

Building a culture of belonging

GENDER PAY GAP NARRATIVE

DATA REFLECTIVE APRIL 2020 THROUGH APRIL 2021

A message from our CEO

CF Industries has a long history of creating value for all our stakeholders. 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.

CF Industries' 3,000 employees enjoy well-paying jobs with outstanding benefits and opportunities for growth and development. Our team has a deep commitment to safety excellence, helping drive a full year recordable incident rate of 0.32 incidents per 200,000 work hours, which is significantly better than industry averages. We also focus on fostering an inclusive and diverse culture at CF Industries so that we not only safeguard each person's physical well-being every day, but also their personal well-being — helping each other feel welcomed, valued, and inspired to do our best work.

We remain focused on realizing the promise of what CF Industries can offer the world. 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



Tony Will
President and CEO

A message from our UK Managing Director

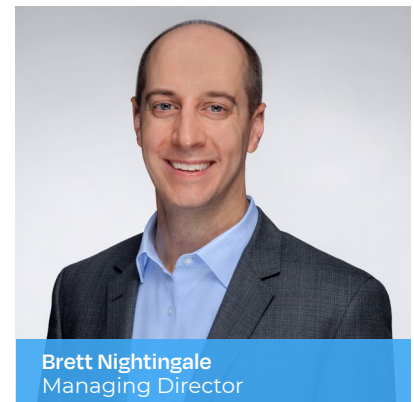
We are pleased to present our annual Gender Pay Gap Report for CF Industries' UK Operations for April 2020 through April 2021. I want to highlight three areas at the outset:

- Our data tells us our female employees earn, on average, a 0.3% higher wage and on average a 28% higher bonus than our male employees
- The percentage of women in the upper, upper middle, and lower middle pay quartiles has increased since last year and that the percentage of women receiving a bonus has remained steady
- The UK Leadership Team is now made up of 40% women

We are proud of these results. At CF Industries, we know having a variety of perspectives, backgrounds, and experiences across our organization is critical to making the best possible decisions. We fully understand and embrace the fact that promoting ID&E is central to our continued success. You can read about our ID&E strategy in more detail in this report.

Thank you for your interest in CF Industries.

Brett Nightingale, Managing Director



Brett Nightingale
Managing Director



Measuring the pay gap

The UK Gender Pay Gap regulation requires all companies with over 250 employees to report their gender pay gap. We share the median and mean average pay gap between our male and female employees based on hourly rates of pay on 5th April 2021 and bonuses paid during the reporting period of April 2020 - April 2021.

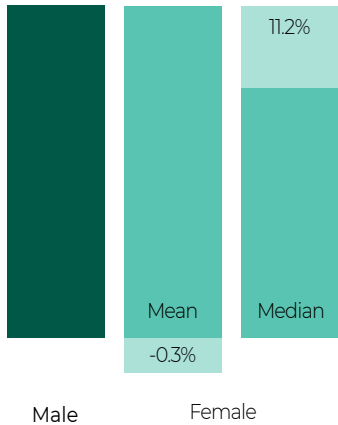
On 5th April 2021, we employed 600 employees of whom 594 were on full pay and 6 on less than full pay. Our median average gender pay gap is 11.2% with our median average bonus gender pay gap 5%. Our mean average gender pay gap is -0.3% whilst our mean bonus gender pay gap is -28%. In the context of the gender pay gap, negative figures indicate positive results. **In other words, our data tells us our female employees earn, on average, a 0.3% higher wage and on average a 28% higher bonus than our male employees, as shown below.**

Gender split for total workforce (600 employees)



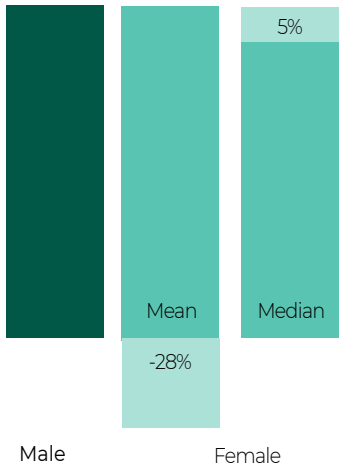
Proportion of females employed has steadied (89.2% male; 10.8% female).

Pay



Mean average gender pay gap is -0.3%.
Median average gender pay gap is 11.2%. This is driven primarily by the increased number of shift allowances earned by our predominantly male operational population to safely operate our sites.

