

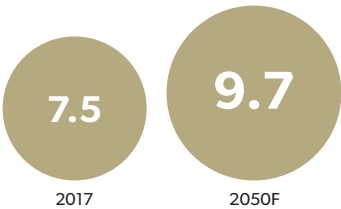


2016 Annual Integrated Report

# GRAPHS

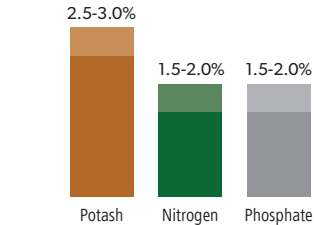
# WHY POTASHCORP?

GLOBAL POPULATION  
(billions)



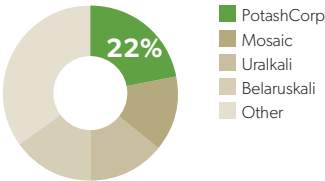
Source: United Nations Dept. of Economic and Social Affairs

FERTILIZER CONSUMPTION  
GROWTH RATE FORECAST  
(percentage annual long-term global growth rate)



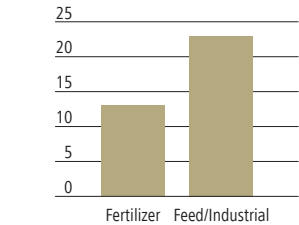
Source: CRU, Fertecon, IFA, PotashCorp

GLOBAL POTASH CAPACITY  
(percent KCl capacity\*)



\* Refers to nameplate capacity, which may exceed operational capability (estimated annual achievable production)  
Source: IFA, CRU, company reports, PotashCorp

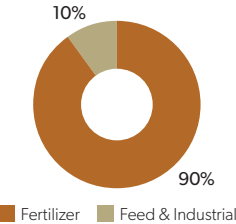
POTASHCORP'S COMBINED  
NITROGEN/PHOSPHATE GROSS  
MARGIN PROFILE\*  
2016 (percentage of net sales)



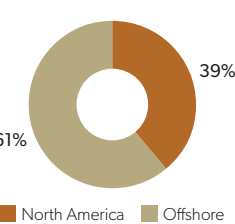
\* Excludes the impact of natural gas hedges  
Source: PotashCorp

# WHO WE ARE AND WHAT WE DO

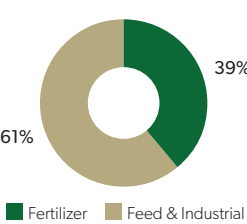
Sales Volumes by  
Product Category



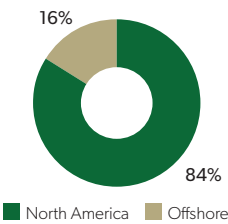
Sales Volumes  
by Region



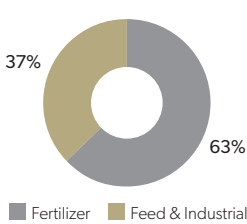
Sales Volumes by  
Product Category



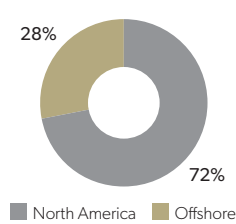
Sales Volumes  
by Region



Sales Volumes by  
Product Category

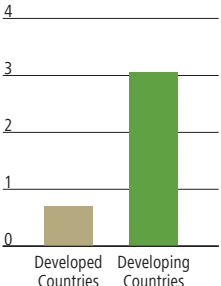


Sales Volumes  
by Region



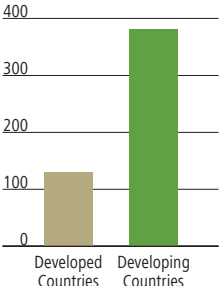
# OPERATING ENVIRONMENT

POPULATION INCREASE BY 2050\*  
(billions)

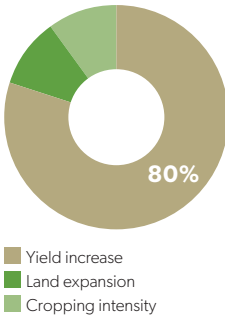


\* 2005/07 to 2050F  
Source: United Nations, FAO

FOOD CONSUMPTION INCREASE\*  
(kcal/person/day)

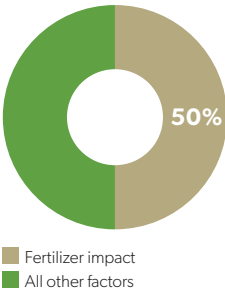


CROP PRODUCTION GROWTH FACTORS\*  
(percent change)

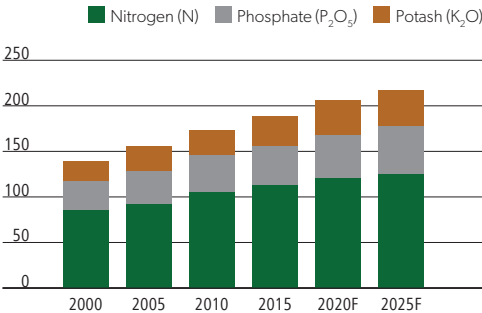


\* 2005/07 to 2050F  
Source: FAO, IPNI

FERTILIZER IMPACT ON CROP YIELDS



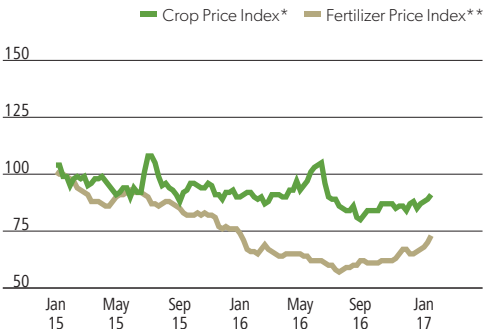
GLOBAL FERTILIZER CONSUMPTION  
(million tonnes)



Source: Fertecon, CRU, PotashCorp

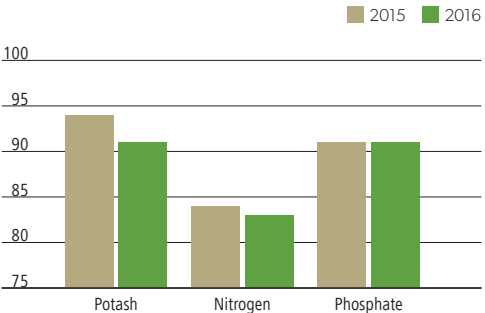
# NEAR-TERM FACTORS

FERTILIZER AFFORDABILITY INDEX  
(January 2015 = 100)



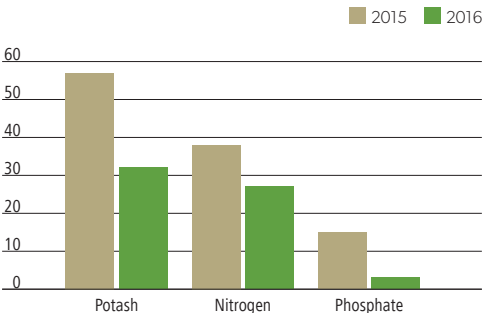
\* Based on corn, soybean and wheat prices (weighted by global consumption)  
\*\* Based on urea, DAP and KCl prices (weighted by global consumption)  
Source: Bloomberg, Fertilizer Week

GLOBAL OPERATING RATES  
(production as a percentage of global operational capability)



Source: CRU, Fertecon, PotashCorp

POTASHCORP GROSS MARGIN  
(percentage of net sales)



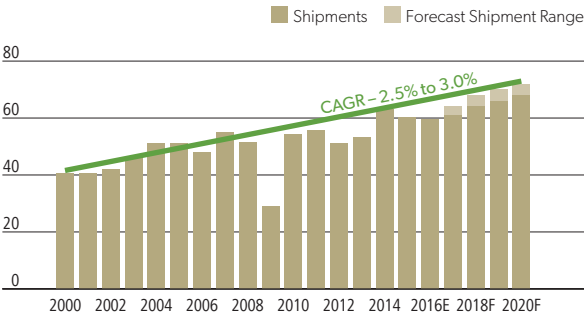
Source: PotashCorp



POTASH OPERATING ENVIRONMENT

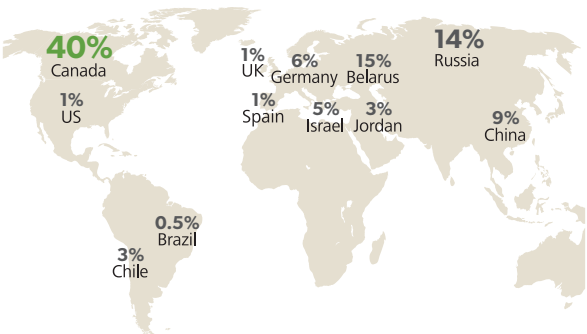
GLOBAL POTASH SHIPMENTS

(million tonnes KCl)



Source: Fertecon, CRU, IFA, PotashCorp

WORLD POTASH CAPACITY BY REGION\*

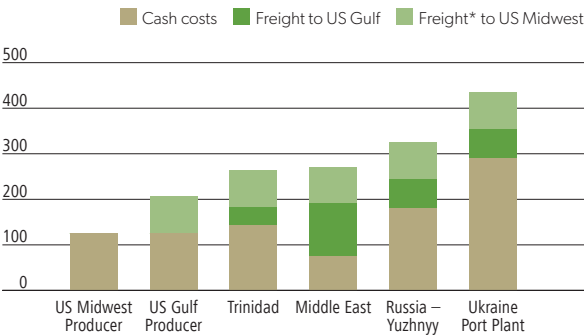


\* Capacity totals based on year-end 2016; other countries total 1.5 percent  
Source: CRU, IFA, company reports, PotashCorp

NITROGEN OPERATING ENVIRONMENT

US MIDWEST DELIVERED AMMONIA COST

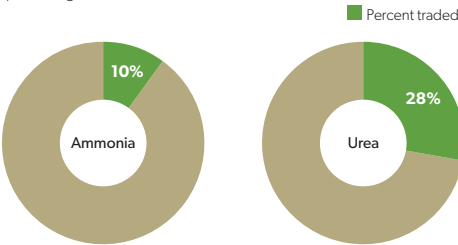
(\$ per tonne – 2016)



