2022 / Annual Audited Financial Statements
<table>
<thead>
<tr>
<th>Page</th>
<th>Section</th>
</tr>
</thead>
<tbody>
<tr>
<td>86</td>
<td>Management’s Responsibility</td>
</tr>
<tr>
<td>87</td>
<td>Reports of the Independent Registered Public Accounting Firm</td>
</tr>
<tr>
<td>90</td>
<td>Consolidated Statements of Earnings</td>
</tr>
<tr>
<td>90</td>
<td>Consolidated Statements of Comprehensive Income</td>
</tr>
<tr>
<td>91</td>
<td>Consolidated Statements of Cash Flows</td>
</tr>
<tr>
<td>92</td>
<td>Consolidated Statements of Changes in Shareholders’ Equity</td>
</tr>
<tr>
<td>93</td>
<td>Consolidated Balance Sheets</td>
</tr>
<tr>
<td>94</td>
<td>Note 1 Description of Business</td>
</tr>
<tr>
<td>94</td>
<td>Note 2 Basis of Presentation</td>
</tr>
<tr>
<td>95</td>
<td>Note 3 Segment Information</td>
</tr>
<tr>
<td>98</td>
<td>Note 4 Nature of Expenses</td>
</tr>
<tr>
<td>99</td>
<td>Note 5 Share-Based Compensation</td>
</tr>
<tr>
<td>101</td>
<td>Note 6 Other Expenses (Income)</td>
</tr>
<tr>
<td>101</td>
<td>Note 7 Finance Costs</td>
</tr>
<tr>
<td>102</td>
<td>Note 8 Income Taxes</td>
</tr>
<tr>
<td>104</td>
<td>Note 9 Net Earnings Per Share</td>
</tr>
<tr>
<td>104</td>
<td>Note 10 Financial Instruments and Related Risk Management</td>
</tr>
<tr>
<td>108</td>
<td>Note 11 Receivables</td>
</tr>
<tr>
<td>108</td>
<td>Note 12 Inventories</td>
</tr>
<tr>
<td>109</td>
<td>Note 13 Property, Plant and Equipment</td>
</tr>
<tr>
<td>111</td>
<td>Note 14 Goodwill and Intangible Assets</td>
</tr>
<tr>
<td>112</td>
<td>Note 15 Investments</td>
</tr>
<tr>
<td>113</td>
<td>Note 16 Other Assets</td>
</tr>
<tr>
<td>113</td>
<td>Note 17 Short-Term Debt</td>
</tr>
<tr>
<td>114</td>
<td>Note 18 Long-Term Debt</td>
</tr>
<tr>
<td>115</td>
<td>Note 19 Lease Liabilities</td>
</tr>
<tr>
<td>115</td>
<td>Note 20 Payables and Accrued Charges</td>
</tr>
<tr>
<td>116</td>
<td>Note 21 Pension and Other Post-Retirement Benefits</td>
</tr>
<tr>
<td>119</td>
<td>Note 22 Asset Retirement Obligations and Accrued Environmental Costs</td>
</tr>
<tr>
<td>120</td>
<td>Note 23 Share Capital</td>
</tr>
<tr>
<td>121</td>
<td>Note 24 Capital Management</td>
</tr>
<tr>
<td>122</td>
<td>Note 25 Business Combinations</td>
</tr>
<tr>
<td>123</td>
<td>Note 26 Commitments</td>
</tr>
<tr>
<td>124</td>
<td>Note 27 Guarantees</td>
</tr>
<tr>
<td>124</td>
<td>Note 28 Related Party Transactions</td>
</tr>
<tr>
<td>125</td>
<td>Note 29 Contingencies and Other Matters</td>
</tr>
<tr>
<td>127</td>
<td>Note 30 Accounting Policies, Estimates and Judgments</td>
</tr>
</tbody>
</table>
Management’s Responsibility

Management’s Responsibility for Financial Reporting

Management’s Report on the Consolidated Financial Statements

The accompanying consolidated financial statements and related financial information are the responsibility of the management of Nutrien Ltd. (the “Company”). They have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board and include amounts based on estimates and judgments. Financial information included elsewhere in this report is consistent with the consolidated financial statements.

The consolidated financial statements are approved by the Board of Directors on the recommendation of the Audit Committee. The Audit Committee, appointed by the Board of Directors, is composed entirely of independent directors. The Audit Committee discusses and analyzes the Company’s condensed consolidated financial statements and Management’s Discussion and Analysis (“MD&A”) with management before such information is approved by the committee and submitted to securities commissions or other regulatory authorities. The Audit Committee and management also analyze the annual consolidated financial statements and MD&A prior to their approval by the Board of Directors.

The Audit Committee’s duties also include reviewing critical accounting policies and significant estimates and judgments underlying the consolidated financial statements as presented by management and approving the fees of our independent registered public accounting firm.

