Nutrien

Field Reports

2018

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INTRODUCING NUTRIEN: A GLOBAL POWERHOUSE READY TO HELP GROWERS IMPROVE YIELDS AND PROFITABILITY.

Born out of the January merger of Agrium Inc. and PotashCorp, Nutrien is now the world's largest producer of crop nutrients and inputs. With nearly 20,000 employees and operations and investments in 14 countries, Nutrien reaches every major growing region of the world. Yet, even with that global reach, Nutrien's focus remains the same: helping local farmers produce more per acre.

"We are committed to helping growers optimize crop yields and their returns in a sustainable way," says Chuck Magro, President and CEO of Nutrien, headquartered in Saskatoon, Saskatchewan, Canada.

For individual farmers, their local distributors and the certified crop advisers (CCA), who guide their soil nutrient level management practices, Nutrien is a valuable partner. The new company not only provides inputs, it also offers research and insights that enable growers to feed the world's rapidly growing population.

"When I look ahead, I see Nutrien being a global agricultural powerhouse bringing value to growers around the world – a phenomenal company that everyone can be proud of."

Chuck Magro
PRESIDENT AND CEO, NUTRIEN

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Inside the New Nutrien

NUTRIEN OPERATES FOUR INTERRELATED BUSINESS UNITS:

Nitrogen

Third-largest *global nitrogen producer, with close to 11 million tons of nitrogen product sales annually / **14 facilities** in the United States and Canada, with access to low-cost gas and close proximity to customers / **Large-scale** facility in Trinidad serves key import markets*

Phosphate

Second-largest *North American phosphate producer, with more than 3 million tons sold annually / **Two large phosphate facilities** in the United States, with integrated mining, in addition to five smaller operations / **One large facility** in Alberta, Canada, with freight advantage to serve local markets*

Potash

Largest potash producer in the world, *with more than 22 million tons of annual capacity in Canada / **Extensive distribution system** in North America; partner in Canpotex, a premier global potash exporter*

Distribution

*To ensure our customers are **always flush with product** when they need it most / Nutrien maintains the industry's **most advanced storage and shipping network** / Today we total **more than 1,700** North American distribution touch points*

"As the largest producer of potash by capacity and one of the world's largest producers of nitrogen and phosphate, we provide the three key nutrients growers need to produce healthier, more abundant crops." **Chris Reynolds**
SR. VICE PRESIDENT, SALES

A Partner for Growers and Ag Distributors

To help meet the world's ever-growing demand for food and fiber, Nutrien supplies key products and services to Ag distributors that directly support growers.

The merger of Agrium and PotashCorp combines a vast, reliable supply chain that only Nutrien can offer, according to Chris Reynolds, Sr. Vice President, Sales.

"Nutrien has the production, the transportation assets and the most extensive distribution network in the industry," Reynolds says. "Customers are looking for partners that will have product available in the market, ready to be supplied when the growers need it. Nutrien is unsurpassed in terms of our capability to be that partner."

Another benefit of the merger for both distributors and growers is the crop research and nutrient management education available, free of charge, from an expanded team of Nutrien agronomists and certified crop advisers *(see page 5)*. They live and work across the United States and Canada, sharing the latest scientific information about soil nutrition levels, cropping systems, and profit-focused production.

"We've invested in a team of agronomists whose specific purpose is to support our customers," Reynolds says. "The agronomy team provides education and outreach about good fertilizer practices and to help the distributors, who are our customers, be successful with their ultimate customer — the grower."

Bigger for Better Customer Service

As a result of the January 2018 merger, Nutrien is uniquely positioned in the agriculture industry because it has an unmatched capability to respond to customer and market opportunities.

"When I look ahead," Magro says, "I see Nutrien being a global agricultural powerhouse bringing value to growers around the world – a phenomenal company that everyone can be proud of."

