



# 2024 First Quarter Financial Results

May 1, 2024

NYSE: CF



# Safe harbor statement

All statements in this presentation by CF Industries Holdings, Inc. (together with its subsidiaries, the “Company”), other than those relating to historical facts, are forward-looking statements. Forward-looking statements can generally be identified by their use of terms such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “predict,” “project,” “will” or “would” and similar terms and phrases, including references to assumptions. Forward-looking statements are not guarantees of future performance and are subject to a number of assumptions, risks and uncertainties, many of which are beyond the Company’s control, which could cause actual results to differ materially from such statements. These statements may include, but are not limited to, statements about the synergies and other benefits, and other aspects of the transactions with Incitec Pivot Limited (“IPL”), strategic plans and management’s expectations with respect to the production of green and low-carbon ammonia, the development of carbon capture and sequestration projects, the transition to and growth of a hydrogen economy, greenhouse gas reduction targets, projected capital expenditures, statements about future financial and operating results, and other items described in this presentation. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among others, the risk of obstacles to realization of the benefits of the transactions with IPL; the risk that the synergies from the transactions with IPL may not be fully realized or may take longer to realize than expected; the risk that the completion of the transactions with IPL, including integration of the Waggaman ammonia production complex into the Company’s operations, disrupt current operations or harm relationships with customers, employees and suppliers; the risk that integration of the Waggaman ammonia production complex with the Company’s current operations will be more costly or difficult than expected or may otherwise be unsuccessful; diversion of management time and attention to issues relating to the transactions with IPL; unanticipated costs or liabilities associated with the IPL transactions; the cyclical nature of the Company’s business and the impact of global supply and demand on the Company’s selling prices; the global commodity nature of the Company’s nitrogen products, the conditions in the international market for nitrogen products, and the intense global competition from other producers; conditions in the United States, Europe and other agricultural areas, including the influence of governmental policies and technological developments on the demand for our fertilizer products; the volatility of natural gas prices in North America and the United Kingdom; weather conditions and the impact of adverse weather events; the seasonality of the fertilizer business; the impact of changing market conditions on the Company’s forward sales programs; difficulties in securing the supply and delivery of raw materials or utilities, increases in their costs or delays or interruptions in their delivery; reliance on third party providers of transportation services and equipment; the Company’s reliance on a limited number of key facilities; risks associated with cybersecurity; acts of terrorism and regulations to combat terrorism; risks associated with international operations; the significant risks and hazards involved in producing and handling the Company’s products against which the Company may not be fully insured; the Company’s ability to manage its indebtedness and any additional indebtedness that may be incurred; the Company’s ability to maintain compliance with covenants under its revolving credit agreement and the agreements governing its indebtedness; downgrades of the Company’s credit ratings; risks associated with changes in tax laws and disagreements with taxing authorities; risks involving derivatives and the effectiveness of the Company’s risk management and hedging activities; potential liabilities and expenditures related to environmental, health and safety laws and regulations and permitting requirements; regulatory restrictions and requirements related to greenhouse gas emissions; the development and growth of the market for green and low-carbon ammonia and the risks and uncertainties relating to the development and implementation of the Company’s green and low-carbon ammonia projects; and risks associated with expansions of the Company’s business, including unanticipated adverse consequences and the significant resources that could be required. More detailed information about factors that may affect the Company’s performance and could cause actual results to differ materially from those in any forward-looking statements may be found in CF Industries Holdings, Inc.’s filings with the Securities and Exchange Commission, including CF Industries Holdings, Inc.’s most recent annual and quarterly reports on Form 10-K and Form 10-Q, which are available in the Investor Relations section of the Company’s web site. It is not possible to predict or identify all risks and uncertainties that might affect the accuracy of our forward-looking statements and, consequently, our descriptions of such risks and uncertainties should not be considered exhaustive. There is no guarantee that any of the events, plans or goals anticipated by these forward-looking statements will occur, and if any of the events do occur, there is no guarantee what effect they will have on our business, results of operations, cash flows, financial condition and future prospects. Forward-looking statements are given only as of the date of this presentation and the Company disclaims any obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

# Note regarding non-GAAP financial measures

The Company reports its financial results in accordance with U.S. generally accepted accounting principles (GAAP). Management believes that EBITDA, adjusted EBITDA, free cash flow, free cash flow to adjusted EBITDA conversion and free cash flow yield, which are non-GAAP financial measures, provide additional meaningful information regarding the Company's performance and financial strength. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported results prepared in accordance with GAAP. In addition, because not all companies use identical calculations, EBITDA, adjusted EBITDA, free cash flow, free cash flow to adjusted EBITDA conversion and free cash flow yield included in this presentation may not be comparable to similarly titled measures of other companies. Reconciliations of EBITDA, adjusted EBITDA, free cash flow, and free cash flow yield to the most directly comparable GAAP measures are provided in the tables accompanying this presentation.

EBITDA is defined as net earnings attributable to common stockholders plus interest expense - net, income taxes, and depreciation and amortization. Other adjustments include the elimination of loan fee amortization that is included in both interest and amortization, and the portion of depreciation that is included in noncontrolling interest. The Company has presented EBITDA because management uses the measure to track performance and believes that it is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the industry.

Adjusted EBITDA is defined as EBITDA adjusted with the selected items as summarized in the tables accompanying this presentation. The Company has presented adjusted EBITDA because management uses adjusted EBITDA, and believes it is useful to investors, as a supplemental financial measure in the comparison of year-over-year performance.

Free cash flow is defined as net cash provided by operating activities, as stated in the consolidated statements of cash flows, reduced by capital expenditures and distributions to noncontrolling interests. Free cash flow to adjusted EBITDA conversion is defined as free cash flow divided by adjusted EBITDA. Free cash flow yield is defined as free cash flow divided by market value of equity (market cap). For full year 2022, the Company has also presented cash provided by operating activities, free cash flow, free cash flow to adjusted EBITDA conversion and free cash flow yield, in each case excluding certain tax and interest payments made to Canadian tax authorities in relation to an arbitration decision covering tax years 2006 through 2011 and to our transfer pricing positions between Canada and the United States for open years 2012 and after. The Company has presented these financial measures, as well as the financial measures free cash flow, free cash flow to adjusted EBITDA conversion and free cash flow yield, because management uses these measures and believes they are useful to investors, as an indication of the strength of the Company and its ability to generate cash and to evaluate the Company's cash generation ability relative to its industry competitors. It should not be inferred that the entire free cash flow amount is available for discretionary expenditures.

# Strong cash generation despite challenging production environment in the first quarter

- ▶ Continued strong cash generation in Q1: Net operating cash of \$445M, free cash flow of \$203M<sup>(1)</sup>
- ▶ Q1 production outages due to severe cold and other maintenance events resulted in:
  - ~\$75 million higher maintenance costs associated with production outages
  - Gross ammonia production down ~9% which reduced ammonia available to produce higher-margin upgraded fertilizer products
- ▶ Management intends to complete \$3 billion share repurchase authorization by December 2025
  - Repurchased 4.3 million shares for \$347 million during the first quarter of 2024
- ▶ Advanced our clean energy initiatives
  - Donaldsonville green ammonia project commissioning activities nearing completion, with start-up of green ammonia to follow
  - Executed a joint development agreement with JERA to explore development of greenfield low-carbon ammonia production capacity in Louisiana

Net earnings	
<b>\$194 M</b>	<b>\$560 M</b>
1Q 2024	1Q 2023

Net earnings per diluted share	
<b>\$1.03</b>	<b>\$2.85</b>
1Q 2024	1Q 2023

EBITDA <sup>(2)</sup>	
<b>\$488 M</b>	<b>\$924 M</b>
1Q 2024	1Q 2023

Adjusted EBITDA <sup>(2)</sup>	
<b>\$459 M</b>	<b>\$866 M</b>
1Q 2024	1Q 2023

LTM Cash from operations
<b>\$2.26 B</b>
1Q 2024

LTM Free cash flow <sup>(1)</sup>
<b>\$1.38 B</b>
1Q 2024

(1) Free cash flow represents cash provided by operating activities (cash from operations) less capital expenditures less distributions to noncontrolling interest; see appendix for reconciliation of free cash flow

(2) See appendix for reconciliations of EBITDA and adjusted EBITDA to the most directly comparable GAAP measures

# Financial results – first quarter 2024

In millions, except percentages, per MMBtu and EPS	Q1 2024	Q1 2023
Net sales	\$ 1,470	\$ 2,012
Gross margin	409	863
- As a percentage of net sales	27.8 %	42.9 %
Net earnings attributable to common stockholders	\$ 194	\$ 560
Net earnings per diluted share	1.03	2.85
EBITDA <sup>(1)</sup>	488	924
Adjusted EBITDA <sup>(1)</sup>	459	866
Diluted weighted-average common shares outstanding	188.1	196.9
Natural gas costs in cost of sales (per MMBtu) <sup>(2)</sup>	\$ 2.73	\$ 5.14
Realized derivatives loss in cost of sales (per MMBtu) <sup>(3)</sup>	0.46	1.48
Cost of natural gas used for production in cost of sales (per MMBtu)	\$ 3.19	\$ 6.62
Average daily market price of natural gas Henry Hub - Louisiana (per MMBtu)	2.43	2.68
Depreciation and amortization	253	206
Capital expenditures	98	69