Our independent registered public accounting firm, KPMG LLP, performs an audit of the consolidated financial statements, the results of which are reflected in their Report of Independent Registered Public Accounting Firm for 2022. KPMG LLP has full and independent access to the Audit Committee to discuss their audit and related matters.

Management’s Annual Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) of the Securities Exchange Act of 1934, as amended, and National Instrument 52-109 – Certification of Disclosure in Issuers’ Annual and Interim Filings. Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with IFRS.

Under our supervision and with the participation of management, the Company conducted an evaluation of the design and effectiveness of our internal control over financial reporting as of the end of the fiscal year covered by this report, based on the framework issued by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control – Integrated Framework (2013). Based on this evaluation, management concluded that, as of December 31, 2022, the Company did maintain effective internal control over financial reporting.

The effectiveness of the Company’s internal control over financial reporting as of December 31, 2022 has been audited by KPMG LLP, as reflected in their Report of Independent Registered Public Accounting Firm for 2022.

Ken Seitz
President and Chief Executive Officer
February 16, 2023

Pedro Farah
Executive Vice President and Chief Financial Officer
February 16, 2023
Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Nutrien Ltd.

Opinion on Internal Control Over Financial Reporting

We have audited Nutrien Ltd. and subsidiaries’ (the “Company”) internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated balance sheets of the Company as of December 31, 2022 and 2021, the related consolidated statements of earnings, comprehensive income, cash flows, and changes in shareholders’ equity for the years then ended, and the related notes (collectively, the “consolidated financial statements”), and our report dated February 16, 2023 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the US federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

KPMG LLP
Chartered Professional Accountants
Calgary, Canada
February 16, 2023
Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Nutrien Ltd.

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of Nutrien Ltd. and subsidiaries (the “Company”) as of December 31, 2022 and 2021, the related consolidated statements of earnings, comprehensive income, cash flows, and changes in shareholders’ equity for the years then ended, and the related notes (collectively, the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and its financial performance and its cash flows for the years then ended, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 16, 2023 expressed an unqualified opinion on the effectiveness of the Company’s internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the US federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the consolidated financial statements that were communicated or required to be communicated to the Audit Committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.
Goodwill Impairment Assessment of the Retail North America Group of Cash-Generating Units

As discussed in Note 14 to the consolidated financial statements, the carrying amount of goodwill as of December 31, 2022 was $12,368 million, of which $6,898 million of goodwill has been allocated to the Retail North America group of cash-generating units ("Retail North America CGU"). The Retail North America CGU is tested for impairment annually, and whenever events or changes in circumstances may indicate the carrying amount, including goodwill, exceeds its estimated recoverable amount. An indicator of impairment was identified as of June 30, 2022 and September 30, 2022 due to an increase in benchmark borrowing rates, which is a component of the discount rate. The calculation of the recoverable amount of the Retail North America CGU involved estimates including forecasted earnings before tax, interest, depreciation and amortization ("EBITDA"), terminal growth rate and the discount rate.

We identified the calculation of the recoverable amount of goodwill for the Retail North America CGU as of September 30, 2022 as a critical audit matter. A high degree of auditor judgment was required to evaluate the Company’s forecasted EBITDA, terminal growth rate and discount rate used to calculate the recoverable amount of the Retail North America CGU. Minor changes to these assumptions could have had a significant effect on the Company’s calculation of the recoverable amount of the Retail North America CGU. Additionally, the audit effort associated with this estimate required specialized skills and knowledge.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the calculation of the recoverable amount of goodwill for the Retail North America CGU. This included controls related to the determination of forecasted EBITDA, terminal growth rate and the discount rate. We evaluated the Company’s forecasted EBITDA for the Retail North America CGU by comparing to historical results and forecasted planted acreage in the United States. We evaluated the terminal growth rate by comparing to the historical growth of the Retail North America CGU and to market information, including forecasted inflation and forecasted gross domestic product in the United States. We evaluated the Company’s historical forecasts of EBITDA by comparing to actual results to assess the Company’s ability to accurately forecast. In addition, we involved valuation professionals with specialized skills and knowledge, who assisted in:

- evaluating the Company’s determination of the discount rate by comparing the inputs to the discount rate to publicly available market data for comparable entities and assessing the resulting discount rate, and
- evaluating the Company’s estimate of the recoverable amount of the Retail North America CGU by comparing the results of the Company’s estimate to publicly available market data and valuation metrics for comparable entities.

KPMG LLP
Chartered Professional Accountants

We have served as the Company’s auditor since 2018.