Bonus



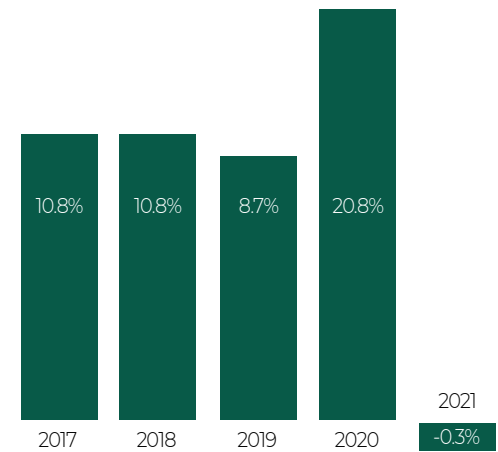
Mean average bonus gender pay gap is -28%. This highlights the increasing percentage of women in leadership positions across the business.
Median average bonus gender pay gap is 5%.

Understanding positive and negative figures in the gender pay gap

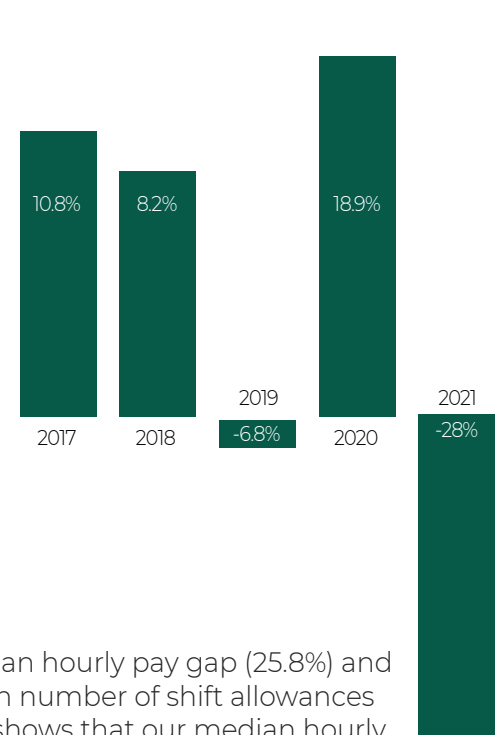
In this context, a negative figure indicates that women, on average, are paid more than men.
A positive figure would reveal that men, on average, are paid more than women.
A zero percentage would indicate there is no gap between men and women in average pay or bonuses.

We have made significant progress towards improving our mean hourly pay and mean bonus pay gap, which are the best we've seen since we began reporting in 2017, reduced by 11% and 38.8% retrospectively:

Mean Gender Pay Gap in Hourly Pay



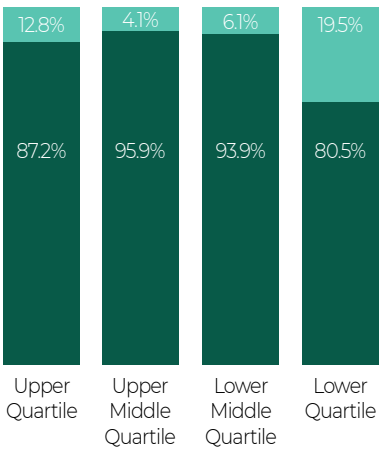
Mean Gender Pay Gap in Bonus Pay



During the last reporting period, we saw a surge in our median hourly pay gap (25.8%) and mean hourly pay gap (20.8%), which related to the increase in number of shift allowances earned through the pandemic. However, our trend analysis shows that our median hourly pay has decreased since 2017 from 21.4% to 11.2% this year and our mean hourly pay from 10.8% to -0.3%. We continue to have a high representation of all employees receiving a bonus. The above graph shows us that our data is heading in the right direction. **With the exception of the last reporting period, we have been consistent in lowering our gender pay gap year-over- year.**

We are also pleased to report that the percentage of women in the upper, upper middle, and lower middle pay quartiles has increased since last year and that the percentage of women receiving a bonus has remained steady, as shown to the right.

Pay quartiles



% of women in the upper, upper middle, and lower middle quartiles has increased since last year (up from 6.6%, 1.3%, and 4.6% respectively).

Receipt of bonus



% of men receiving bonus is just slightly lower than the last reporting period (96.7%).

% of women receiving bonus remains similar to the last reporting period (96.9%).

Our data shows that our female employees earn, on average, a 0.3% higher wage and 28% higher bonus than our male employees. We are proud that our mean gender pay gap of -0.3% is significantly lower than the national average of 14.9% as estimated by the Office for National Statistics for 2021. It is also considerably lower than the chemical manufacturing industry estimate of 7.7%.

Women in leadership

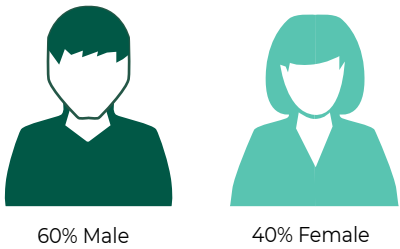
We continue to place professional and personal development at the heart of CF and have upskilled and promoted internally. **Following the promotion of Deborah Taylor to Director of UK Business Process & Compliance, our UK Leadership Team is now made up of 40% women, with Compliance, Public Affairs, Finance and Commercial being major business functions with women at the helm.** We believe in the importance of succession planning and ensuring our colleagues are developed and able to advance to their chosen career.