\* Includes related handling costs  
Source: Fertecon, PotashCorp

GLOBAL NITROGEN TRADE

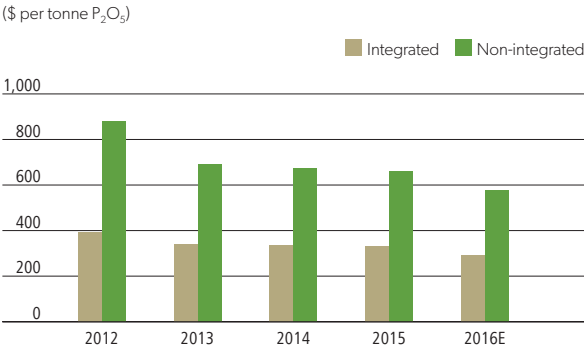
(percentage)



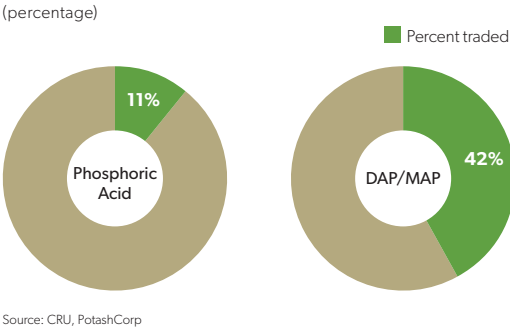
Source: Fertecon, PotashCorp

PHOSPHATE OPERATING ENVIRONMENT

CASH COST OF PHOSPHORIC ACID PRODUCTION

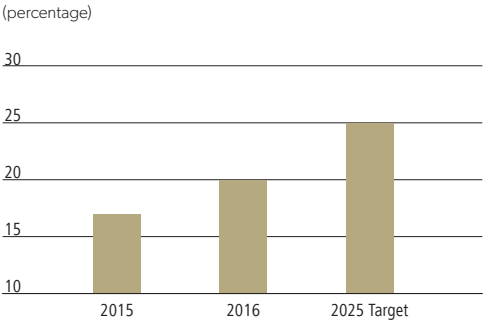


GLOBAL PHOSPHATE TRADE



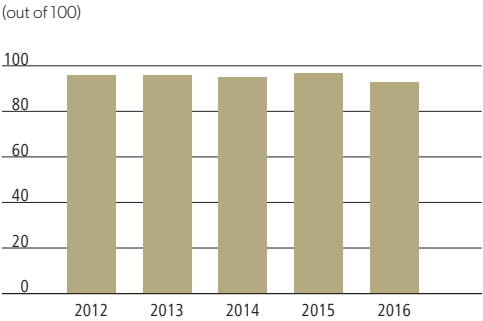
GOVERNANCE

WOMEN IN MANAGEMENT POSITIONS\*



\* Company-wide representation of women in management  
Source: PotashCorp

CORPORATE GOVERNANCE PRACTICE SCORE

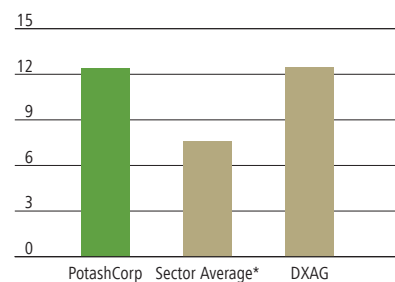


Source: The Globe and Mail

## Portfolio and Return Optimization

### TOTAL SHAREHOLDER RETURN

(percentage – 2016)

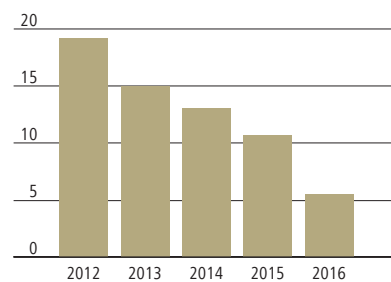


\* Sector: weighted average (based on market capitalization) for Agrium, APC, CF Industries, ICL, Intrepid, K+S, Mosaic, SQM and Yara for most recent four fiscal quarters available

Source: Bloomberg, PotashCorp

### CASH FLOW RETURN<sup>1</sup>

(percentage)

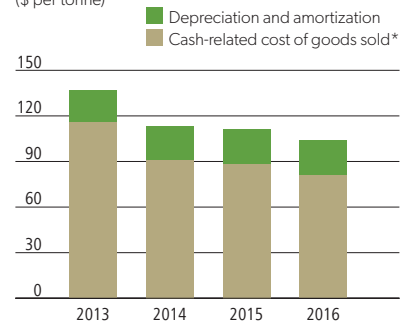


<sup>1</sup> See reconciliation and description of this non-IFRS measure on Page 91  
Source: PotashCorp

## Operational Excellence

### POTASH COST OF GOODS SOLD

(\$ per tonne)

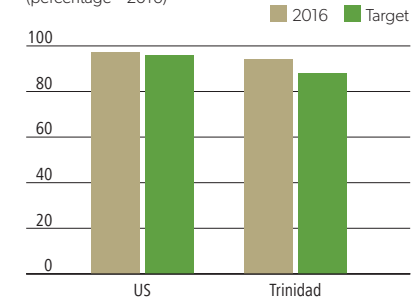


\* Cash-related cost refers to total cost of goods sold less depreciation and amortization.

Source: PotashCorp

### AMMONIA RELIABILITY RATES

(percentage – 2016)

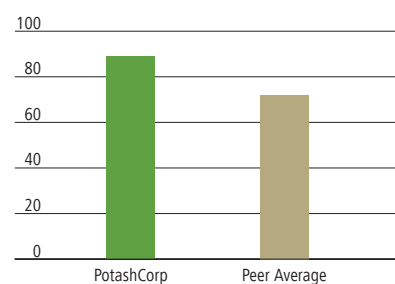


Source: PotashCorp

## Customer & Market Development

### AVERAGE CUSTOMER SURVEY SCORE VS PEERS

(percentage – 2016)

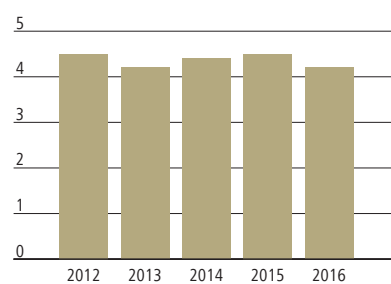


Source: Third-party survey

## Stakeholder Communications & Engagement

### AVERAGE COMMUNITY SURVEY SCORE

(out of 5)

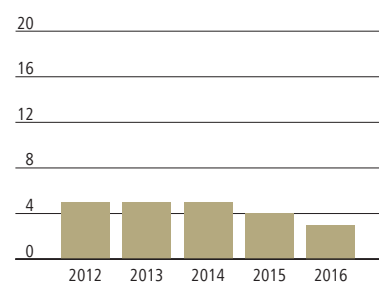


Source: Third-party survey

## People Development

### EMPLOYEE TURNOVER RATE

(percentage)

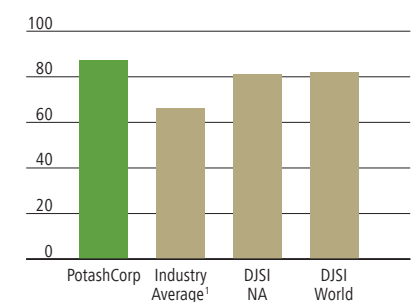


Source: PotashCorp

## Good Governance

### CORPORATE GOVERNANCE RATING

(out of 100)

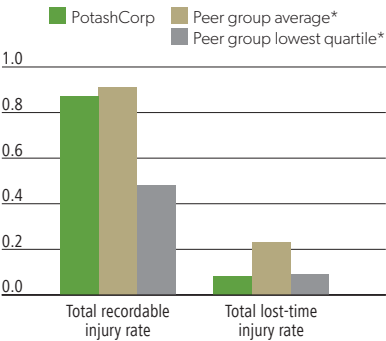


<sup>1</sup> RobecoSAM CHIM Chemicals industry average

Source: 2016 RobecoSAM Corporate Sustainability Assessment in collaboration with DJSI

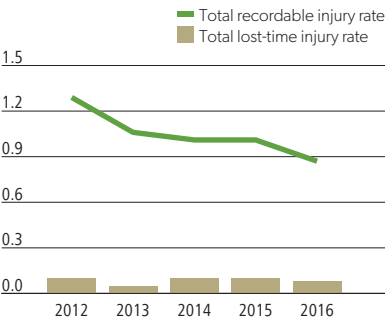
# Safety, Health & Environmental Excellence

SAFETY PERFORMANCE VS PEERS



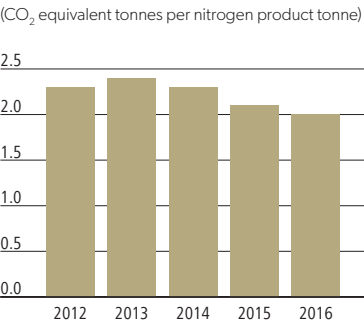
\* Simple average based on most recent publicly available data from a sample of 16 leading global resource companies  
Source: PotashCorp