(1) See appendix for reconciliations of EBITDA and adjusted EBITDA to the most directly comparable GAAP measures

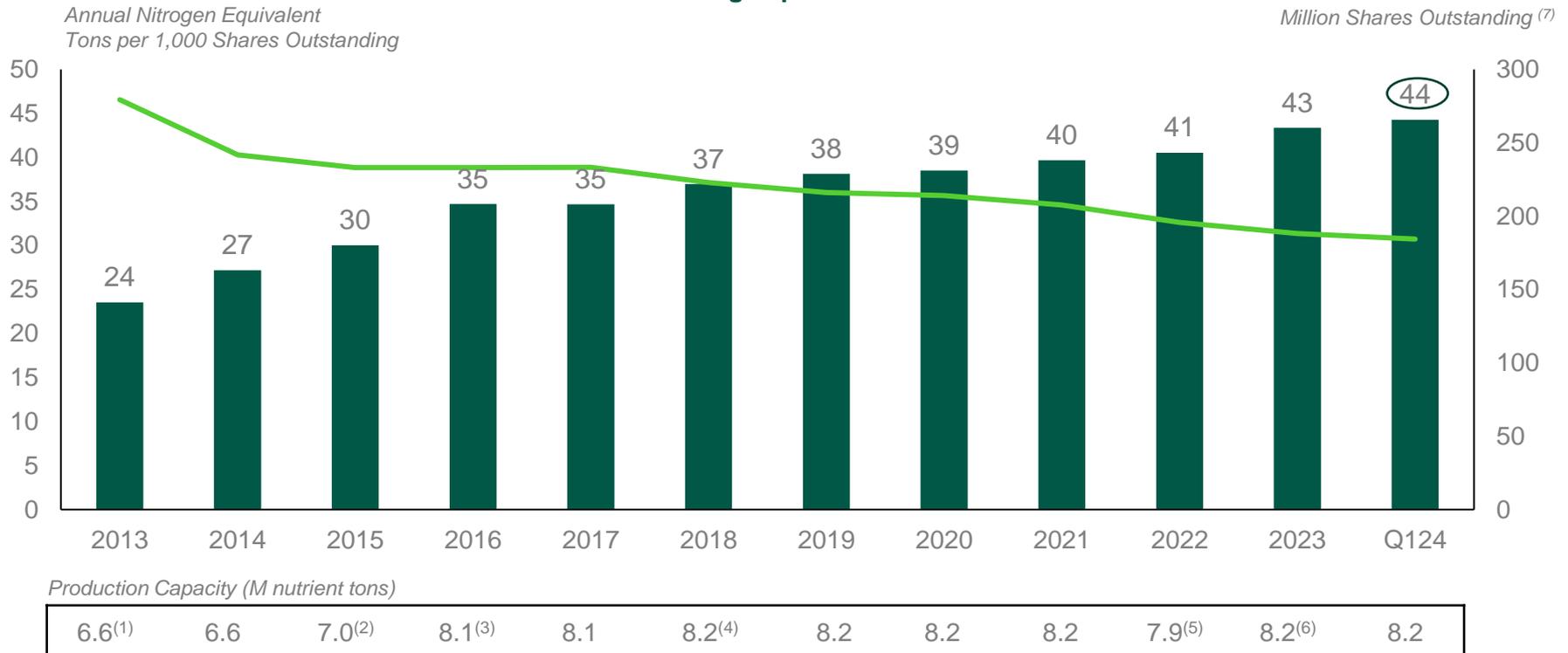
(2) Includes the cost of natural gas used for production and related transportation that is included in cost of sales during the period under the first-in, first-out inventory method

(3) Includes realized gains and losses on natural gas derivatives settled during the period. Excludes unrealized mark-to-market gains and losses on natural gas derivatives

# Capacity growth coupled with share repurchases continue to drive nitrogen participation per share...

## CF Industries' Nitrogen Volumes and Shares Outstanding as of March 31, 2024

2013 – Q1 2024 Nitrogen per share CAGR: 6.4%



All N production numbers based on year end figures per 10-K filings.

- (1) Beginning in 2013 includes incremental 34% of Medicine Hat production to reflect CF acquisition of Viterro's interests
- (2) Beginning in 2015 includes incremental 50% interest in CF Fertilisers UK acquired from Yara
- (3) Beginning in 2016 excludes nitrogen equivalent of 1.1 million tons of urea and 0.58 million tons of UAN under CHS supply agreement and includes expansion project capacity at Donaldsonville and Port Neal

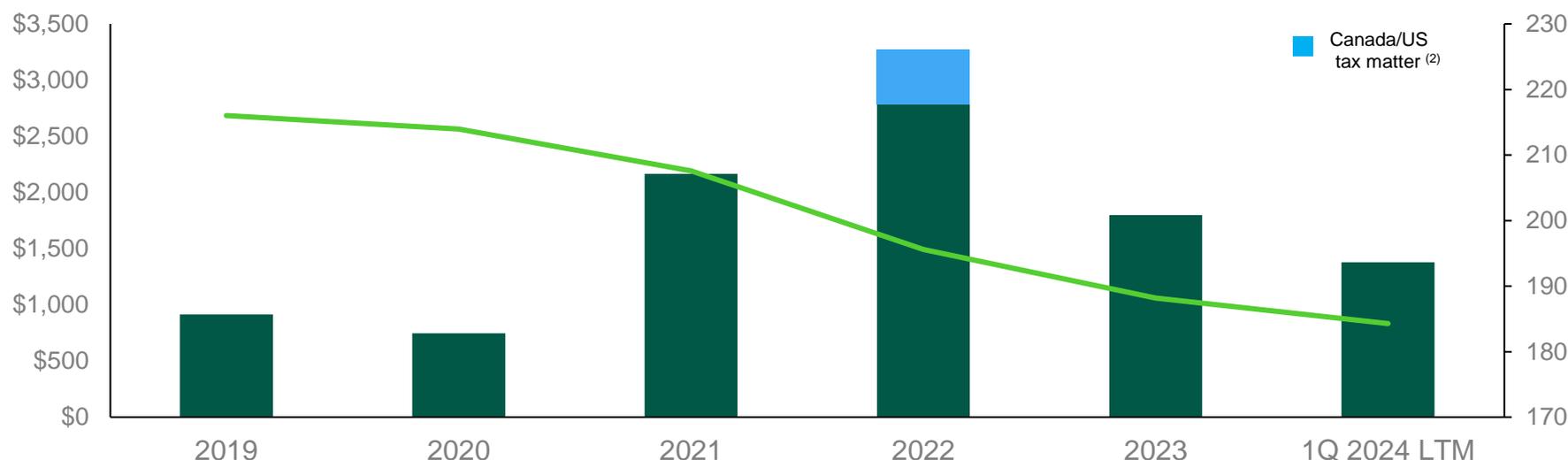
- (4) Beginning in 2018 includes incremental 15% of Verdigris production to reflect CF's acquisition of publicly traded TNH units
- (5) Includes decrease in production capacity due to Ince plant closure
- (6) Includes decrease in production capacity due to Billingham NH3 plant closure and additional production capacity from Waggaman ammonia production complex
- (7) Share count based on end of period common shares outstanding; share count prior to 2015 based on 5-for-1 split-adjusted shares

# ...resulting in strong free cash flow participation

## CF Industries' Free Cash Flow and Shares Outstanding as of period-end

LTM Free Cash Flow (millions)<sup>(1)</sup>

Shares Outstanding (millions)



(millions)

### Non-GAAP reconciliation: Cash from Operations to Free Cash Flow

Cash from Operations	\$1,505	\$1,231	\$2,873	\$3,855	\$2,757	\$2,255
Capital expenditures	(404)	(309)	(514)	(453)	(499)	(528)
Distributions to noncontrolling interests	(186)	(174)	(194)	(619)	(459)	(348)
<b>Free Cash Flow</b>	<b>\$915</b>	<b>\$748</b>	<b>\$2,165</b>	<b>\$2,783<sup>(2)</sup></b>	<b>\$1,799</b>	<b>\$1,379</b>
End of period shares outstanding	216	214	208	196	188	184