Nutrien expects to sell more than 25 million tons of potash, nitrogen, and phosphate products to customers around the world this year. Growers and distributors alike are expected to benefit because the merged company plans to leverage its size to make the commodity fertilizer supply chain more efficient. Nutrien is also investing in research and development of enhanced fertilizer products and cropping systems that enable growers and their crop advisers to improve plant health, yields, and profitability. FR

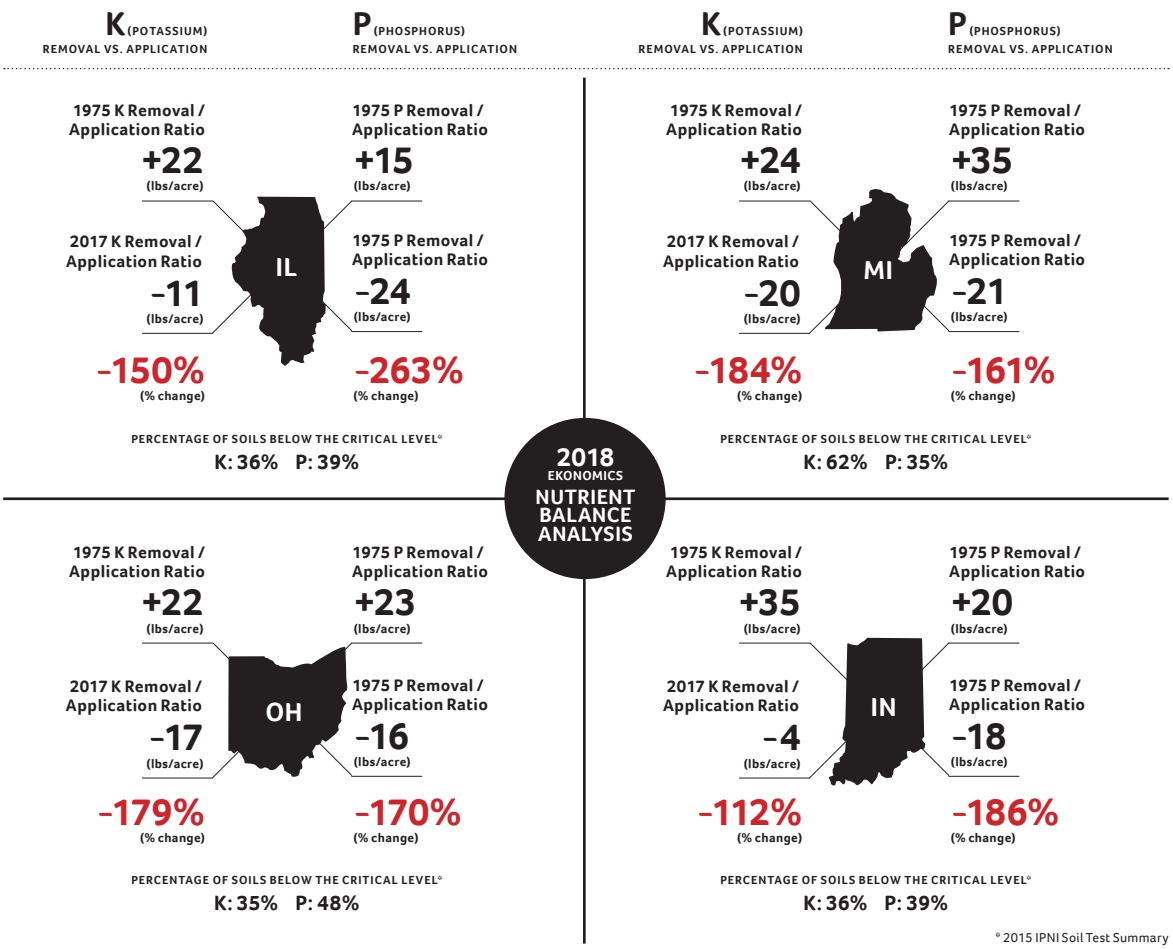
US NUTRIENT BALANCE GAP WIDENS

EXCLUSIVE NEW EKONOMICS STUDY REVEALS GROWERS CONTINUE TO REMOVE MORE K&P FROM THE SOIL THAN THEY APPLY.

Essential nutrients are being removed from America's farmlands far faster than they are being applied, a disturbing trend which could soon hurt grower income.