SAFETY PERFORMANCE



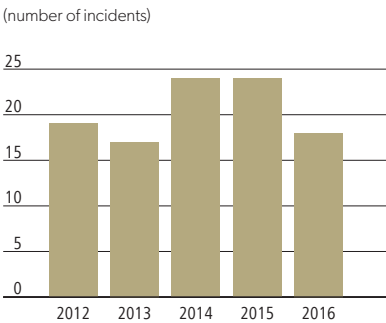
Source: PotashCorp

GREENHOUSE GAS EMISSIONS



Source: PotashCorp

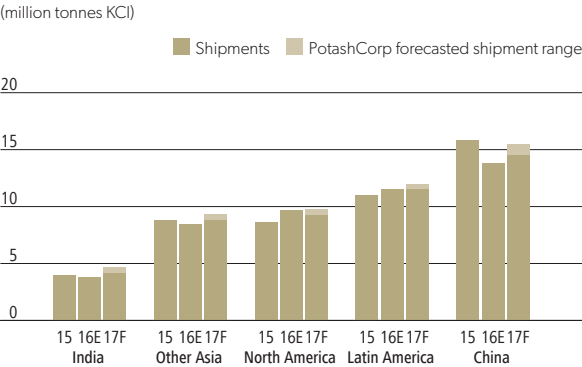
ENVIRONMENTAL INCIDENTS



Source: PotashCorp

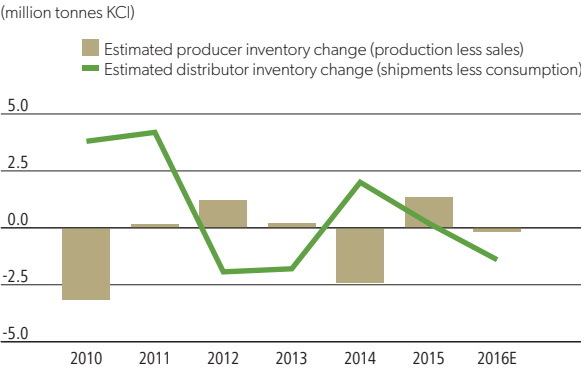
POTASH

POTASH SHIPMENTS BY REGION



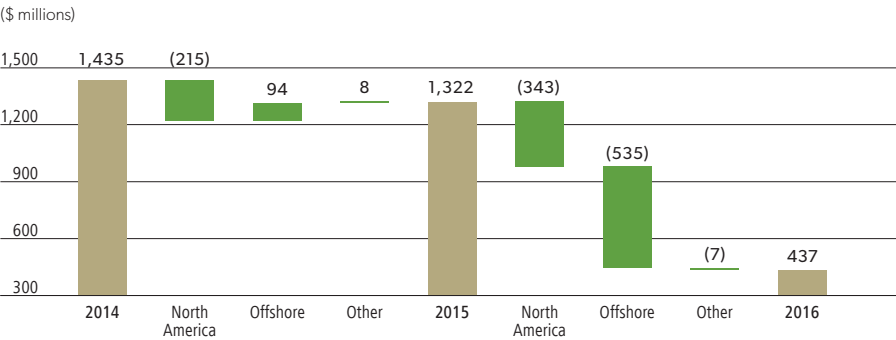
Source: Fertecon, CRU, industry publications, PotashCorp

GLOBAL POTASH INVENTORY CHANGES



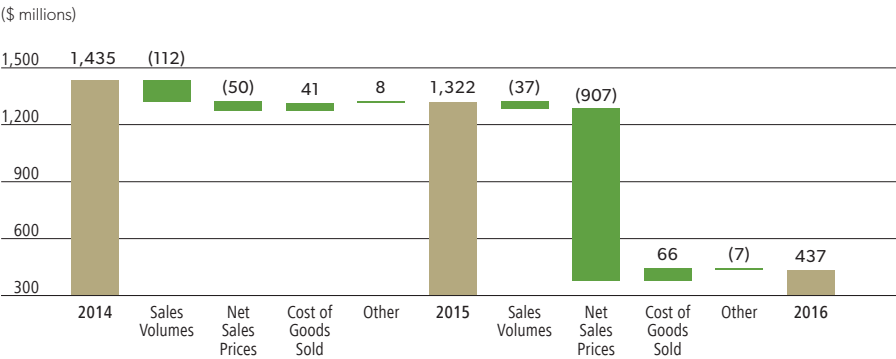
Source: CRU, TFI, company reports, PotashCorp

POTASH GROSS MARGIN CHANGES BY MARKET



Source: PotashCorp

POTASH GROSS MARGIN CHANGES BY VOLUMES, PRICES AND COSTS

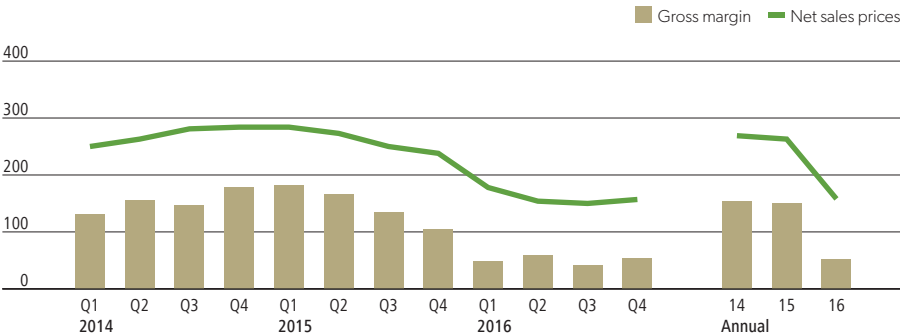


Source: PotashCorp



POTASH GROSS MARGIN AND NET SALES PRICES

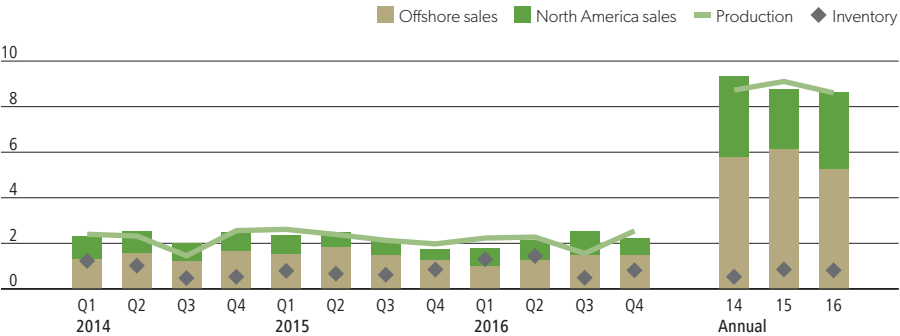
(\$ per tonne)



Source: PotashCorp

POTASH SALES VOLUMES, PRODUCTION AND INVENTORY

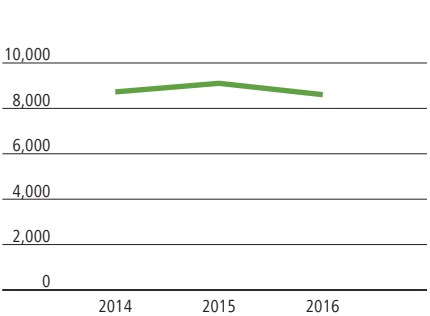
(million tonnes)



Source: PotashCorp

POTASH PRODUCTION HIGHLIGHTS

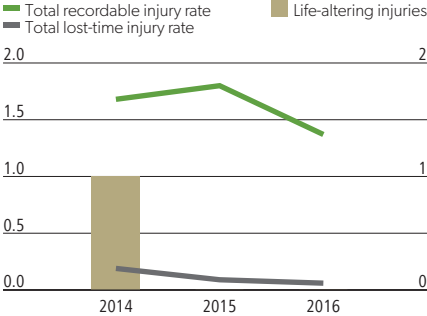
(KCI tonnes produced – thousands)



Source: PotashCorp

POTASH SAFETY HIGHLIGHTS

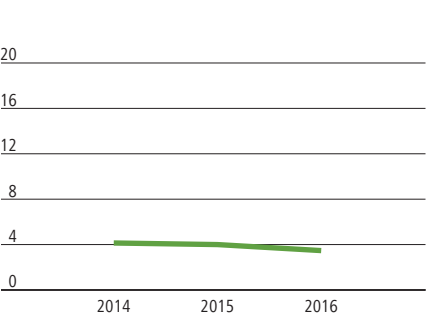
(rate) (number)



Source: PotashCorp

POTASH EMPLOYEE HIGHLIGHTS

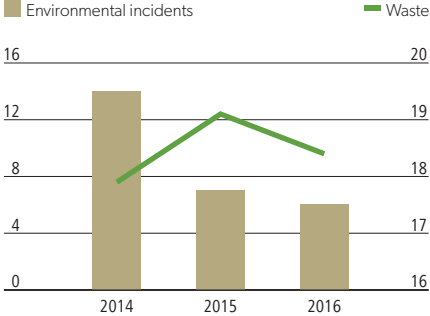
(Employee turnover rate)



Source: PotashCorp

POTASH ENVIRONMENTAL HIGHLIGHTS

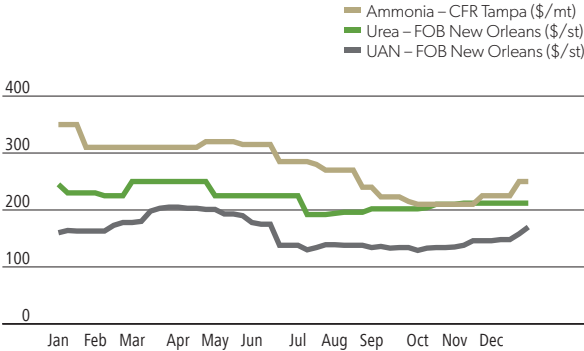
(incidents) (million tonnes)



Source: PotashCorp

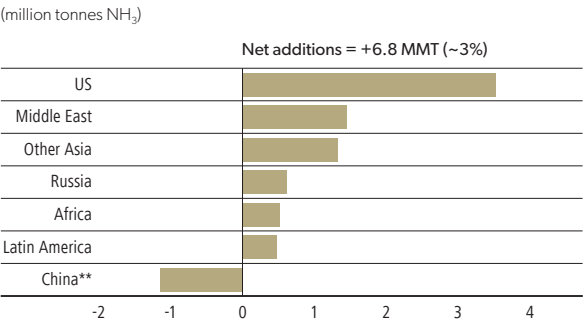
# NITROGEN

NITROGEN PRICES (2016)



Source: Fertilizer Week

NITROGEN CAPACITY ADDITIONS (2017)\*



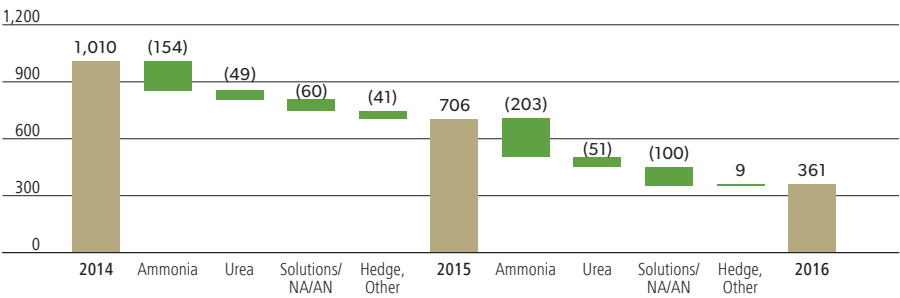
\* Based on industry consultant estimates; capacity is prorated for start-up timing in 2017