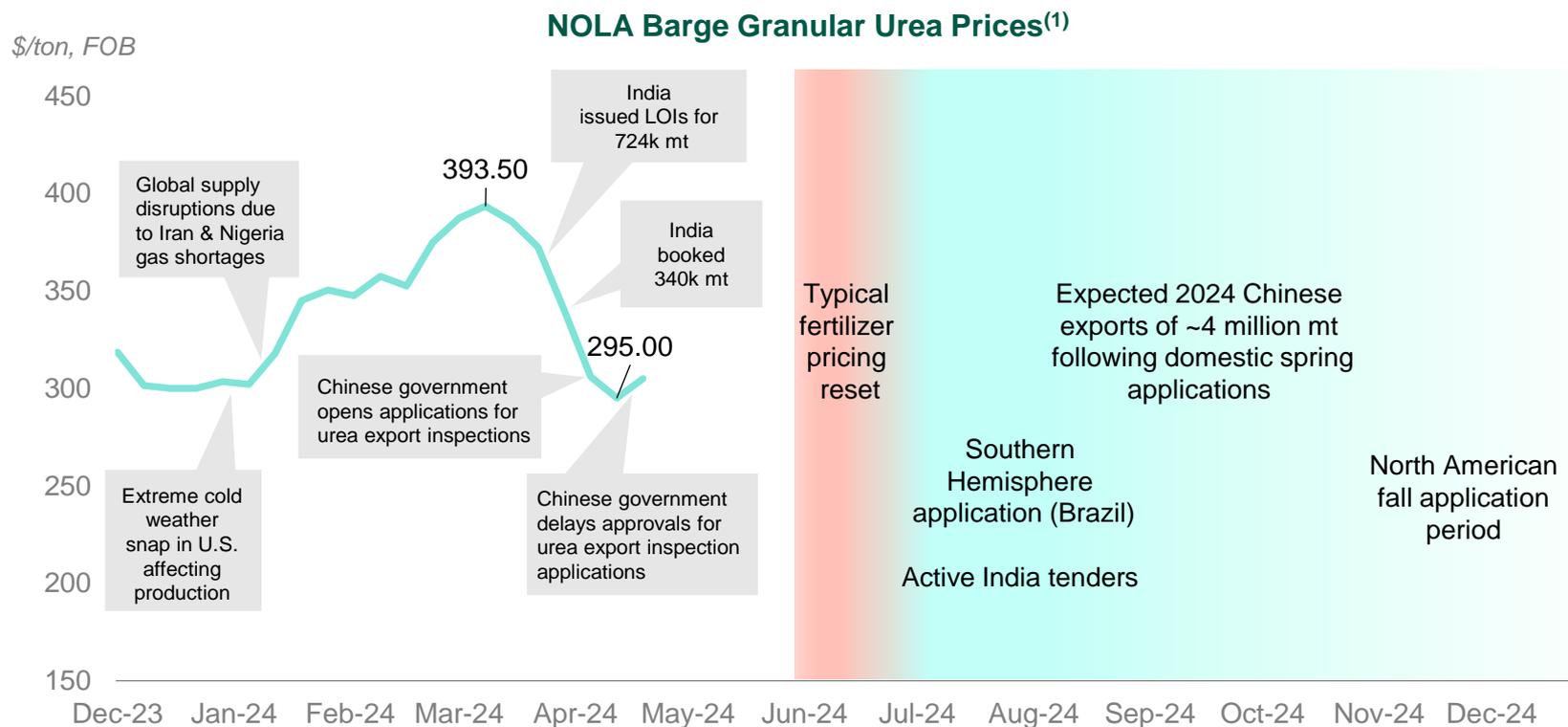
(1) Represents annual and Q1 2024 LTM free cash flow; see appendix for reconciliations of free cash flow and adjusted EBITDA to the most directly comparable GAAP measures

(2) For FY 2022 free cash flow includes \$491M of tax and interest payments related to a dispute between Canadian and U.S. tax authorities dating back to the early 2000s; the Company has filed amended tax returns in the U.S. seeking refunds of related taxes paid

# Global urea pricing sensitive to supply/demand and geopolitical uncertainties

## ► Pricing sensitive to global factors:

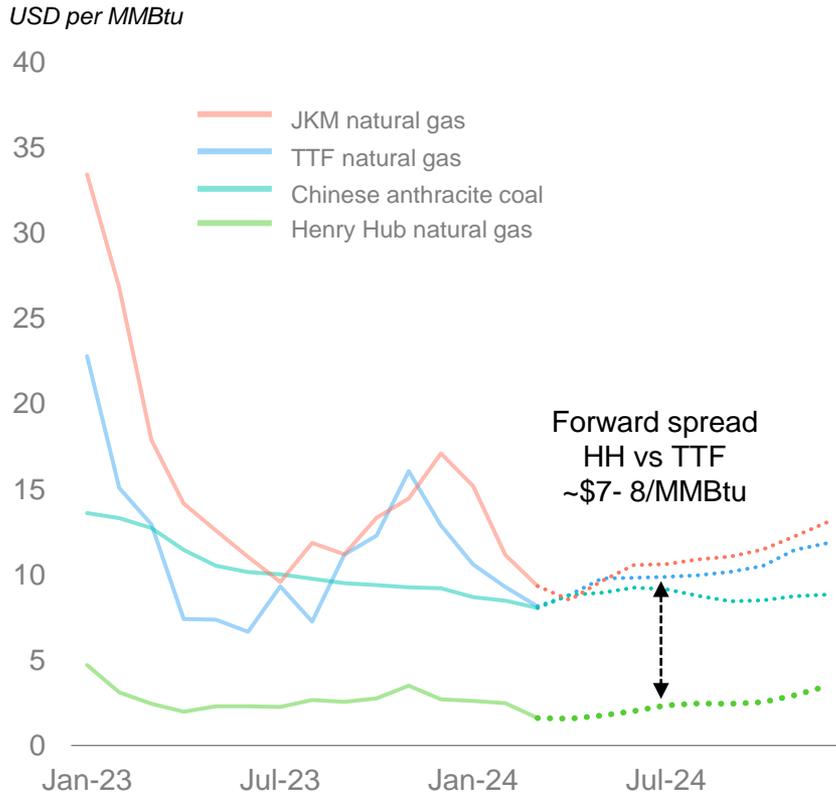
- India accepted 724k mt of urea in the latest tender, but cut actual urea purchases to 340k mt
- China urea export quantity and timing uncertainty
- Expected fertilizer pricing reset following the end of Northern Hemisphere spring demand
- Global cost curve suggests mid-point urea price of ~\$344/ton



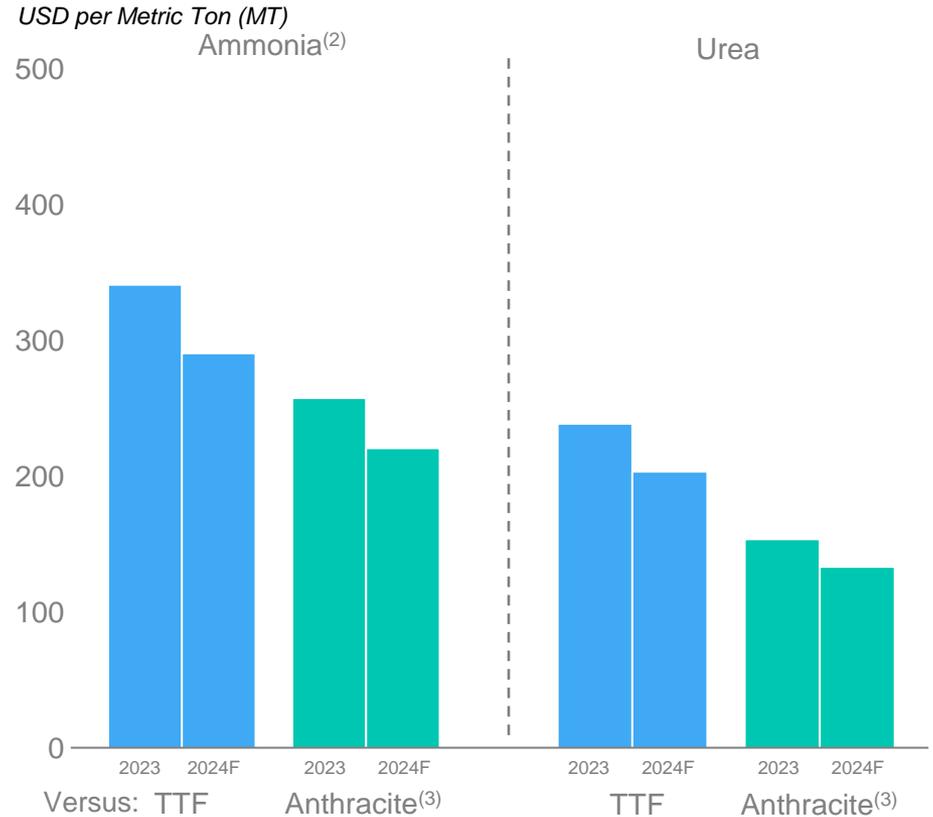
(1) Industry Publications, CF Analysis

# Forward global energy curves suggest attractive margin opportunities for CF's cost-advantaged network

## Global Energy Price 2023-2024F



## North American Production Margin Advantage<sup>(1)</sup>



- (1) Advantage per MT based on annualized costs including settled feedstock prices through March 2024 and from April 2024 to December 2024 based on forward curve and projections as of April 17, 2024; Coal MMBtu price includes efficiency factor of 1.3 (additional coal requires hydrogen yield equivalent to feedstock natural gas)
- (2) North American production assumed to be 37.2 MMBtu per MT of ammonia for feedstock and fuel, European production assumed at 37.8 MMBtu per MT for feedstock and fuel, Chinese production assumed to be 1.2 MT of coal and 1300 KWH for feedstock and power
- (3) Forecast Chinese anthracite coal prices are derived from thermal prices in Wood Mackenzie's China Coal Short Term Outlook™

