incorporates how we manage these issues into everyday business. We want every employee to play a role in meeting our ESG goals as they are central to our strategy. Goals are set and tracked by corporate leadership and reviewed at the Board level, while day-to-day goal management occurs at the site level. Each site's leadership team reviews data and manages progress toward the goals.

About this Report

GRI 102-12, 102-50, 102-52, 102-54, 102-55

ABOUT THIS REPORT

This report covers CF Industries' sustainability progress within key environmental, social and governance areas from January 1, 2020, to December 31, 2020. It covers the whole of the Company's operations in North America and the United Kingdom. It is the first such report in which CF Industries includes our comprehensive ESG goals, which were announced in October 2020.

This report serves as an annual United Nations Global Compact Communication on Progress. It has been written in accordance with the Global Reporting Initiative (GRI) Standards (Comprehensive option) and includes a Sustainability Accounting Standards Board (SASB) Index with industry-specific disclosures. This is the third time the Company has issued a report disclosing on all GRI Standards, the second time CF Industries has issued a SASB Index and the first time the Company is reporting in line with Task Force on Climate-related Financial Disclosures (TCFD) guidelines. GRI, SASB and TCFD Indices are located at sustainability.cfindustries.com.

For financial information on CF Industries, please see our annual report.