These are the findings of an important new state-by-state study released this week, which calculates how many pounds of potassium (K) and phosphorus (P) are removed per acre each year compared to how many pounds are being applied. The eKonomics Nutrient Balance Analysis, which uses USDA harvest records and manure application data, along with AAPFCO fertilizer consumption reports, should serve as a wakeup call for growers.

"Recent bumper crops could be masking a looming problem," said Robert Mullen, Ph.D., Nutrien's Director of Agronomy. "Because growers have enjoyed such good corn and soybean yields in the last four years, they may be unaware that nutrient removal is still outpacing nutrient application. In fact, we are now seeing many states fall from a potassium and phosphorus-balance surplus to a deficit." Mullen adds, "We might have built a bit of a nest egg for ourselves back in the 70's and 80's, but we are certainly draining those historic reserves now."



> "There's no escaping the math. If nutrient balances continue to fall, eventually farmer incomes will fall too."
>
> **Robert Mullen, Ph.D.**
> DIRECTOR OF AGRONOMY, NUTRIEN

On the Path to Critically Low Soil Levels

"This is a dramatic surge in removal rates which, if not corrected, could lead to more American soils falling below the critically low soil test levels of potassium and phosphorus, which can lower yields by as much as 30 to 40 percent," Mullen said. "Across the country, far too many farms already have hit this profit-robbing threshold."

Contributing Factors

Several factors are contributing to the widening nutrient balance gap. Chief among them is the growers' ability to realize higher yields due to higher seeding rates, improved genetics, and better agronomic practices, while nutrient application rates have remained unchanged. In addition, corn and soybean budgets discourage farmers' fertilizer purchases.

Another contributing factor is the trend of renting versus owning farmland. Several published university reports reveal that a high percentage (>50%) of corn and soybean acreage is farmed on a cash-rent basis. Depending on the lease length, cash renters may not see the benefits of raising soil test levels to levels above yield-limiting conditions. Therefore, renters mistakenly reduce or eliminate potassium and phosphorus applications, especially with short term leases.

Reversing the Trend

So, how can growers know how much potassium and phosphorus to apply? Mullen's advice remains the same: Rely on soil nutrient level testing and advice from local certified crop advisers/agronomic experts.

Regular soil tests pinpoint nutrient levels in each field so advisers can make sound application recommendations. Some farmers may need to supply little or no potassium or phosphorus. The higher the nutrient levels in their fields, the more flexibility they have on when and how much to spend on fertilizers. However, when test results make it clear that nutrient levels have declined, farmers don't have a choice. FR

MEET THE AGRONOMY TEAM: WE'RE HERE TO HELP GROWERS IMPROVE YIELDS AND PROFITS

The merger of Agrium and PotashCorp to create a new company called Nutrien has yielded even more scientific resources about soil nutrition that farmers and their crop input suppliers can use to increase production and profitability.

Nutrien's agronomy team has been expanded to four full-time experts who live and work across the United States and Canada. Three of the agronomists hold doctoral degrees in soil science or soil fertility, providing Nutrien customers with insights into the latest crop research and best practices that match their regions and local conditions.

"That's big for us," says Dr. Robert Mullen, the agronomy team leader. "With the geographic spread of the individuals on the agronomy team, we can provide a broader perspective of North American agriculture. We also have broader expertise that enables us to develop new crop nutrition information for our customers."

The role of the Nutrien agronomy team is to offer technical support to both producers and the agriculture specialists who sell fertilizers and other crop inputs to growers. "We help the distributors and growers alike make the best business decisions based on soil conditions in their area," Mullen says. "Ultimately, our job is to help everyone grow their bottom lines."

The agronomy team's scientists focus their research on how farmers in North America can achieve the best possible return on investment (ROI) in cropping systems through nutrient management. The team's contributions to the success of the agronomy information website eKonomics.com and Nutrien's customers have proven immeasurable over the years. That's because the Nutrien agronomy team is responsible for sharing research-based information that helps growers make sound fertilizer investment decisions.

To that end, the Nutrien agronomy team has updated its groundbreaking eKonomics nutrient balance analysis — the industry's first assessment of state-by-state nutrient-removal records, fertilizer-consumption information and manure data *(see page 4)*. The website also includes calculators to help growers estimate nutrient removal on their farms as well as their fertilizer ROI.