Note: dotted lines represent forward price curves

Source: ICE, Bloomberg, SX Coal, Wood Mackenzie, CF Analysis

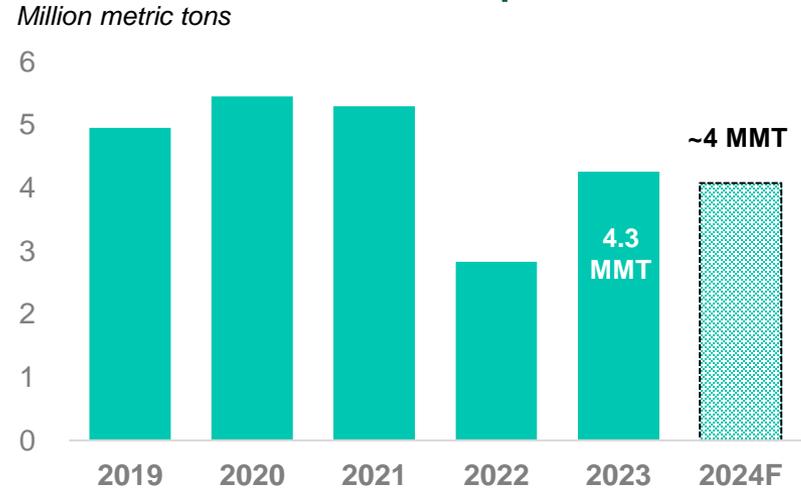
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# Import demand expected to remain resilient in 2024

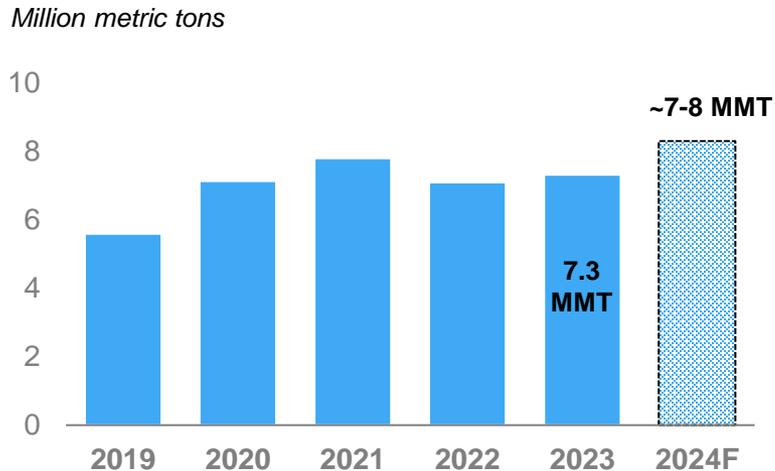
## Supply/Demand Dynamics

- ▶ China urea exports expected to be ~4 million mt annual following domestic spring applications
- ▶ India import demand expected to be down vs prior year due to higher domestic urea production rates in 2024
- ▶ Brazil expected to remain key demand driver and importer as urea consumption is forecast to increase 3% YoY
- ▶ European overall domestic nitrogen production expected to remain below historical averages over the long-term given region's status as the global marginal producer

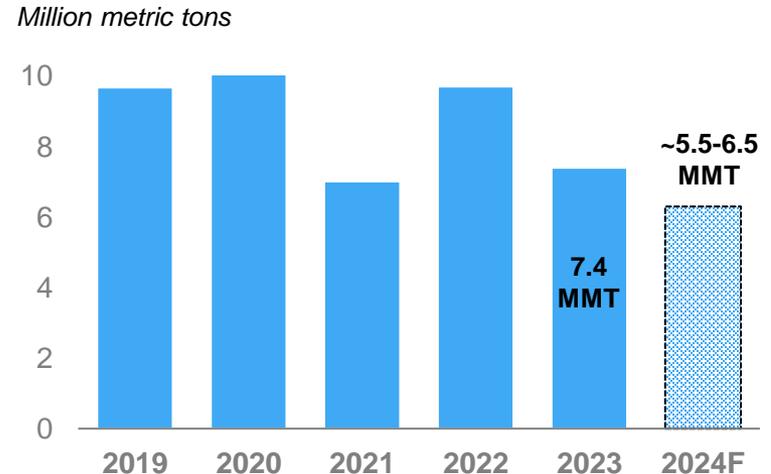
## China Urea Exports



## Brazil Urea Imports

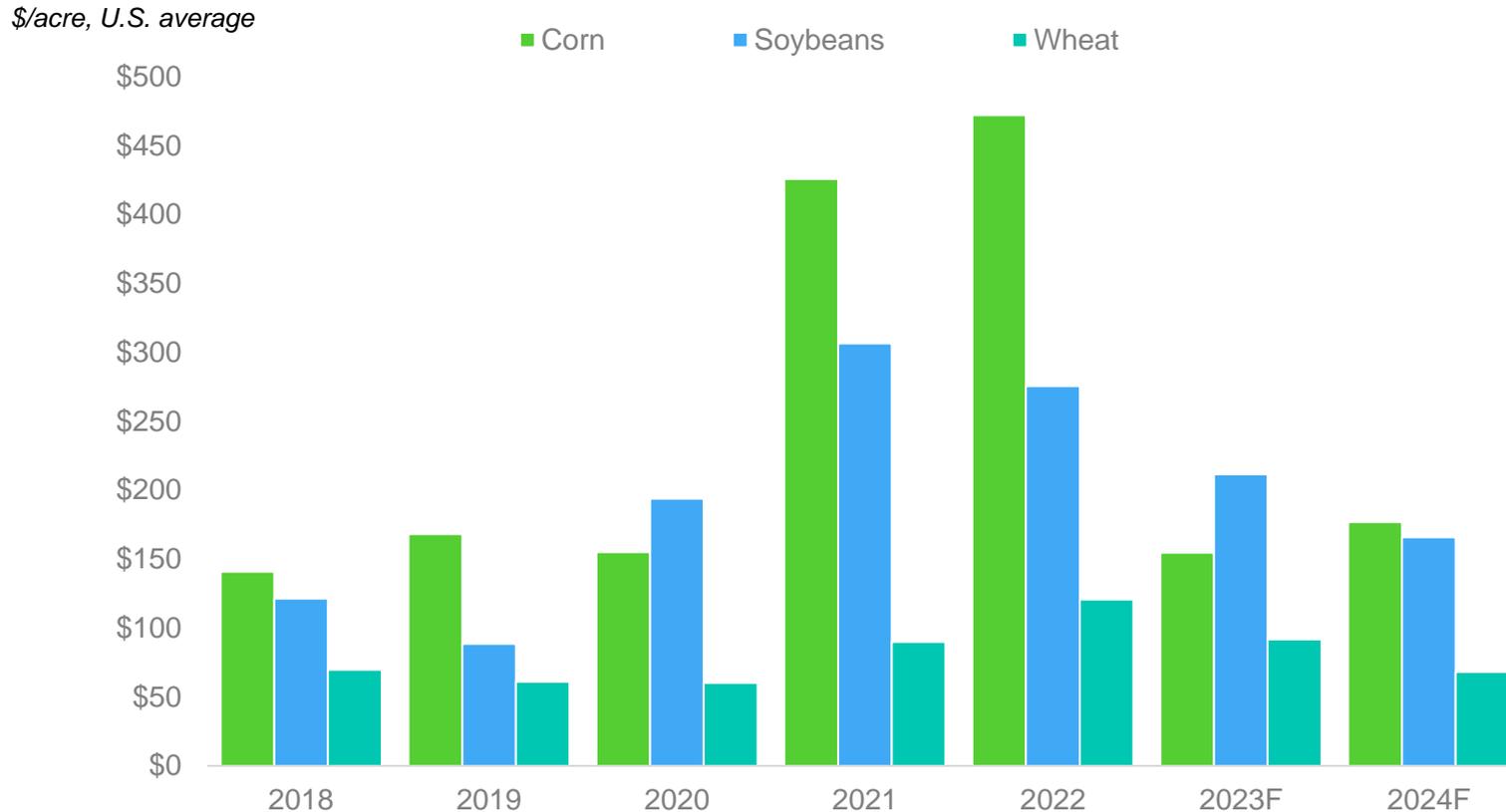


## India Urea Imports



# Global demand to remain resilient supported by constructive farmer economics

## Anticipated Average Returns over Variable and Land Cost, by Crop <sup>(1)</sup>



(1) Annual cash cost on a per acre basis, including cash rent and other variable costs such as fertilizers, chemicals, seed, fuel, energy, machinery, and labor; 2018-2023 data from USDA Commodity Cost and Returns and forecasts and 2024 returns using USDA baseline projections and costs from USDA forecast/CF analysis

# 2024 management outlook positive as industry fundamentals remain favorable

## Global Nitrogen Market

- ▶ North America: Corn area planted expected to be approximately 91 million acres
- ▶ India: Urea imports expected to be in a range of 5.5 – 6.5 million metric tons
- ▶ Brazil: Urea imports expected to be in a range of 7.0 – 8.0 million metric tons
- ▶ Europe: Nitrogen imports of ammonia and upgraded products expected to be higher than historical averages
- ▶ China: Urea exports projected to be approximately 4.0 million metric tons
- ▶ Forward spread HH vs TTF ~\$7-8 MMBtu suggests attractive margin opportunities for low-cost producers

## CF Industries Operations

- ▶ Gross ammonia production expected to be approximately 9.8 million tons
- ▶ Capital Expenditures expected to be approximately \$550 million

## CF Industries Strategic Initiatives

- ▶ Disciplined capital approach through investments in growth opportunities and returning capital to shareholders
  - Approximately \$2.2 billion remaining in \$3 billion share repurchase authorization expects to complete by expiration in December 2025
- ▶ Progressing evaluation of low-carbon ammonia technologies and global low-carbon demand continue to inform organic production FID
- ▶ Advancing clean energy initiatives to decarbonize and foster demand with global partners and customers