\*\* Net of additions and permanent closures

Source: CRU, Fertecon, company reports, PotashCorp

NITROGEN GROSS MARGIN CHANGES BY PRODUCT MIX

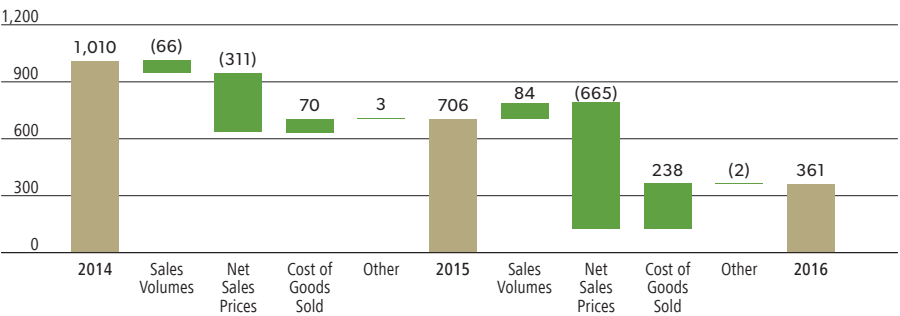
(\$ millions)



Source: PotashCorp

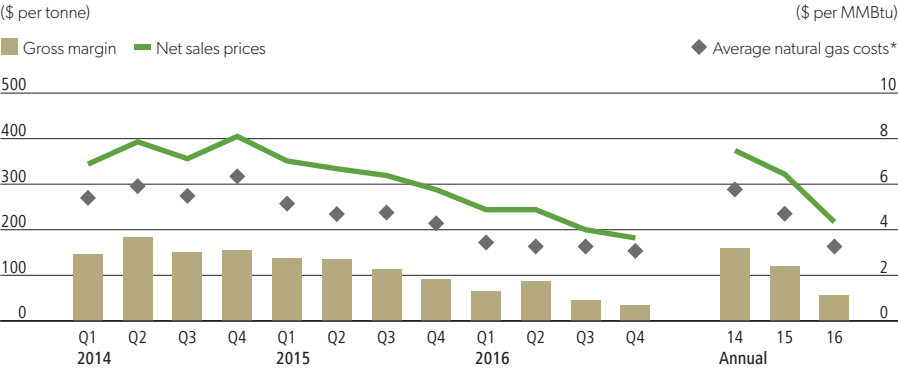
NITROGEN GROSS MARGIN CHANGES BY VOLUMES, PRICES AND COSTS

(\$ millions)

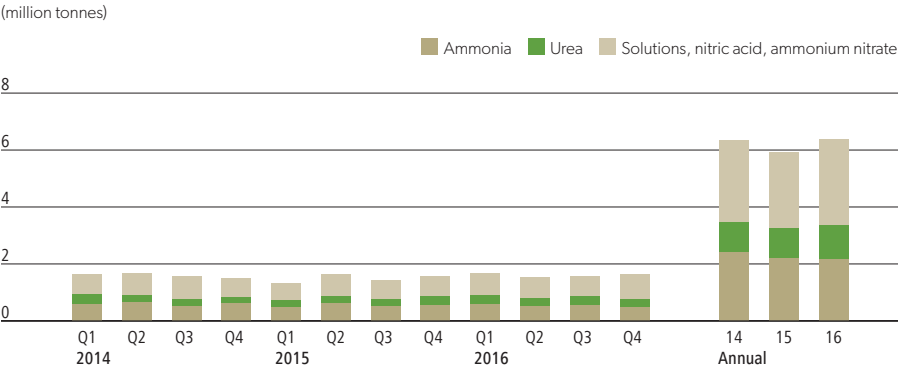


Source: PotashCorp

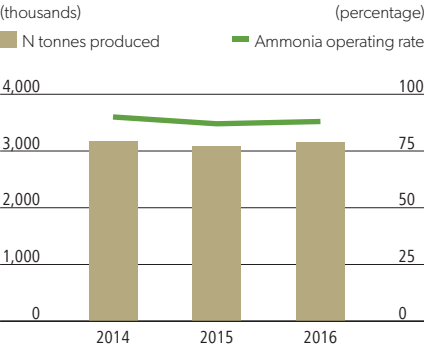
NITROGEN GROSS MARGIN, NET SALES PRICES AND NATURAL GAS COSTS



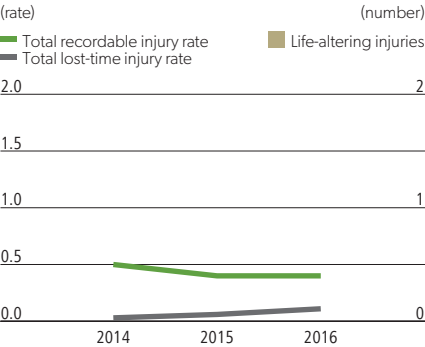
NITROGEN SALES VOLUMES



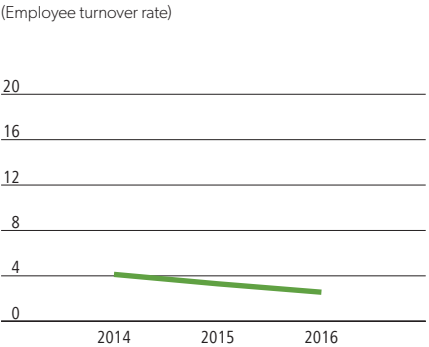
NITROGEN PRODUCTION HIGHLIGHTS



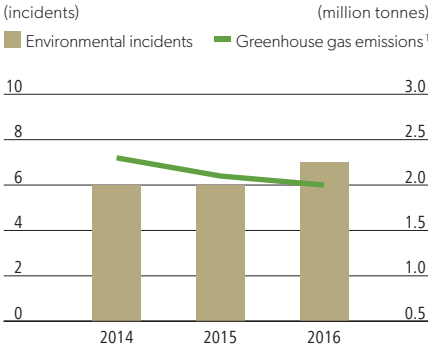
NITROGEN SAFETY HIGHLIGHTS



NITROGEN EMPLOYEE HIGHLIGHTS

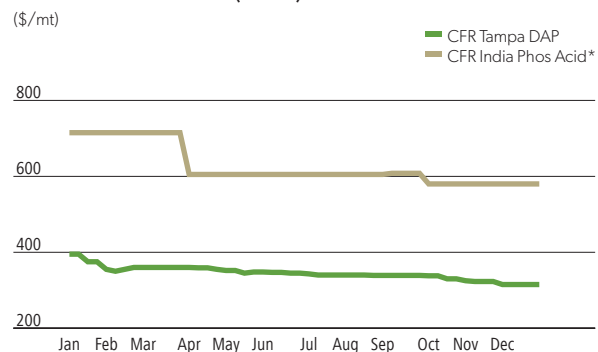


NITROGEN ENVIRONMENTAL HIGHLIGHTS



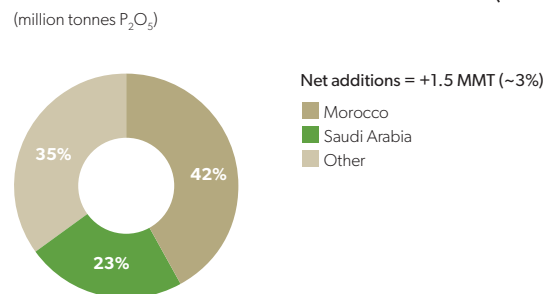
# PHOSPHATE

## PHOSPHATE PRICES (2016)



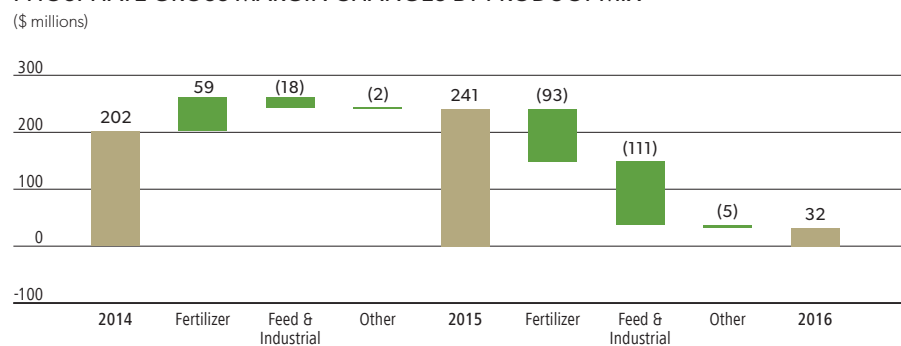
\* 100% P<sub>2</sub>O<sub>5</sub> basis  
Source: PotashCorp

## GLOBAL PHOSPHATE CAPACITY ADDITIONS (2017)\*



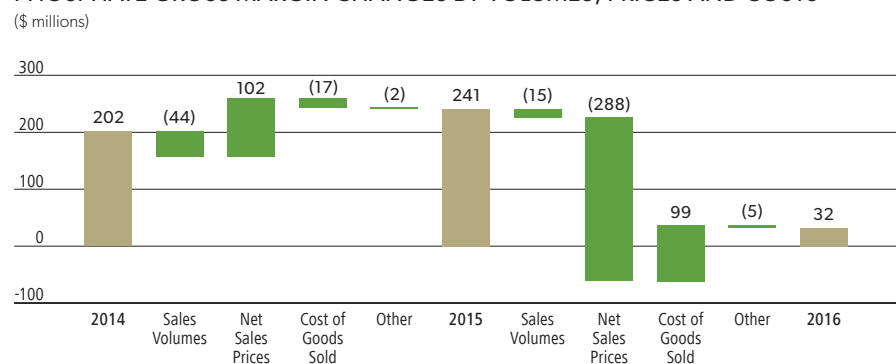
\* Based on industry consultant estimates; capacity is prorated for start-up timing in 2017  
Source: CRU, Katana, Profercy, PotashCorp