Calgary, Canada
February 16, 2023
## Consolidated Financial Statements

### Consolidated Statements of Earnings

For the years ended December 31

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>3</td>
<td>37,884</td>
</tr>
<tr>
<td>Freight, transportation and distribution</td>
<td>4</td>
<td>872</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>4, 12</td>
<td>21,588</td>
</tr>
<tr>
<td><strong>Gross Margin</strong></td>
<td></td>
<td>15,424</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>4</td>
<td>3,414</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>4</td>
<td>565</td>
</tr>
<tr>
<td>Provincial mining taxes</td>
<td>4</td>
<td>1,149</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>5</td>
<td>63</td>
</tr>
<tr>
<td>(Reversal of) impairment of assets</td>
<td>13</td>
<td>(780)</td>
</tr>
<tr>
<td>Other expenses</td>
<td>6</td>
<td>204</td>
</tr>
<tr>
<td><strong>Earnings before finance costs and income taxes</strong></td>
<td></td>
<td>10,809</td>
</tr>
<tr>
<td>Finance costs</td>
<td>7</td>
<td>563</td>
</tr>
<tr>
<td><strong>Earnings before income taxes</strong></td>
<td></td>
<td>10,246</td>
</tr>
<tr>
<td>Income tax expense</td>
<td>8</td>
<td>2,559</td>
</tr>
<tr>
<td><strong>Net Earnings</strong></td>
<td></td>
<td>7,687</td>
</tr>
<tr>
<td>Attributable to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity holders of Nutrien</td>
<td></td>
<td>7,660</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td></td>
<td>27</td>
</tr>
<tr>
<td><strong>Net Earnings</strong></td>
<td></td>
<td>7,687</td>
</tr>
<tr>
<td><strong>Net earnings per share attributable to equity holders of Nutrien (&quot;EPS&quot;)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Basic</td>
<td>9</td>
<td>14.22</td>
</tr>
<tr>
<td>Diluted</td>
<td></td>
<td>14.18</td>
</tr>
<tr>
<td>Weighted average shares outstanding for basic EPS</td>
<td>9</td>
<td>538,475,000</td>
</tr>
<tr>
<td>Weighted average shares outstanding for diluted EPS</td>
<td>9</td>
<td>540,010,000</td>
</tr>
</tbody>
</table>

(See Notes to the Consolidated Financial Statements)

### Consolidated Statements of Comprehensive Income

For the years ended December 31 (net of related income taxes)

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Earnings</strong></td>
<td></td>
<td>7,687</td>
</tr>
<tr>
<td>Other comprehensive (loss) income</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Items that will not be reclassified to net earnings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net actuarial gain on defined benefit plans</td>
<td>21</td>
<td>83</td>
</tr>
<tr>
<td>Net fair value (loss) gain on investments</td>
<td>15</td>
<td>(44)</td>
</tr>
<tr>
<td>Items that have been or may be subsequently reclassified to net earnings:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Loss on currency translation of foreign operations</td>
<td>(199)</td>
<td>(115)</td>
</tr>
<tr>
<td>Other</td>
<td>(17)</td>
<td>(17)</td>
</tr>
<tr>
<td><strong>Other Comprehensive (Loss) Income</strong></td>
<td></td>
<td>(177)</td>
</tr>
<tr>
<td><strong>Comprehensive Income</strong></td>
<td></td>
<td>7,510</td>
</tr>
<tr>
<td>Attributable to</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Equity holders of Nutrien</td>
<td></td>
<td>7,484</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td></td>
<td>26</td>
</tr>
<tr>
<td><strong>Comprehensive Income</strong></td>
<td></td>
<td>7,510</td>
</tr>
</tbody>
</table>

(See Notes to the Consolidated Financial Statements)
### Consolidated Statements of Cash Flows