# Appendix



# CF Industries Adjusted EBITDA sensitivity table

*Table illustrates the CF Industries business model across a broad range of industry conditions*

Adjusted EBITDA Sensitivity to Natural Gas and Urea Prices<sup>(1)</sup>

\$ billions		CF Realized Natural Gas Cost (\$/MMBtu)						
		\$2.00	\$2.50	\$3.00	\$3.50	\$4.00	\$4.50	\$5.00
CF Realized Urea Price (\$/ton) <sup>(2)</sup>	\$300	\$1.8	\$1.6	\$1.5	\$1.4	\$1.2	\$1.1	\$1.0
	\$350	\$2.5	\$2.4	\$2.2	\$2.1	\$2.0	\$1.8	\$1.7
	\$400	\$3.2	\$3.1	\$3.0	\$2.8	\$2.7	\$2.6	\$2.4
	\$450	\$4.0	\$3.8	\$3.7	\$3.5	\$3.4	\$3.3	\$3.1
	\$500	\$4.7	\$4.5	\$4.4	\$4.3	\$4.1	\$4.0	\$3.9
	\$550	\$5.4	\$5.3	\$5.1	\$5.0	\$4.9	\$4.7	\$4.6
	\$600	\$6.1	\$6.0	\$5.9	\$5.7	\$5.6	\$5.5	\$5.3

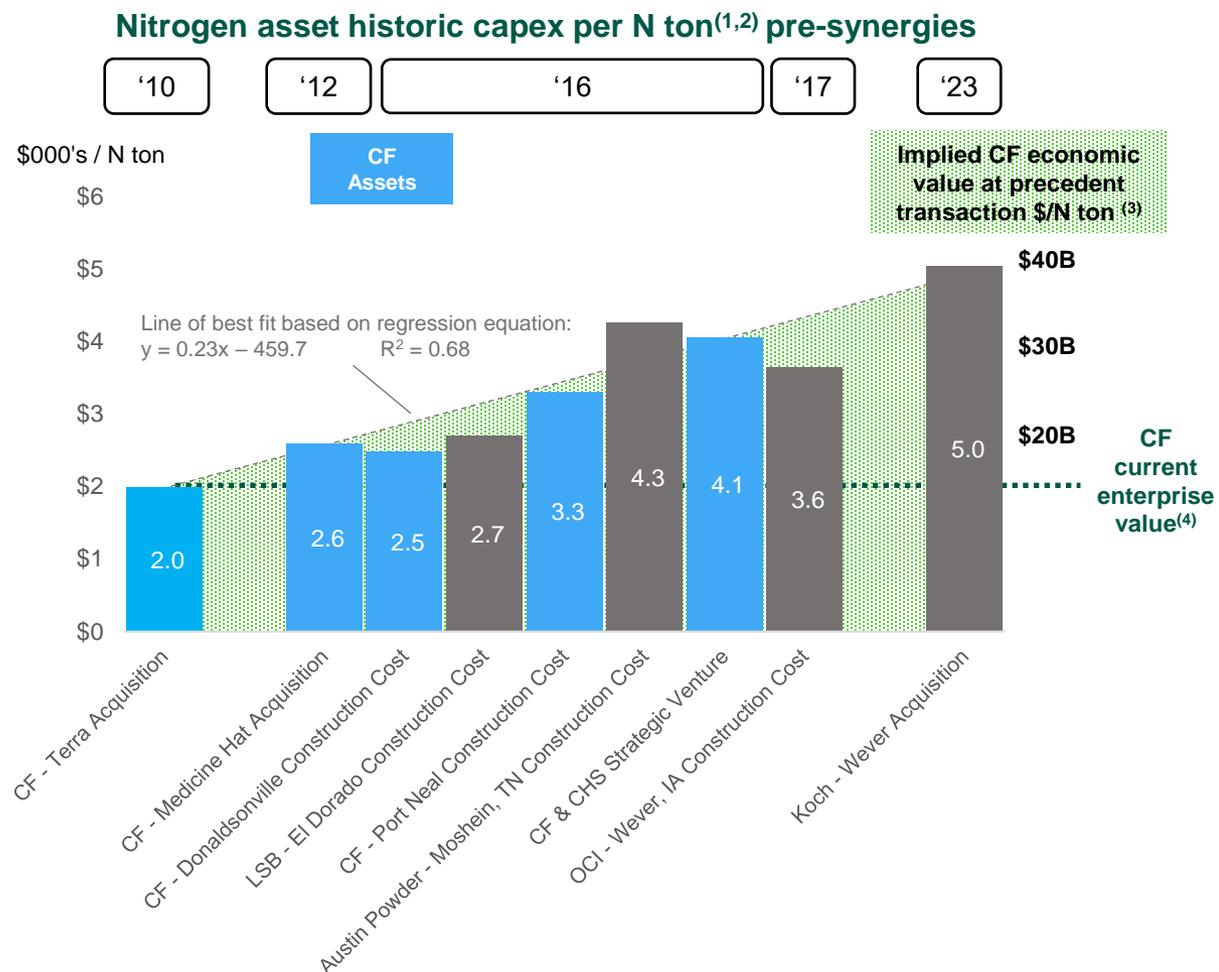
**\$50/ton urea realized movement implies ~\$725M change in Adjusted EBITDA on an annual basis**

(1) Based on 2023 sales volumes of approximately 19.1 million product tons, 2023 gas consumption of 341 million MMBtus and 2023 nitrogen product sales price relationships. Changes in product prices and gas costs are not applied to the CHS minority interest or industrial contracts where CF Industries is naturally hedged against changes in product prices and gas costs

(2) Assumes that a \$50 per ton change in urea prices is also applied proportionally to all nitrogen products and is equivalent to a \$34.78 per ton change in UAN price, \$36.96 per ton change in AN price, \$89.14 per ton change in ammonia price, and \$21.20 per ton change in the price of the Other segment

# Recent transactions highlight economic value in North American assets has increased significantly

- ▶ Capital intensity associated with new projects has increased...
- ▶ Resulting in increased valuation of existing first quartile assets...
- ▶ As economic value continues to increase to provide returns greater than the cost of capital on new projects
- ▶ Current enterprise value substantially below economic value of assets implied by precedent transactions



(1) Total project cost divided by N ton equivalent volume of net production (Ammonia – 82% N, Urea – 46% N, UAN – 32% N, AN – 34% N), summary of project details can be found in the appendix

(2) Precedent transactions include nitrogen facilities with ammonia production, upgrade production and on-site logistics assets. Excludes ammonia only facilities such as CF's Waggaman acquisition in 2023 for ~\$2,300 per N ton

(3) CF Industries economic value calculated as \$000's / N ton capex for precedent transactions multiplied by CF North American net N capacity as of 12/31/2023 less CHS supply agreement volumes

(4) CF current enterprise value = share price as of 2/13/2024 multiplied by shares outstanding as of 12/31/2023 plus net debt as of 12/31/2023

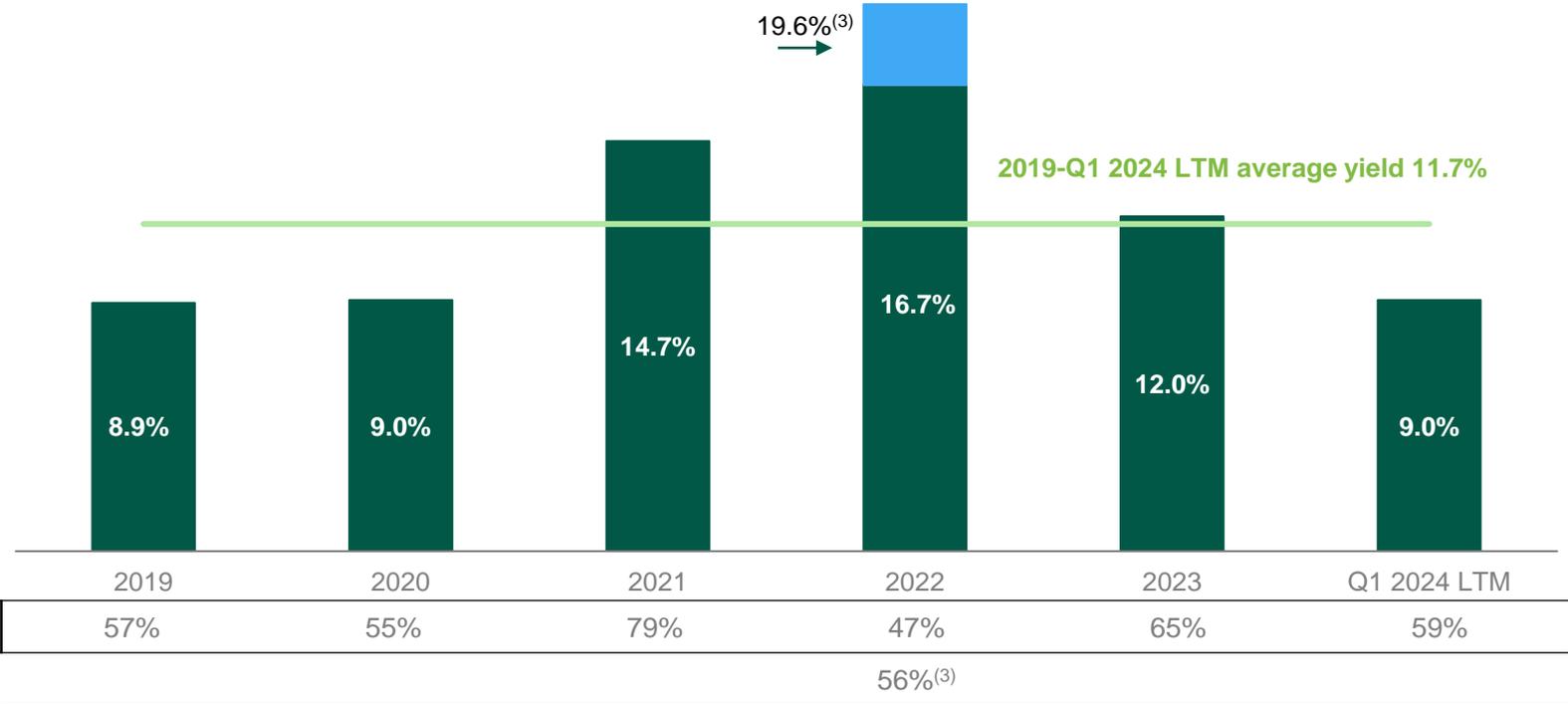
# North American Nitrogen Precedent Transactions