## PHOSPHATE GROSS MARGIN CHANGES BY PRODUCT MIX



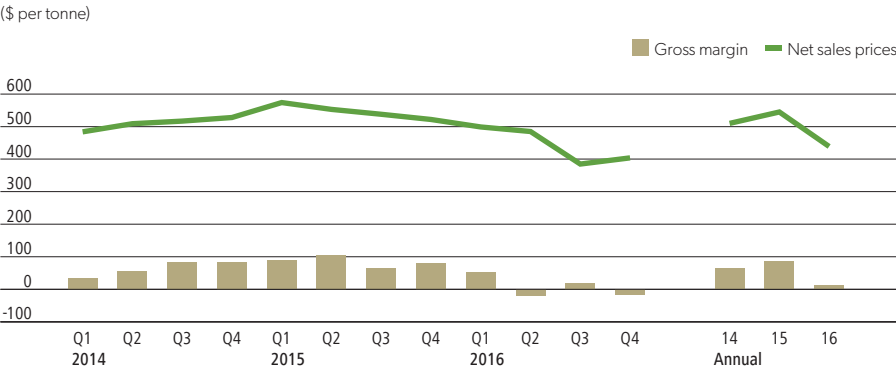
Source: PotashCorp

## PHOSPHATE GROSS MARGIN CHANGES BY VOLUMES, PRICES AND COSTS



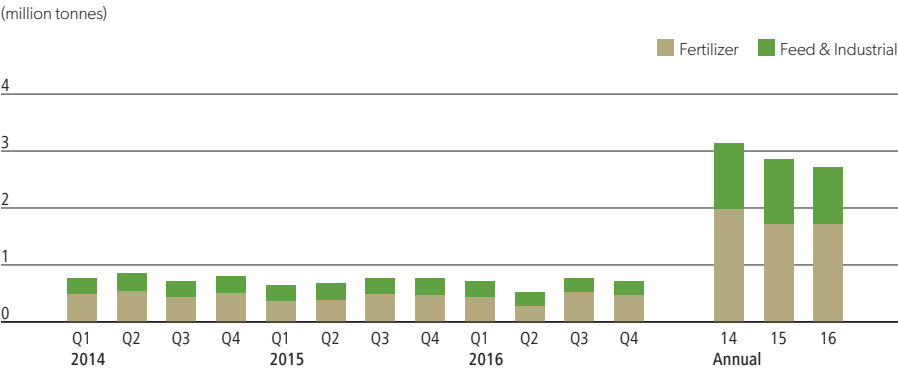
Source: PotashCorp

PHOSPHATE GROSS MARGIN AND NET SALES PRICES



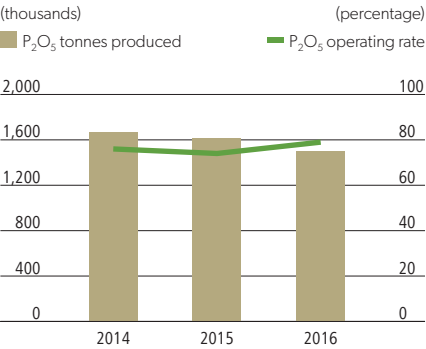
Source: PotashCorp

PHOSPHATE SALES VOLUMES



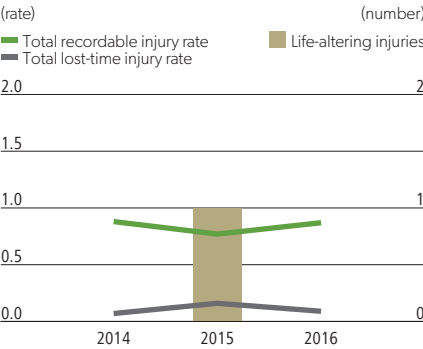
Source: PotashCorp

PHOSPHATE PRODUCTION HIGHLIGHTS



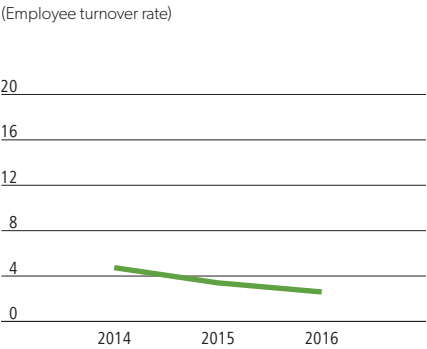
Source: PotashCorp

PHOSPHATE SAFETY HIGHLIGHTS



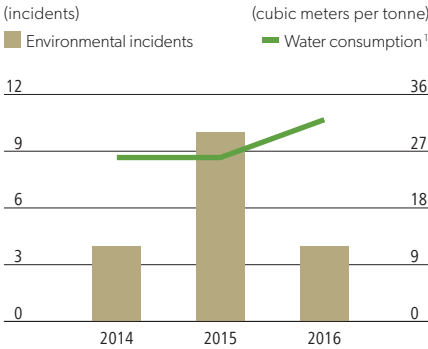
Source: PotashCorp

PHOSPHATE EMPLOYEE HIGHLIGHTS



Source: PotashCorp

PHOSPHATE ENVIRONMENTAL HIGHLIGHTS



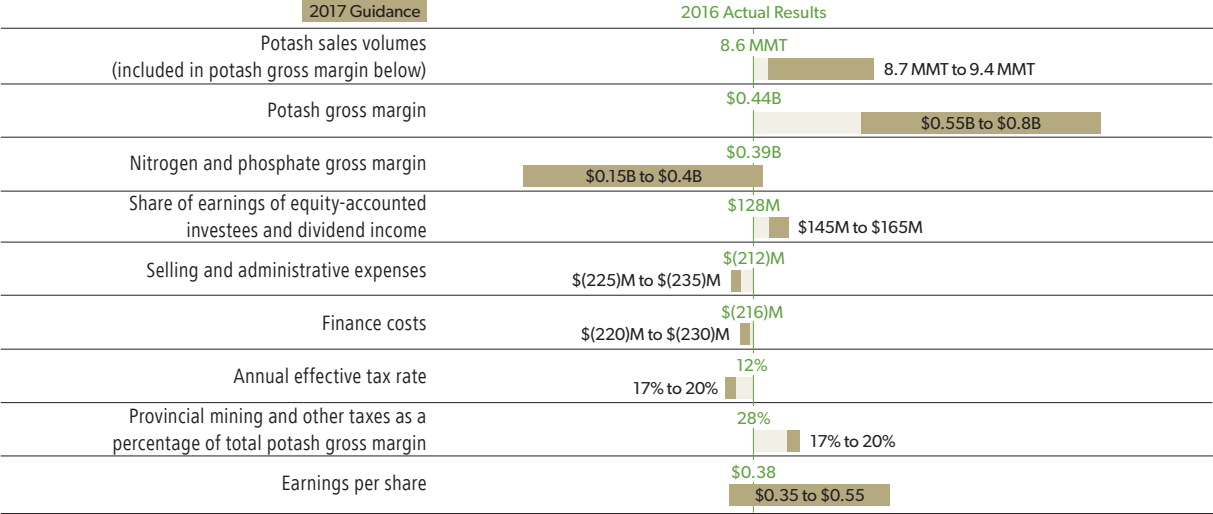
Source: PotashCorp

<sup>1</sup> m<sup>3</sup> per tonne of product

# 2017 GUIDANCE

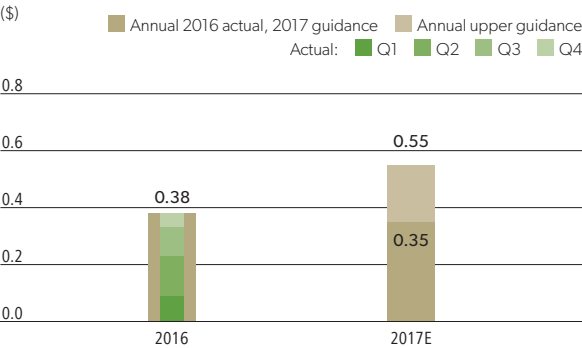
## POTASHCORP'S GUIDANCE

2017 Guidance vs 2016 Actual Results



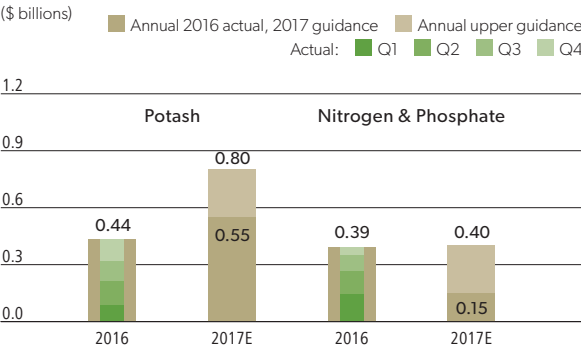
Source: PotashCorp

## EARNINGS PER SHARE



Source: PotashCorp

## GROSS MARGIN BY NUTRIENTS

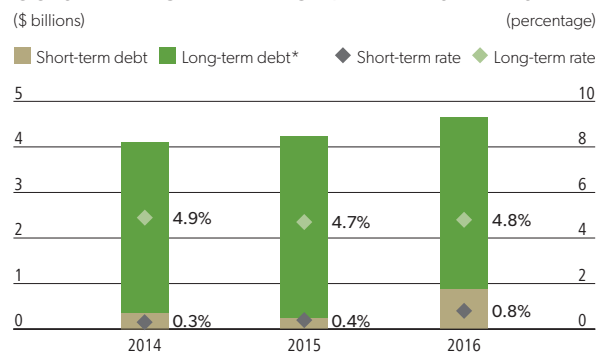


Source: PotashCorp



## OTHER EXPENSES AND INCOME

### WEIGHTED AVERAGE DEBT OBLIGATIONS OUTSTANDING AND EFFECTIVE INTEREST RATES

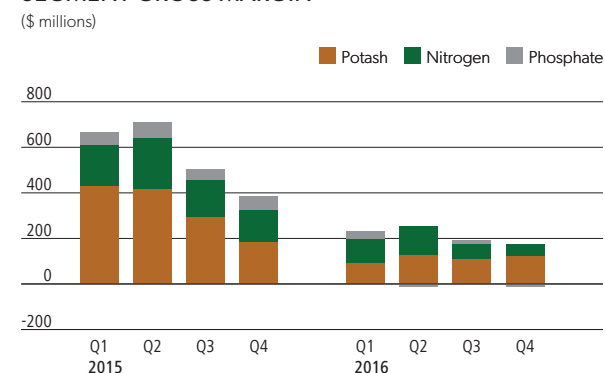


\* Includes current portion

Source: PotashCorp

## QUARTERLY RESULTS

### SEGMENT GROSS MARGIN

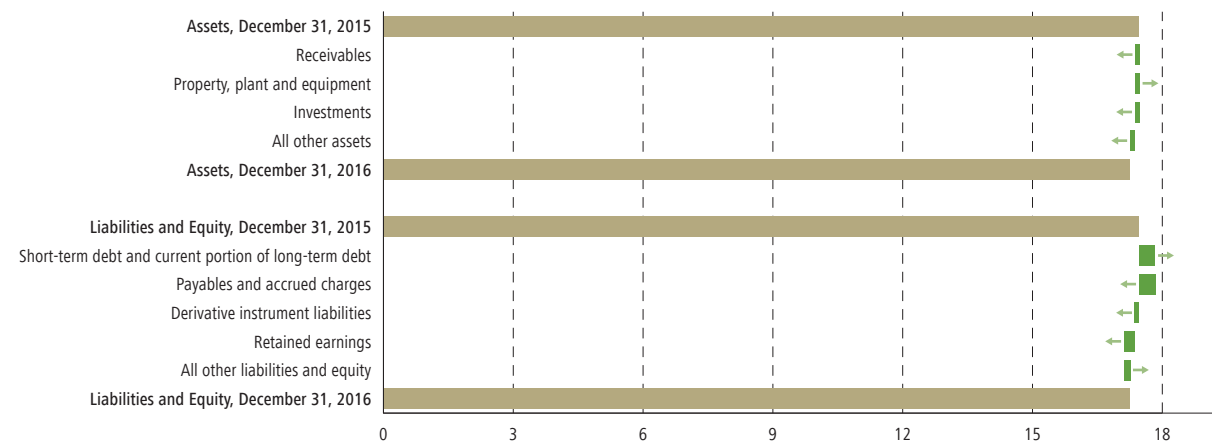


Source: PotashCorp

## FINANCIAL CONDITION REVIEW

### CHANGES IN BALANCES

December 31, 2015 to December 31, 2016  
(\$ billions)

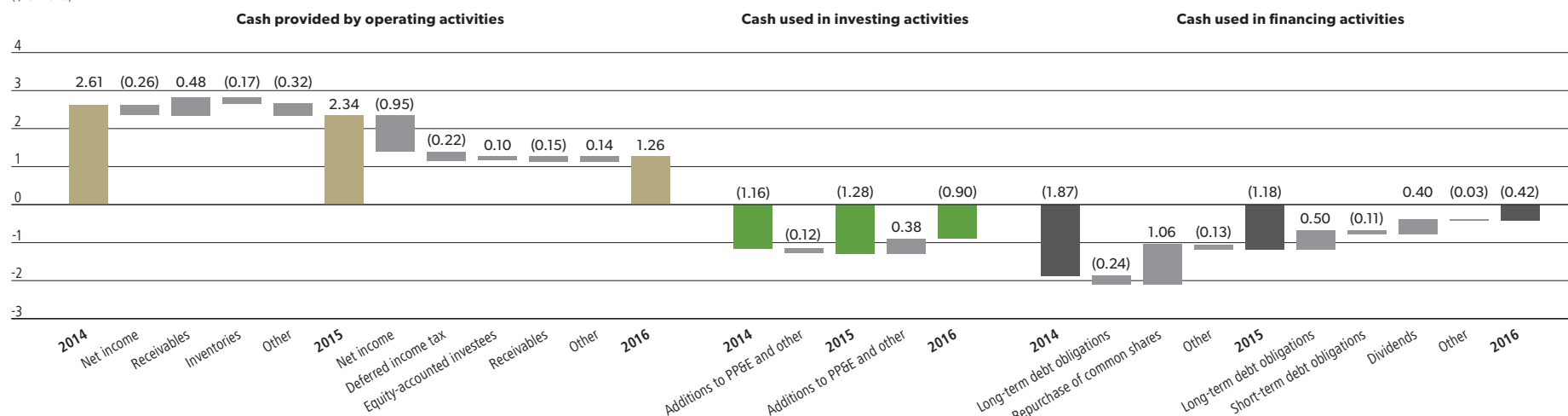


Source: PotashCorp