"Throughout my career at CF, I have been able to make the most of the many opportunities offered to develop both as a person and as an employee. Internal mentoring by the UK Senior Leadership Team has been invaluable to enhancing my own leadership skills and has enabled me to demonstrate CF behaviours and competencies to aid my promotion. The CF working environment means I have been able to progress to my current position based on merit and my performance – and I am always treated equally and with respect."

Deborah Taylor, Director of UK Business Process & Compliance



Members of CF's Senior Leadership Team



Hear from the women of CF



"Coming to CF from a background in food testing, I was curious to discover how a female supervisor would be received in an industrial chemical setting. My positive experiences soon put an end to any nerves I had.

CF has always supported me in developing my technical and professional skills. I have been given the opportunity to enroll in a wide variety of training courses and have been invited to visit some of our US sites as a member of the Laboratory Council.

During my six years with the company, I have recruited and mentored several chemists who are developing within the department, including two former apprentices. I am proud to lead an age, gender and ethnically diverse team."

"I joined CF on a Maintenance Apprenticeship in 2015. Since then I have been taken on as a qualified Instrument and Electrical Technician. After being employed full time in 2018, I have been working hard to advance both academically and practically. CF has funded my degree in Electrical and Electronic Engineering, which has allowed me to develop my career aspirations. Having CF support me in completing my degree has relieved a lot of the pressure that comes alongside working and studying.

As a company, we have created a number of forums that allow employees to express their opinions openly and without judgement. The Inclusion Resource Group allows for fluid communication between employees and CF regarding how the company can improve on equality and diversity matters. This year I have been given the opportunity to co-lead this initiative and begin to improve certain areas of the CF Community.

CF is consistently working on improving its gender split of the workforce and is constantly recognising women wanting to progress throughout the engineering sector."



Continued Progress

CF Industries has made progress across its global business in building a more diverse and inclusive workplace. Our UK operations are no exception, as illustrated in this report.

We strive to have a variety of perspectives, backgrounds, and experiences represented across CF Industries and have set short and long-term ID&E goals that are already making great progress to achieve this goal.

The Company remains focused on these public goals related to building a more diverse and inclusive workforce. To do, this, we are executing our ID&E strategy, which is focused on three areas: Representation, Education and Skill Development, and Belonging.



"Since joining CF, I've had many opportunities to learn and advance my career. I was supported and actively encouraged to temporarily step up to a supervisor role to cover a maternity leave. My supervisor has supported and helped me organise any in-house training I've shown interest in. Our department, central laboratory at Billingham, is supervised by a female and our next-in-line supervisor is also female. These ladies are excellent role models for up-and-coming employees within the company.

I am always happy to speak to and discuss my career progression with my supervisor who I know would support me with any requests for learning or relevant skills. In my spare time, I compete as a strong woman and intend to qualify to compete in World's Strongest Woman 2022. The whole team at Billingham Central Labs shows interest and support towards my personal and work goals.

CF supports diversity and recognises enthusiastic workers who want to progress their careers."



Our COVID-19 journey

At the onset 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. During this time, our Occupational Health Advisor, Linda Flatt, played a critical role in leading us through the pandemic.

Occupational Health during a pandemic

Working in the Occupational Health Advisor role at CF has given me the opportunity to engage with Environment, Health and Safety (EHS) and Operations teams to support the ongoing development and promotion of health, safety and physical and mental health well-being. The continuous efforts and investment from CF to identify, build and expand on the external well-being support services to supplement and support the occupational health provision has been inspirational and highly valued, especially during the COVID-19 pandemic.

I was given the opportunity to support Ince and Billingham from the onset and throughout the COVID-19 pandemic. My responsibilities in the UK steering group included networking on a daily basis with NHS and Public Health England (later known as UK Health Security Agency) to allow me to understand and share up-to-date government guidance. Being a member of the Chemical Industry Association Health Leadership steering group and attending regular meetings to discuss and share ideas on support available has also been valuable to my development. During this period, I believe the occupational health and management support available 24/7 for advice/support and arranging PCR tests across both sites instilled confidence to effectively manage COVID-19 during difficult times.

I was able to engage with the EHS team to review COVID-19 risk assessments and I played a valuable part in educating employees on the importance of wearing the appropriate recommended PPE, social distancing, handwashing, etc. to avoid outbreaks. I was key in organizing the reporting process and the monitoring of employees testing positive or isolating due to close contact and ensured relevant guidance was given on isolation requirements. I also helped provide OH rehabilitation support for employees severely affected by COVID-19.