	Project	FID Year	Completion Year	Total Cost \$M	Net N Volume 000's	\$000's / N
North American Nitrogen Assets	CF - Terra Acquisition	2010	2010	4,800	2,414	2.0
	CF - Medicine Hat Acquisition	2012	2012	900	346	2.6
	CF - Donaldsonville Construction Cost	2012	2016	2,643	1,067	2.5
	LSB - El Dorado Construction Cost	2012	2016	830	308	2.7
	CF - Port Neal Construction Cost	2012	2016	2,557	772	3.3
	OCI - Wever, IA Construction Cost	2017	2017	2,600	713	3.6
	Austin Powder - Mosheim, TN Construction Cost	2016	2016	225	53	4.3
	CF & CHS Strategic Venture	2016	2016	2,800	689	4.1
	Koch - Wever Acquisition	2023	2024	3,600	713	5.0

# Strong free cash flow metrics show undervalued equity

## Free Cash Flow Yield<sup>(1)</sup>

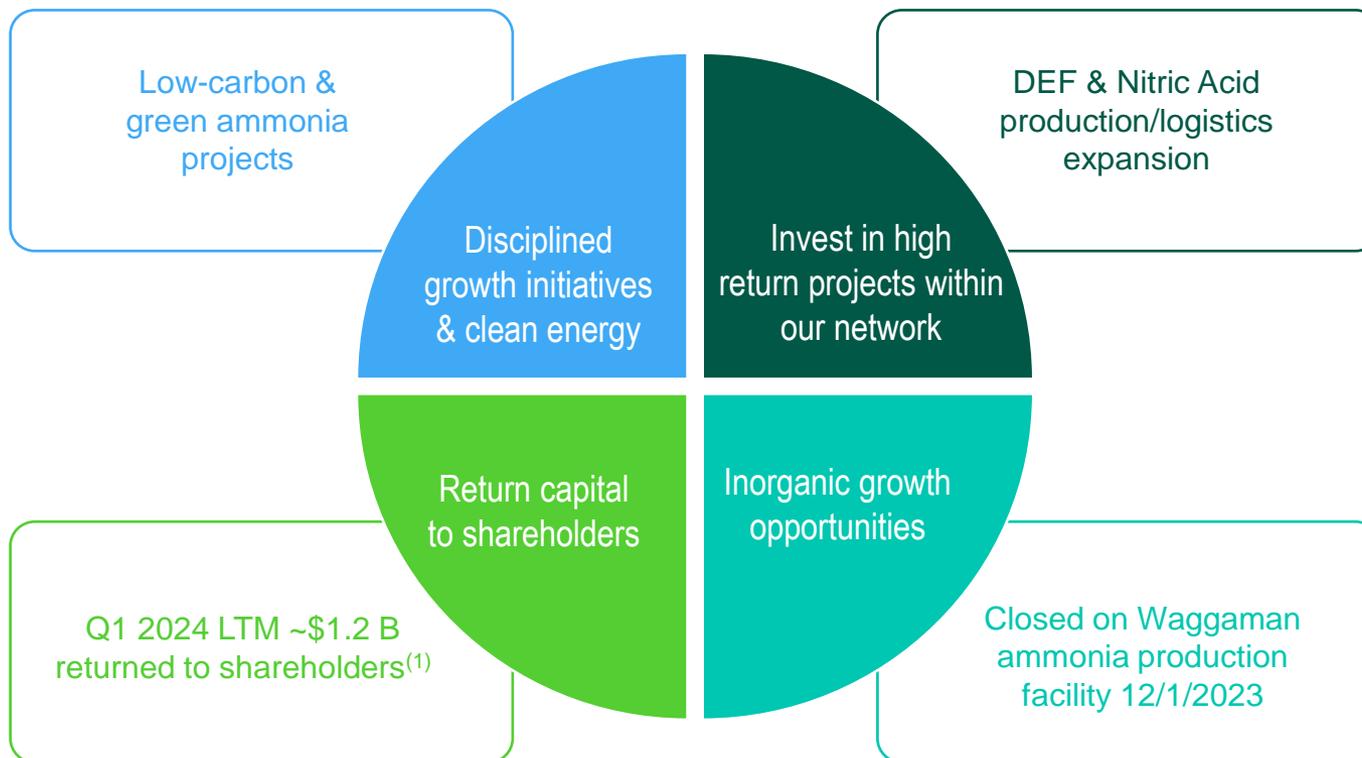
Canada/US tax matter <sup>(3)</sup>



**Attractive free cash flow yield and free cash flow to adjusted EBITDA conversion rate suggest undervalued equity, supporting robust share repurchase program**

(1) Represents annual and Q1 2024 LTM free cash flow divided by market value of equity (market cap) as of December 31<sup>st</sup> of each year for 2019 – 2023 and as of March 31, 2024 for Q1 2024 LTM; see appendix for reconciliation of free cash flow to the most directly comparable GAAP measure and calculation of market cap  
 (2) Represents annual and Q1 2024 LTM free cash flow divided by annual and Q1 2024 LTM adjusted EBITDA; see appendix for reconciliations of free cash flow and adjusted EBITDA to the most directly comparable GAAP measures  
 (3) Excluding the impact of \$491M of tax and interest payments related to a dispute between Canadian and U.S. tax authorities dating back to the early 2000s; the Company has filed amended tax returns in the U.S. seeking refunds of related taxes paid

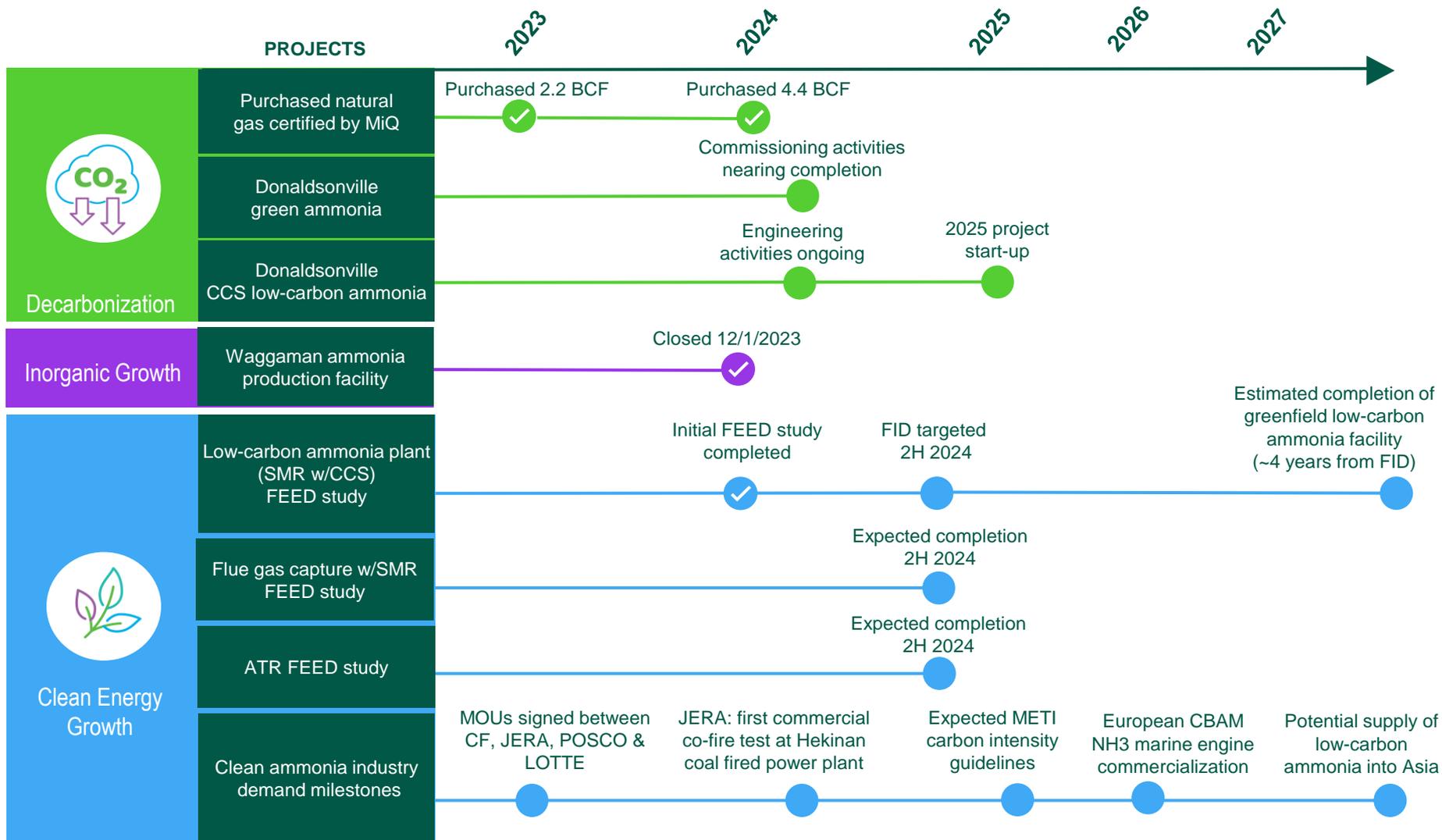
# Capital management strategy focused on growing shareholder participation in our free cash flow