# LIQUIDITY AND CAPITAL RESOURCES

## CHANGES IN CASH FLOWS 2016 vs 2015 vs 2014

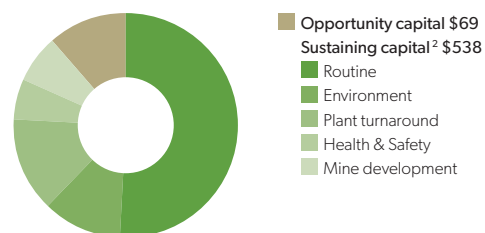
(\$ billions)



Source: PotashCorp

## 2017 FORECAST CAPITAL EXPENDITURES<sup>1</sup>

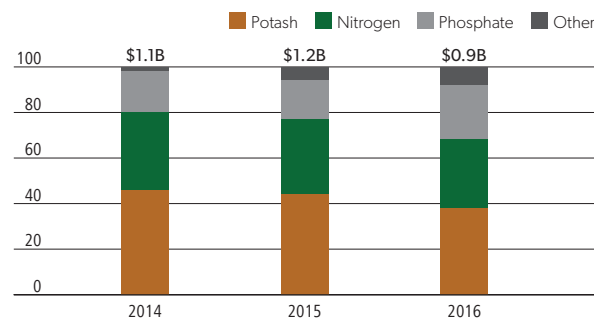
(\$ millions)

<sup>1</sup> Includes capitalized interest and is based on a forecast exchange rate of 1.32 Canadian dollars per US dollar.<sup>2</sup> To sustain operations at existing levels and for major repairs and maintenance, including plant turnarounds.

Source: PotashCorp

## CASH ADDITIONS TO PROPERTY, PLANT AND EQUIPMENT

(percentage)

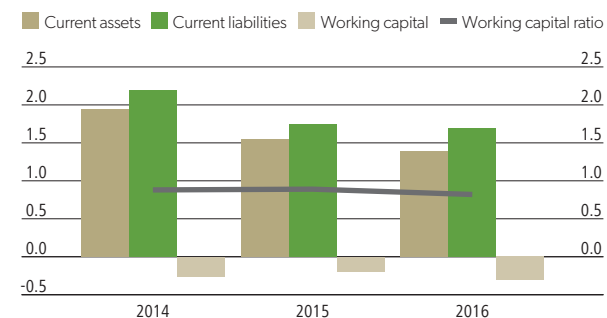


Source: PotashCorp

## WORKING CAPITAL

As at December 31

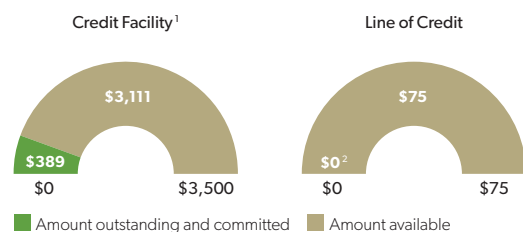
(\$ billions)



Source: PotashCorp

# CAPITAL STRUCTURE AND MANAGEMENT

As at December 31, 2016  
(units)

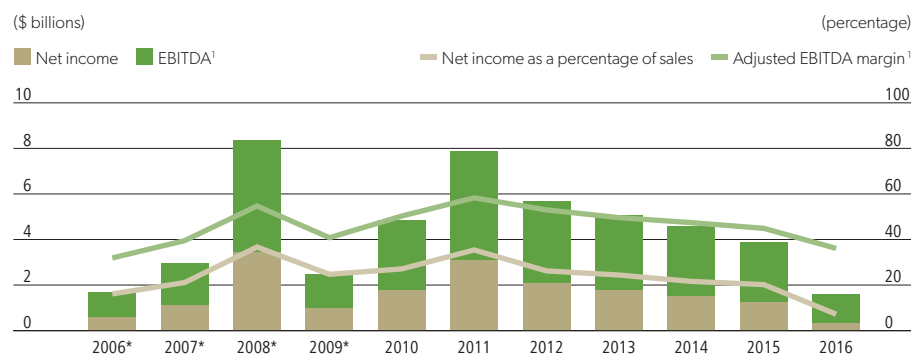


<sup>1</sup> The authorized aggregate amount under the company's commercial paper programs in Canada and the US is \$2,500 million. The amounts available under the commercial paper programs are limited to the availability of backup funds under the credit facility. Included in the amount outstanding and committed is \$389 million of commercial paper.

<sup>2</sup> Letters of credit committed. We also have an uncommitted \$100 million letter of credit facility against which \$40 million was issued at December 31, 2016.

Source: PotashCorp

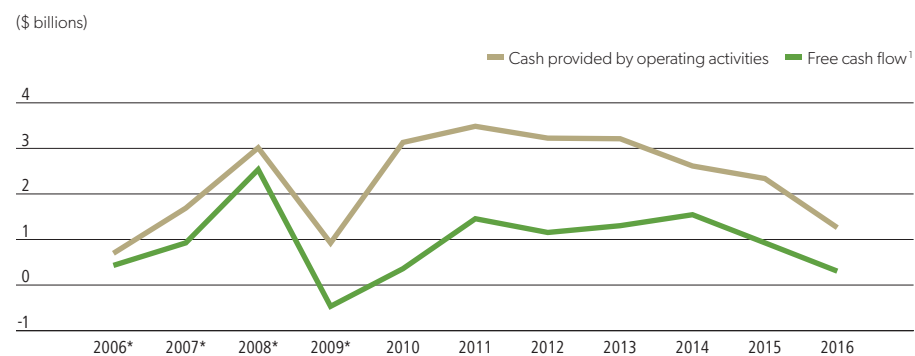
## 11 YEAR DATA



<sup>1</sup> See Page 93 for non-IFRS reconciliation.

\* Figures were prepared in accordance with previous Canadian GAAP.

Source: PotashCorp



<sup>1</sup> See Page 93 for non-IFRS reconciliation.