On introduction of the NHS vaccination program, CF followed NHS advice, recommending and encouraging employees to have the COVID-19 vaccination when given the opportunity, unless recommended otherwise by a medical practitioner. This had been a successful approach, resulting in a high majority of CF UK employees being fully vaccinated.

Linda Flatt, Occupational Health Advisor, CF Fertilisers



Linda Flatt
Occupational Health Advisor

Inclusion Statement

At CF Industries, safety comes first, and the inclusive and diverse culture we strive for every day is no exception: it starts with feeling safe to bring your true self to work. We do this by embracing our difference, whilst learning about and respecting each other's unique perspectives and experiences. When we do this well, everyone is empowered to be their best and do their best.

"I know one person can make a difference. But collectively as a community and an organisation, we can be even more impactful and purposeful."

Shawna Walker, Manager, Inclusion and Engagement

Our commitment to inclusion and diversity

At CF, we're on a journey to build a culture of belonging – a workplace where everyone feels welcomed, valued, empowered and inspired to do their best work. A culture where it's safe to be yourself. That's our vision of inclusion, diversity and equity (ID&E).

Whilst this commitment is not new, we're finding new ways to live out our commitment and advance our culture. As always, we know the best insights come from our own employees and this year has seen us introduce the first-ever Inclusion Resource Group at CF.

We have continued to work on projects that are important to our local community. This includes:

- Local businesses, schools and colleges with the support of The Pledge, Cheshire and Warrington Local Enterprise Partnership and YouthFed. The work has allowed CF to reach more students within the local area to drive STEM awareness, support local initiatives and support diversity and inclusion initiatives within STEM and digital skills.
- Increasing our support of work experience for more students over a period of instability within schooling due to COVID-19 restrictions. By utilising virtual platforms with the support of The Pledge and CF STEM Ambassadors, we provided meaningful work experience to more students and attended more careers and employability fairs and forums.

2020-2021 inclusion and diversity highlights

100%
PERCENTAGE OF EMPLOYEES
who completed *Disrupting Everyday Bias* eLearning training

IRG INCLUSION RESOURCE GROUP
First employee resource group launched in 2021

152 PARTICIPANTS
with CF-featured guest speakers at Women in Agribusiness. Proud Platinum Sponsors for 2020 & 2021

2021
INCLUSION COUNCIL ESTABLISHED

1,800+ EMPLOYEE
participants in various cultural awareness and engagement events

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INTERNSHIPS, CO-OPS AND APPRENTICES



Sustainability goals

Our sustainability goals focus on females and traditionally underrepresented groups. Our main aims for the future are to:

- Increase representation of females and persons of color in senior leadership roles (director level and above) to at least 30% by the end of 2025.
- Implement a program to create additional pathways to long-term professional growth for traditionally underrepresented employee groups by the end of 2021 with the ultimate goal of increasing hiring and promotion of minority and female candidates. In March 2021, we joined Multiple Pathways initiative with the Business Roundtable.



2020-2021 business highlights

Introduced new **VOLUNTARY TIME OFF PROGRAM** providing paid time off for charitable activities

3.2M The amount (USD) CF contributed to our **PHILANTHROPIC FOCUS AREAS**

76% **ENGAGEMENT SURVEY SCORE** Employees feeling happy and engaged; 2 points above global benchmark

2020 **CORE VALUES REFRESHED** making explicit commitment to Inclusion, Diversity and Equity

JOINED MULTIPLE PATHWAYS INITIATIVE A multi-year effort, in partnership with the Business Roundtable (BRT), to emphasize value of skills to improve diversity, equity and workplace culture

Our priorities for 2022

As part of CF’s strategy and pledge to continually improve our Gender Pay Gap, we are committed to:

- Expanding our flexible working and family-friendly policies
- Supporting our colleagues returning to a hybrid working environment
- Developing of our UK Inclusion Resource Group
- Expanding our Employee Value Proposition (EVP)
- Developing more inclusive onboarding processes
- Enhancing our development opportunities through our Learning Management System and LinkedIn Learning

Representation

We will increase representation of women and underrepresented groups at all levels by:

Attracting and building a pipeline for **diverse talent**

Building accountability into our **talent processes**

Establishing **key metrics**

Education and Skill Development

We will enhance organizational understanding and skillsets related to Inclusion, Diversity and Equity by:

Curating **training and development** offerings for all leadership levels

Enhancing the new **employee experience** to reinforce our values and culture

Championing the **Multiple Pathways Initiative**

Belonging

We will strengthen belonging and our inclusive culture internally and in our communities by:

Creating opportunities for **employee involvement** and advocacy

Demonstrating our **commitment to our communities**

Measuring employees’ sense of **belonging and inclusion**