The 'A' Team

WITH THE LAUNCH OF NUTRIEN IN JANUARY 2018, THE NEW COMPANY ORGANIZED ITS AGRONOMY AND SALES TEAMS INTO THREE REGIONS: AG EAST, AG CENTRAL AND AG WEST. "THE LARGER NUTRIEN AGRONOMY TEAM ENABLES US TO BE CLOSER TO OUR CUSTOMERS AND TO DO MORE EDUCATION OUTREACH IN PERSON," MULLEN SAYS. "THAT'S THE BENEFIT OF HAVING AGRONOMISTS ON STAFF THAT ACTUALLY LIVE IN THEIR REGIONS." THE AGRONOMY TEAM AND THE GEOGRAPHIC REGION IN WHICH THEY WORK ARE HIGHLIGHTED BELOW:

Robert Mullen, Ph.D.

DIRECTOR OF AGRONOMY

To say Dr. Robert Mullen is passionate about agriculture would be an understatement. He holds a Bachelor of Science degree in ag business from Cameron University, along with a Master of Science degree in Plant and Soil Science and a Ph.D. in Soil Science from Oklahoma State University. In addition, Dr. Mullen has been published in a variety of scientific and trade journals. But it's not just his academic accomplishments that make him unique. It's his unwavering ability to take complex data and — in simple terms — explain how it impacts a farmer's bottom line. Dr. Mullen delivers the kind of insightful observations that can lead to a more profitable business. As a leading agronomy expert, Dr. Mullen has a goal to further educate farmers on best management practices that improve their yields and maximize their return on investment.

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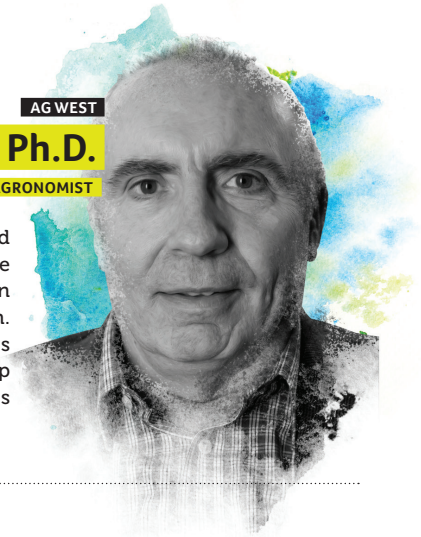
AG CENTRAL

Cristie Preston, Ph.D.

SENIOR AGRONOMIST

Agriculture has always been an integral part of Dr. Cristie Preston's life. She grew up in southwest Virginia and had an interest in crop and animal agriculture from an early age. Once she began college, she initially chose to study animal science but switched to soil science. Dr. Preston attributes her decision partly to an influential professor who told her, "You can't understand animals until you understand what they eat." She received a Bachelor of Science degree in Animal Science and a Master of Science degree in Crop and Soil Environmental Science from Virginia Tech. Dr. Preston holds a Ph.D. in Agronomy, focusing on soil fertility from Kansas State University. While completing her advanced degrees, Dr. Preston conducted more than six years of field and lab research. Dr. Preston has experience in laboratory research measuring volatility loss from urea-based fertilizers. Her field research has focused on phosphorus availability and the interactions with tillage and placement. She also has extensive experience in working with large data sets and analysis. Her main priority is helping growers to identify yield-limiting factors and fix those issues as cost efficiently as possible.



AG WEST

Alan Blaylock, Ph.D.

SENIOR AGRONOMIST

Dr. Alan Blaylock brings extensive North American and international experience in nutrient management to the agronomy team. University studies and service as a university extension soils specialist prepared him for a long career in the fertilizer industry. Having managed both domestic and global research and education programs, Dr. Blaylock has a wealth of experience in applying science-based nutrient management principles and products to solving practical questions. Dr. Blaylock earned Bachelor of Science and Master of Science degrees in Agronomy and Horticulture from Brigham Young University and a Ph.D. in Soil Science from Iowa State University. He has been in agriculture his entire life — from his childhood on an irrigated farm in eastern Oregon to teaching soil science at Iowa State University to his current role as an agronomist at Nutrien. These diverse experiences helped Dr. Blaylock develop the skills to excel in translating complex scientific principles into practical solutions. Although early in his university studies he explored computer science as a profession, deep family roots in agriculture brought him back to the people and values of his heritage. His career satisfaction comes from helping others improve the performance of nutrients and cropping systems.