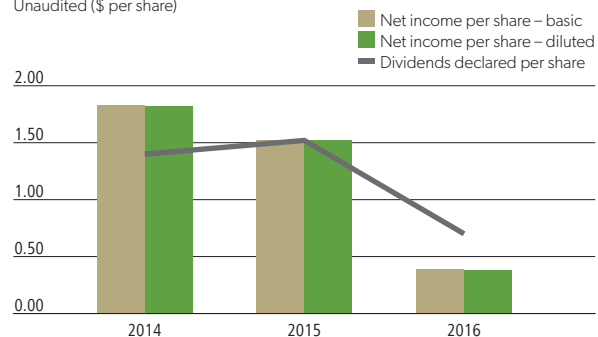
\* Figures were prepared in accordance with previous Canadian GAAP.

Source: PotashCorp

## Consolidated Statements of Income

### NET INCOME PER SHARE

Unaudited (\$ per share)

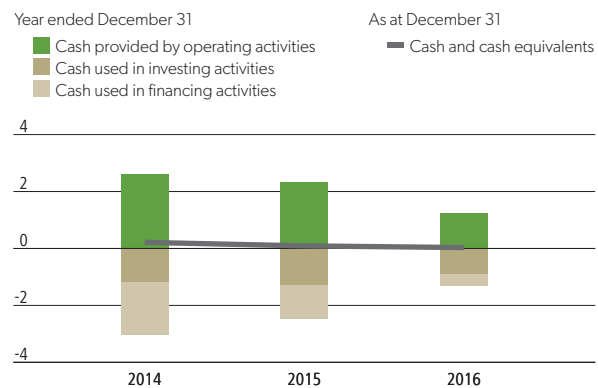


Source: PotashCorp

## Consolidated Statements of Cash Flow

### CASH FLOW

Unaudited (\$ billions)

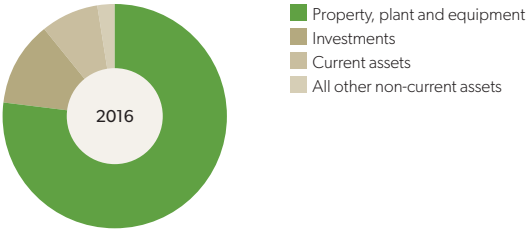


Source: PotashCorp

2016 HIGHLIGHTS UNAUDITED

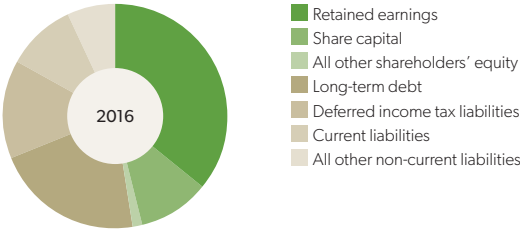
TOTAL ASSETS

As at December 31 – Unaudited  
(percentage)



TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

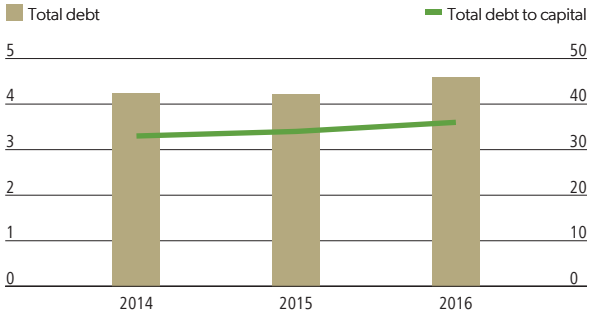
As at December 31 – Unaudited  
(percentage)



TOTAL DEBT AND TOTAL DEBT TO CAPITAL

As at December 31 – Unaudited  
(\$ billions)

(percentage)



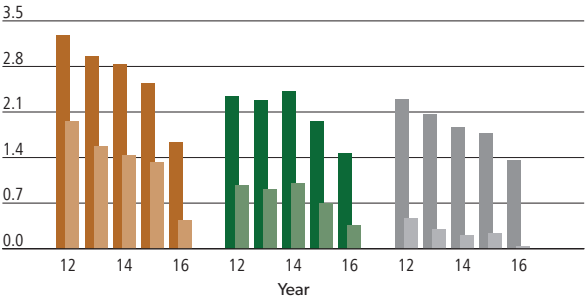
Source: PotashCorp

Note 3

SALES AND GROSS MARGIN BY SEGMENT

(\$ billions)

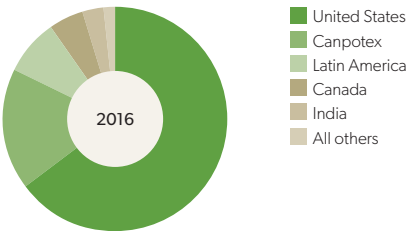
K N P Sales K N P Gross Margin



Source: PotashCorp

SALES TO CUSTOMERS

(percentage)



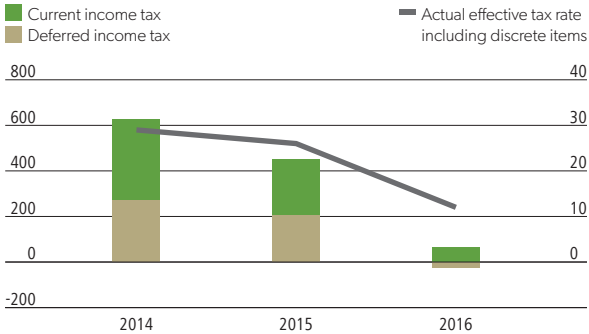
Source: PotashCorp

Note 8

INCOME TAX EXPENSE

(\$ millions)

(percentage)

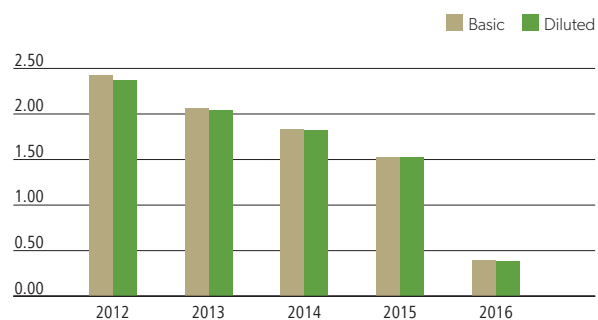


Source: PotashCorp

## Note 9

### NET INCOME PER SHARE Unaudited

(\$ per share)

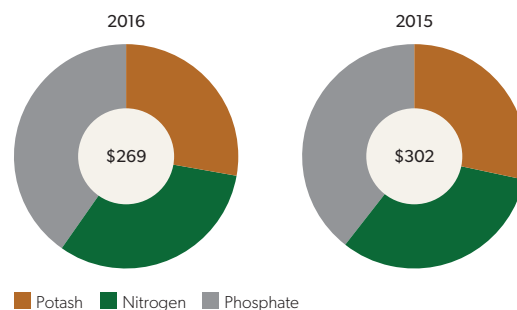


Source: PotashCorp

## Note 12

### FINISHED PRODUCT INVENTORIES BY SEGMENT

As at December 31 – Unaudited  
(\$ millions)

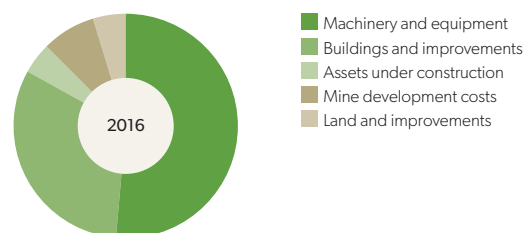


Source: PotashCorp

## Note 13

### CARRYING AMOUNTS OF PROPERTY, PLANT AND EQUIPMENT

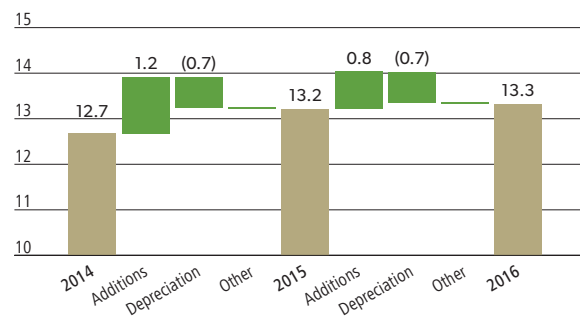
As at December 31 – Unaudited  
(percentage)



Source: PotashCorp

### RECONCILIATION OF CHANGES IN PROPERTY, PLANT AND EQUIPMENT CARRYING AMOUNT

As at December 31 – Unaudited  
(\$ billions)

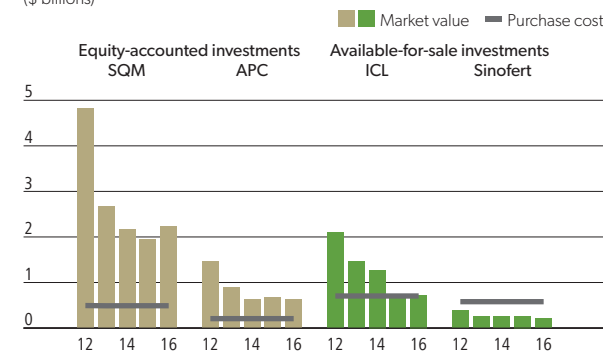


Source: PotashCorp

## Note 19

### SIGNIFICANT INVESTMENTS – MARKET VALUE AND PURCHASE COST

As at December 31 – Unaudited  
(\$ billions)