- ▶ Emphasis on opportunistic share repurchases
- ▶ Executing \$3 billion share repurchase program, expected to complete by December 2025
- ▶ Target clean energy projects with returns above cost of capital
- ▶ High-quality, clean energy investments in motion with global industry leaders

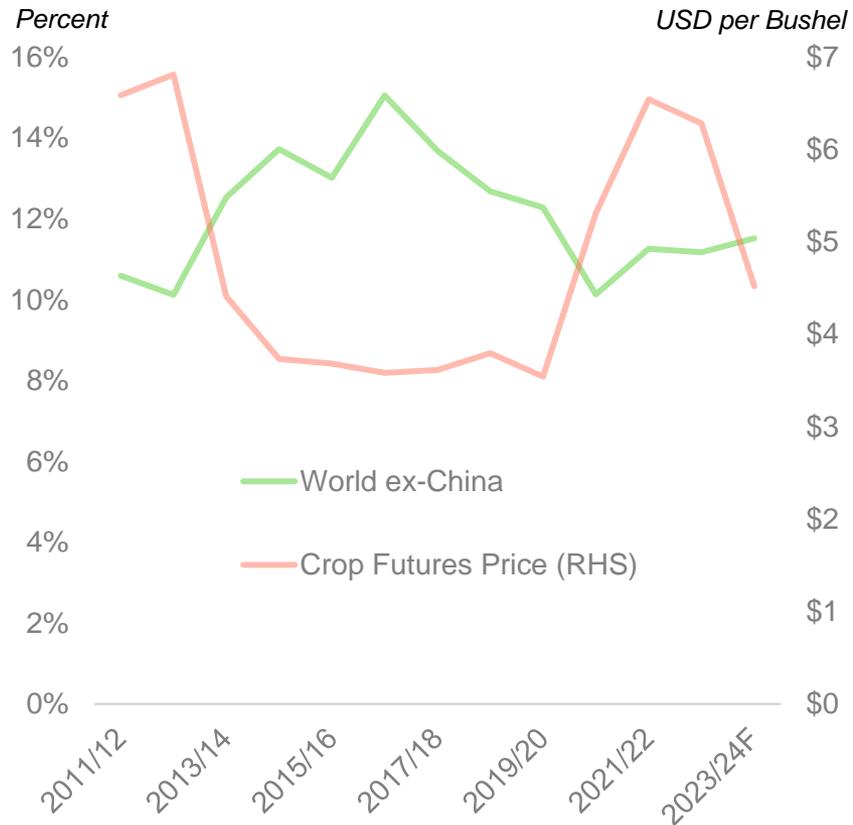
(1) Last twelve months share repurchases and dividends through March 31, 2024

# Advancing decarbonization through significant progress on strategic initiatives

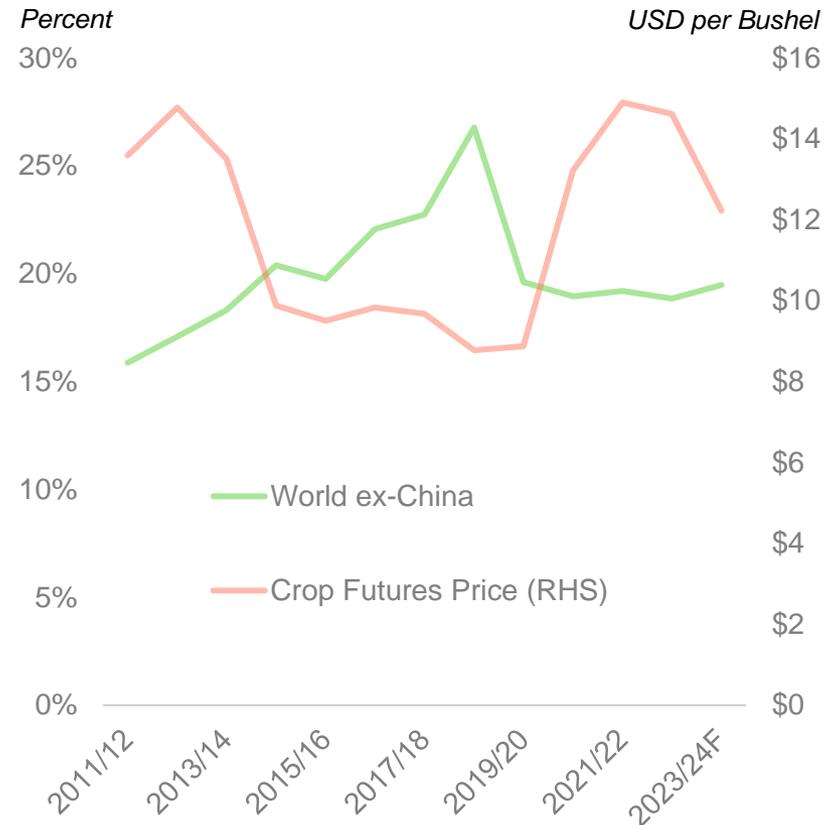


# Global grain stocks-to-use expected to approach five-year average by the end of the 2024 growing season

## Global Coarse Grains Stocks-to-Use Ratio vs Corn Futures Prices<sup>(1)</sup>



## Global Oilseeds Stocks-to-Use Ratio vs Soybean Futures Prices<sup>(1)</sup>

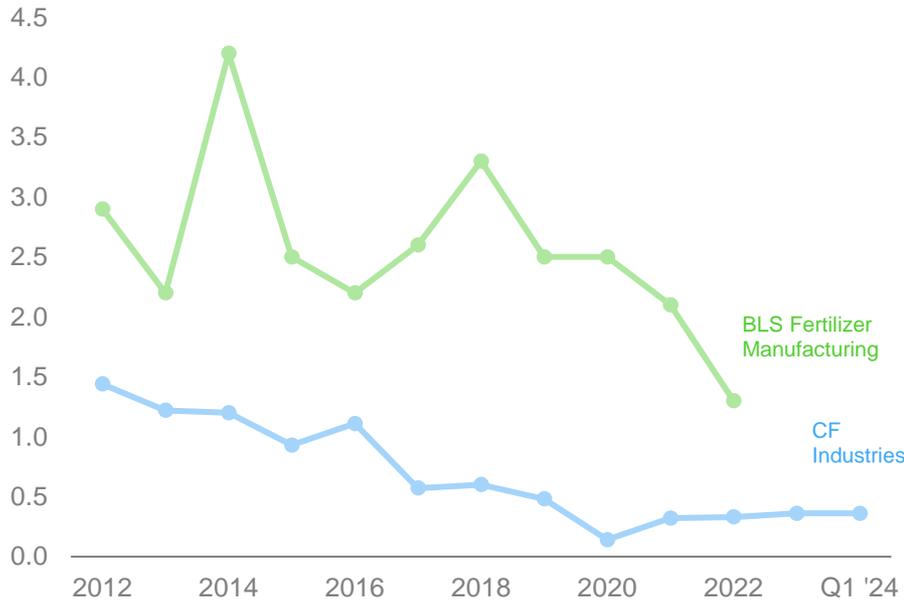


(1) Crop futures prices represent Marketing Year (September – August) average daily settlement of the front month future contracts for 2011/12 through 2022/23. 2023/24F represents actual futures settlements through April 19, 2024, and the forward curve through August 2024.