AG EAST

Mike Howell

SENIOR AGRONOMIST

Growing up on a university research farm, Mike Howell developed an interest in agriculture at a young age. While active in 4-H as a child, Howell learned to appreciate agriculture and the programs that would shape his career. Howell holds a Bachelor of Science degree in Soil Science and a Master of Science degree in Entomology from Mississippi State University. He has more than 20 years of experience conducting applied research and delivering educational programs to help make producers more profitable. He takes pride in promoting agriculture in all levels of industry, especially with the younger generation. FR

This release contains "forward-looking statements" (within the meaning of the US Private Securities Litigation Reform Act of 1995) or "forward-looking information" (within the meaning of appropriate Canadian securities legislation) that relate to future events or our future performance. These statements can be identified by expressions of belief, expectation or intention, as well as those statements that are not historical fact. These statements contain words such as "should," "could," "expect," "forecast," "may," "anticipate," "believe," "intend," "estimates," "plans" and similar expressions. These statements are based on certain factors and assumptions as set forth in this document, including with respect to: foreign exchange rates, expected growth, results of operations, performance, business prospects and opportunities, and effective tax rates. While we consider these factors and assumptions to be reasonable based on information currently available, they may prove to be incorrect. Forward-looking statements are subject to risks and uncertainties that are difficult to predict. The results or events set forth in forward-looking statements may differ materially from actual results or events. Several factors could cause actual results or events to differ materially from those expressed in forward-looking statements including, but not limited to, the following: variations from our assumptions with respect to foreign exchange rates, expected growth, results of operations, performance, business prospects and opportunities, and effective tax rates; fluctuations in supply and demand in the fertilizer, sulfur and petrochemical markets; changes in competitive pressures, including pricing pressures; risks and uncertainties related to any operating and workforce changes made in response to our industry and the markets we serve, including mine and inventory shutdowns; adverse or uncertain economic conditions and changes in credit and financial markets; economic and political uncertainty around the world; changes in capital markets; the results of sales contract negotiations; unexpected or adverse weather conditions; changes in currency and exchange rates; risks related to reputational loss; the occurrence of a major safety incident; inadequate insurance coverage for a significant liability; inability to obtain relevant permits for our operations; catastrophic events or malicious acts, including terrorism; certain complications that may arise in our mining process, including water inflows; risks and uncertainties related to our international operations and assets; our ownership of non-controlling equity interests in other companies; our prospects to reinvest capital in strategic opportunities and acquisitions; risks associated with natural gas and other hedging activities; security risks related to our information technology systems; imprecision in reserve estimates; costs and availability of transportation and distribution for our raw materials and products, including railcars and ocean freight; changes in, and the effects of, government policies and regulations; earnings and the decisions of taxing authorities which could affect our elective tax rates; increases in the price or reduced availability of the raw materials that we use; our ability to attract, develop, engage and retain skilled employees; strikes or other forms of work stoppage or slowdowns; rates of return on, and the risks associated with, our investments and capital expenditures; timing and impact of capital expenditures; the impact of further innovation; adverse developments in new and pending legal proceedings or government investigations; and violations of our governance and compliance policies. These risks and uncertainties are discussed in more detail under the headings "Risk Factors" and "Management's Discussion and Analysis of Results and Operations and Financial Condition" in our Annual Report on Form 10-K for the fiscal year ended December 31, 2015 and in other documents and reports subsequently filed by us with the US Securities and Exchange Commission and the Canadian provincial securities commissions. Forward-looking statements are given only as of the date hereof and we disclaim any obligation to update or revise any forward-looking statements in this release, whether as a result of new information, future events or otherwise, except as required by law.

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