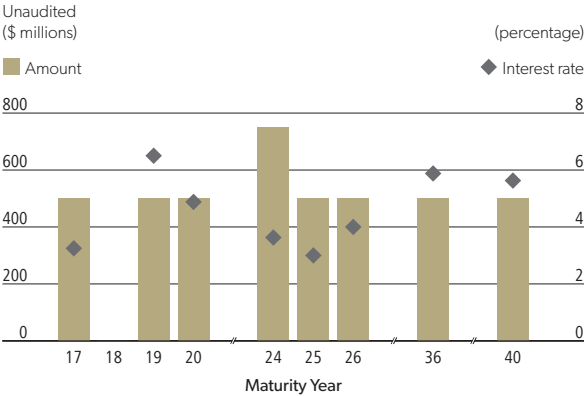


Source: PotashCorp



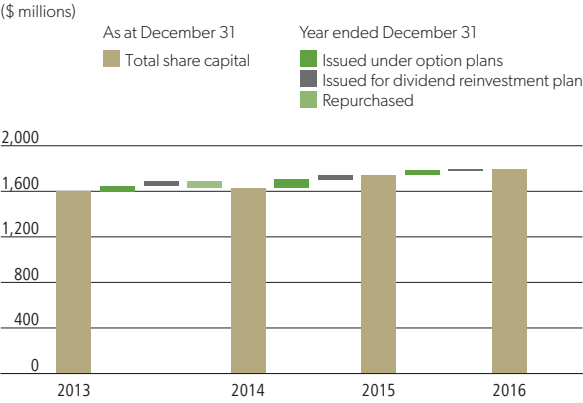
Note 21

SENIOR NOTES OUTSTANDING AT DECEMBER 31, 2016

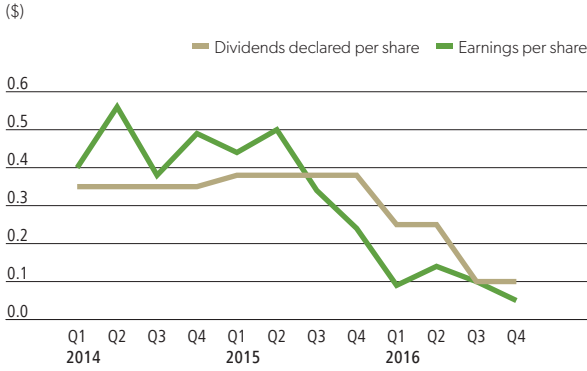


Note 22

SHARE CAPITAL CONSIDERATION Unaudited

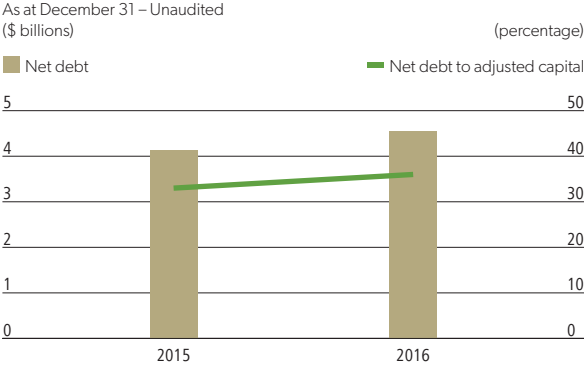


DIVIDENDS AND EARNINGS PER SHARE Unaudited



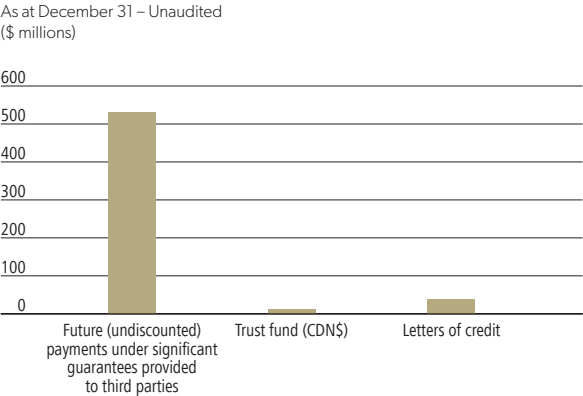
Note 23

NET DEBT AND NET DEBT TO ADJUSTED CAPITAL



Note 25

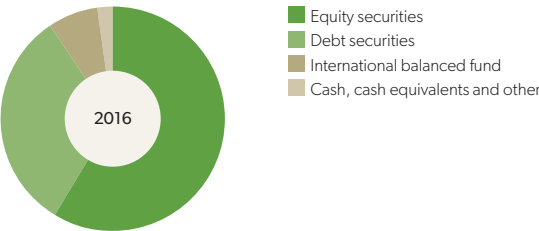
GUARANTEES



Note 26

FAIR VALUE OF PLAN ASSETS BY CATEGORY

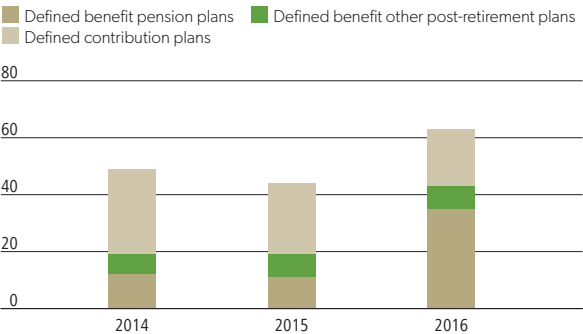
As at December 31 – Unaudited  
(percentage)



Source: PotashCorp

ANNUAL PENSION AND OTHER POST-RETIREMENT BENEFIT PLAN CONTRIBUTIONS Unaudited

(\$ millions)

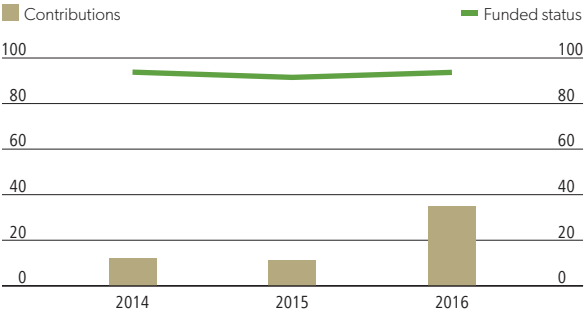


Source: PotashCorp

DEFINED BENEFIT PENSION PLANS' FUNDED STATUS AND CONTRIBUTION LEVELS Unaudited

Year ended December 31  
(\$ millions)

At at December 31  
(percentage)



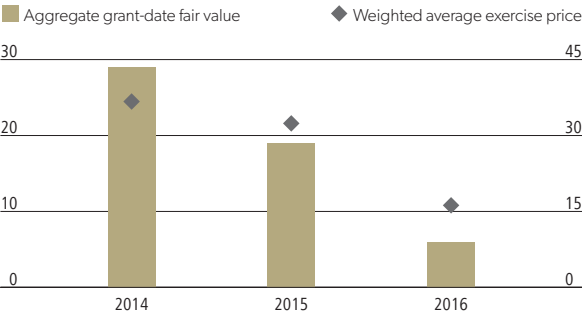
Source: PotashCorp

Note 27

STOCK OPTIONS GRANTED Unaudited

(\$ millions)

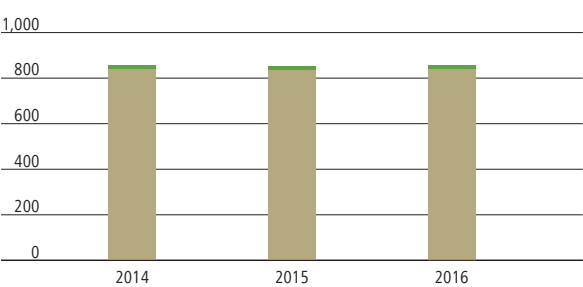
(\$ per share)



Source: PotashCorp

TOTAL SHARES AND STOCK OPTIONS OUTSTANDING

As at December 31 – Unaudited  
(millions)

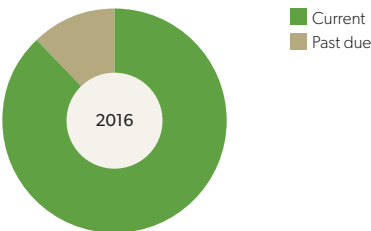


Source: PotashCorp

Note 29

AGING OF TRADE RECEIVABLES

As at December 31 – Unaudited  
(percentage)

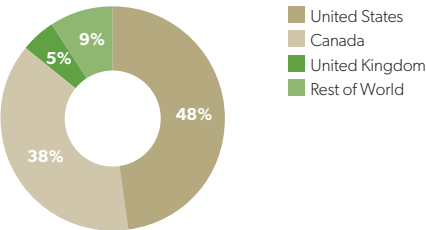


Source: PotashCorp

# SHAREHOLDER INFORMATION

## INSTITUTIONAL INVESTOR BASE BY COUNTRY

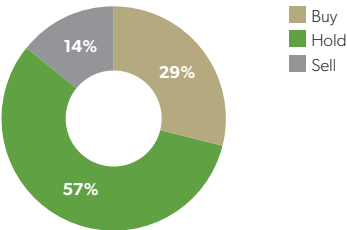
As at December 31  
(percentage)



Source: Ipreo

## ANALYST RECOMMENDATION

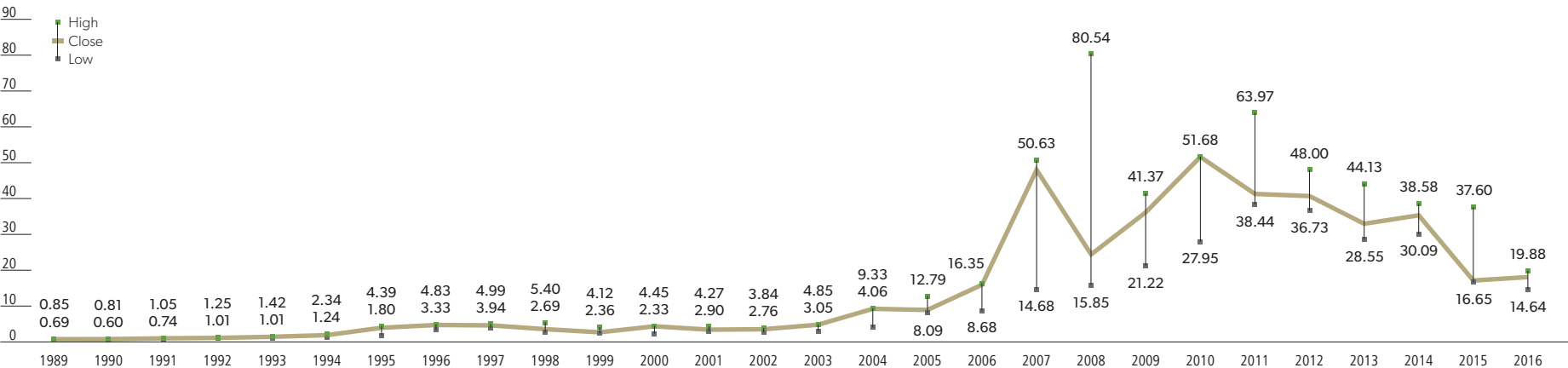
As at December 31  
(percentage)



Source: Ipreo

## YEARLY POT STOCK PRICE SINCE INCEPTION\* – NYSE COMPOSITE

(dollars)



\* Data are adjusted for two-for-one stock split in August 2004, a three-for-one stock split in May 2007 and a three-for-one stock split in February 2011.

Source: FactSet