# Outstanding safety performance drives industry leading production capacity utilization

## Total Recordable Incident Rate

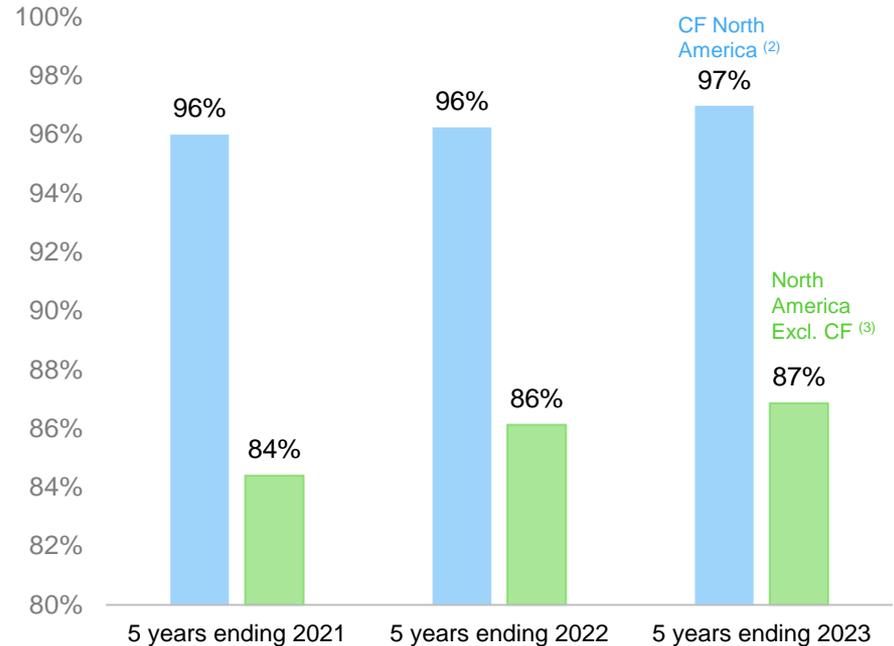
Total injuries per 200,000 work hours



As of March 31, 2024, the 12-month rolling average recordable incident rate was **0.36** per 200,000 work hours

## North American Ammonia Percent of Capacity Utilization <sup>(1)</sup>

5-Year Rolling Avg. Percent of Capacity



CF's **10%** greater capacity utilization yields an additional **~0.9 million tons** of ammonia annually<sup>(4)</sup>

(1) Source of data: December 19, 2023 CRU Ammonia Database

(2) Represents CF Industries' historical North American production and CRU's capacity estimates for CF Industries

(3) Calculated by removing CF Industries' annual reported production and capacity from the CRU data for all North American ammonia production peer group. Waggaman production/capacity included for one month only

(4) ~0.9 million tons represents the difference between CF Industries' actual trailing 5-year average ammonia production of 9.3 million tons at 97% of capacity utilization and the 8.4 million tons CF Industries would have produced if operated at the 87% CRU North American benchmark excluding CF Industries

# Non-GAAP: reconciliation of net earnings to EBITDA and adjusted EBITDA

In millions	Q1 2024	Q1 2023	Q1 2024 LTM	FY 2023
<b>Net earnings</b>	\$ 238	\$ 650	\$ 1,426	\$ 1,838
Less: Net earnings attributable to noncontrolling interest	(44)	(90)	(267)	(313)
<b>Net earnings attributable to common stockholders</b>	<b>194</b>	<b>560</b>	<b>1,159</b>	<b>1,525</b>
Interest expense (income) – net	7	10	(11)	(8)
Income tax provision	62	169	303	410
Depreciation and amortization	253	206	916	869
Less other adjustments:				
Depreciation and amortization in noncontrolling interest	(27)	(20)	(92)	(85)
Loan fee amortization <sup>(1)</sup>	(1)	(1)	(4)	(4)
<b>EBITDA</b>	<b>\$ 488</b>	<b>\$ 924</b>	<b>\$ 2,271</b>	<b>\$ 2,707</b>
Unrealized net mark-to-market gain on natural gas derivatives	(33)	(72)	—	(39)
Loss (gain) on foreign currency transactions, including intercompany loans	1	(1)	2	—
U.K. operations restructuring	—	2	8	10
Acquisition and integration costs	3	13	29	39
Impairment of equity method investment in PLNL	—	—	43	43
Total adjustments	(29)	(58)	82	53
<b>Adjusted EBITDA</b>	<b>\$ 459</b>	<b>\$ 866</b>	<b>\$ 2,353</b>	<b>\$ 2,760</b>

(1) Loan fee amortization is included in both interest expense – net and depreciation and amortization

# Non-GAAP: reconciliation of net earnings to EBITDA and adjusted EBITDA, continued

In millions	FY 2022	FY 2021	FY 2020	FY 2019
<b>Net earnings</b>	<b>\$ 3,937</b>	<b>\$ 1,260</b>	<b>\$ 432</b>	<b>\$ 646</b>
Less: Net earnings attributable to noncontrolling interest	(591)	(343)	(115)	(153)
<b>Net earnings attributable to common stockholders</b>	<b>3,346</b>	<b>917</b>	<b>317</b>	<b>493</b>
Interest expense – net	279	183	161	217
Income tax provision	1,158	283	31	126
Depreciation and amortization	850	888	892	875
Less other adjustments:				
Depreciation and amortization in noncontrolling interest	(87)	(95)	(80)	(82)
Loan fee amortization <sup>(1)</sup>	(4)	(4)	(5)	(9)
<b>EBITDA</b>	<b>\$ 5,542</b>	<b>\$ 2,172</b>	<b>\$ 1,316</b>	<b>\$ 1,620</b>
Unrealized net mark-to-market loss (gain) on natural gas derivatives	41	25	(6)	14
COVID impact: Special COVID-19 bonus for operational workforce	—	—	19	—
COVID impact: Turnaround deferral <sup>(2)</sup>	—	—	7	—
Loss (gain) on foreign currency transactions, including intercompany loans	28	6	5	(1)
U.K. goodwill impairment	—	285	—	—
U.K. long-lived and intangible asset impairment	239	236	—	—
U.K. operations restructuring	19	—	—	—
Engineering cost write-off <sup>(3)</sup>	—	—	9	—
Loss on sale of surplus land	—	—	2	—
Gain on sale of Pine Bend facility	—	—	—	(45)
Property insurance proceeds <sup>(4)</sup>	—	—	(2)	(15)
PLNL tax withholding charge <sup>(5)</sup>	—	—	—	16
Unrealized gain on embedded derivative liability	(14)	—	—	—
Pension settlement loss and curtailments gains—net	17	—	—	—
Loss on debt extinguishment	8	19	—	21
Total adjustments	338	571	34	(10)
<b>Adjusted EBITDA</b>	<b>\$ 5,880</b>	<b>\$ 2,743</b>	<b>\$ 1,350</b>	<b>\$ 1,610</b>

(1) Loan fee amortization is included in both interest expense – net and depreciation and amortization

(2) Represents expense incurred due to the deferral of certain plant turnaround activities as a result of the COVID-19 pandemic

(3) Represents costs written off upon the cancellation of a project at one of our nitrogen complexes

(4) Represents proceeds related to a property insurance claim at one of the Company's nitrogen complexes

(5) Represents a charge in the year ended December 31, 2019 on the books of Point Lisas Nitrogen Limited (PLNL), the Company's Trinidad joint venture for a tax withholding matter; amount reflects our 50 percent equity interest in PLNL

# Non-GAAP: reconciliation of cash from operations to free cash flow and free cash flow yield

In millions, except percentages, share price, and ratios	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	Q1 2024 LTM
Cash provided by operating activities <sup>(1)</sup>	\$ 1,505	\$ 1,231	\$ 2,873	\$ 3,855	\$ 2,757	\$ 2,255
Capital expenditures	(404)	(309)	(514)	(453)	(499)	(528)
Distributions to noncontrolling interest	(186)	(174)	(194)	(619)	(459)	(348)
Free cash flow <sup>(1)</sup>	\$ 915	\$ 748	\$ 2,165	\$ 2,783	\$ 1,799	\$ 1,379
Free cash flow yield <sup>(1)(2)</sup>	8.9 %	9.0 %	14.7 %	16.7 %	12.0 %	9.0 %
Shares outstanding as of period end	216.0	214.0	207.6	195.6	188.2	184.3
Share price as of period end — US dollars <sup>(3)</sup>	47.74	38.71	70.78	85.20	79.50	83.21
Market Cap	\$ 10,312	\$ 8,284	\$ 14,694	\$ 16,665	\$ 14,962	\$ 15,336
Adjusted EBITDA	1,610	1,350	2,743	5,880	2,760	2,353
Free cash flow to Adjusted EBITDA conversion <sup>(1)(4)</sup>	57 %	55 %	79 %	47 %	65 %	59 %

(1) For FY 2022, includes the impact of \$491M of tax and interest payments made in the second half of 2022 related to a dispute between Canadian and U.S. tax authorities dating back to the early 2000s; For FY 2023, cash provided by operating activities, free cash flow, free cash flow yield and free cash flow to adjusted EBITDA conversion excluding the impact of such \$491M is equal to \$4.35B, \$3.27B, 19.6% and 56%, respectively. The Company has filed amended tax returns in the U.S. seeking refunds of related taxes paid.

(2) Represents annual free cash flow divided by market value of equity (market cap) as of December 31<sup>st</sup> for each year and March 31<sup>st</sup> for Q1 2024 LTM

(3) Source: FactSet

(4) Represents annual and Q1 2024 LTM free cash flow divided by annual and Q1 2024 LTM adjusted EBITDA

# Non-GAAP: reconciliation of cash from operations to free cash flow

In millions	Q1 2024
Cash provided by operating activities	\$ 445
Capital expenditures	(98)
Distributions to noncontrolling interest	(144)
Free cash flow	<u>\$ 203</u>