For the years ended December 31

<table>
<thead>
<tr>
<th>Note</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net earnings</td>
<td>7,687</td>
<td>3,179</td>
</tr>
<tr>
<td>Adjustments for:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>2,012</td>
<td>1,951</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>63</td>
<td>198</td>
</tr>
<tr>
<td>Reversal of impairment of assets</td>
<td>(780)</td>
<td>33</td>
</tr>
<tr>
<td>Gain on disposal of investment</td>
<td>(19)</td>
<td>-</td>
</tr>
<tr>
<td>Cloud computing transition adjustment</td>
<td>-</td>
<td>36</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>-</td>
<td>142</td>
</tr>
<tr>
<td>Provision for (recovery of) deferred income tax</td>
<td>182</td>
<td>(31)</td>
</tr>
<tr>
<td>Long-term income tax receivables</td>
<td>273</td>
<td>-</td>
</tr>
<tr>
<td>(Net undistributed earnings of equity-accounted investees)</td>
<td>(181)</td>
<td>(44)</td>
</tr>
<tr>
<td>Other long-term assets, liabilities and miscellaneous</td>
<td>21</td>
<td>83</td>
</tr>
<tr>
<td><strong>Cash from operations before working capital changes</strong></td>
<td>9,258</td>
<td>5,547</td>
</tr>
<tr>
<td>Changes in non-cash operating working capital:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Receivables</td>
<td>(919)</td>
<td>(1,669)</td>
</tr>
<tr>
<td>Inventories</td>
<td>(1,281)</td>
<td>(1,459)</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>114</td>
<td>(227)</td>
</tr>
<tr>
<td>Payables and accrued charges</td>
<td>938</td>
<td>1,694</td>
</tr>
<tr>
<td><strong>Cash provided by operating activities</strong></td>
<td>8,110</td>
<td>3,886</td>
</tr>
<tr>
<td><strong>Investing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(2,438)</td>
<td>(1,884)</td>
</tr>
<tr>
<td>Business acquisitions, net of cash acquired</td>
<td>(407)</td>
<td>(88)</td>
</tr>
<tr>
<td>Other</td>
<td>(12)</td>
<td>64</td>
</tr>
<tr>
<td>Net changes in non-cash working capital</td>
<td>(44)</td>
<td>101</td>
</tr>
<tr>
<td><strong>Cash used in investing activities</strong></td>
<td>(2,901)</td>
<td>(1,807)</td>
</tr>
<tr>
<td><strong>Financing activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transaction costs related to debt</td>
<td>(9)</td>
<td>(7)</td>
</tr>
<tr>
<td>Proceeds from short-term debt, net</td>
<td>529</td>
<td>1,344</td>
</tr>
<tr>
<td>Proceeds from long-term debt</td>
<td>1,045</td>
<td>86</td>
</tr>
<tr>
<td>Repayment of long-term debt</td>
<td>(561)</td>
<td>(2,212)</td>
</tr>
<tr>
<td>Repayment of principal portion of lease liabilities</td>
<td>(341)</td>
<td>(320)</td>
</tr>
<tr>
<td>Dividends paid to Nutrien’s shareholders</td>
<td>(1,031)</td>
<td>(1,045)</td>
</tr>
<tr>
<td>Repurchase of common shares</td>
<td>(4,520)</td>
<td>(1,035)</td>
</tr>
<tr>
<td>Issuance of common shares</td>
<td>168</td>
<td>200</td>
</tr>
<tr>
<td>Other</td>
<td>(11)</td>
<td>(14)</td>
</tr>
<tr>
<td><strong>Cash used in financing activities</strong></td>
<td>(4,731)</td>
<td>(3,003)</td>
</tr>
<tr>
<td><strong>Effect of exchange rate changes on cash and cash equivalents</strong></td>
<td>(76)</td>
<td>(31)</td>
</tr>
<tr>
<td><strong>Increase (Decrease) in cash and cash equivalents</strong></td>
<td>402</td>
<td>(955)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents – beginning of year</strong></td>
<td>499</td>
<td>1,454</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents – end of year</strong></td>
<td>901</td>
<td>499</td>
</tr>
</tbody>
</table>

Cash and cash equivalents is composed of:

- Cash: 775 (2021: 428)
- Short-term investments: 126 (2021: 71)

**Supplemental cash flows information**

- Interest paid: 482 (2021: 491)
- Income taxes paid: 1,882 (2021: 435)
- Total cash outflow for leases: 459 (2021: 393)

1 Includes additions to property, plant and equipment, and intangible assets of $2,227 and $211 (2021 – $1,777 and $107), respectively.

(See Notes to the Consolidated Financial Statements)
### Consolidated Statements of Changes in Shareholders’ Equity

**Accumulated Other Comprehensive (Loss) Income (“AOCI”)**

<table>
<thead>
<tr>
<th>Number of Common Shares</th>
<th>Share Capital</th>
<th>Contributed Surplus</th>
<th>Loss on Currency Translation of Foreign Operations</th>
<th>Other</th>
<th>Total AOCI</th>
<th>Retained Earnings</th>
<th>Equity Holders of Nutrien</th>
<th>Non-Controlling Interest</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Balance – December 31, 2020</strong></td>
<td>569,260,406</td>
<td>15,673</td>
<td>205</td>
<td>(62)</td>
<td>(57)</td>
<td>(119)</td>
<td>6,606</td>
<td>22,365</td>
<td>38</td>
</tr>
<tr>
<td>Net earnings</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>3,153</td>
<td>3,153</td>
</tr>
<tr>
<td>Other comprehensive (loss) income</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(114)</td>
<td>193</td>
<td>79</td>
<td>–</td>
<td>79</td>
<td>(1)</td>
</tr>
<tr>
<td>Shares repurchased (Note 23)</td>
<td>(15,982,154)</td>
<td>(442)</td>
<td>(47)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(616)</td>
<td>(1,105)</td>
<td>–</td>
</tr>
<tr>
<td>Dividends declared (Note 23)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(1,046)</td>
<td>(1,046)</td>
<td>–</td>
</tr>
<tr>
<td>Non-controlling interest transactions</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(16)</td>
</tr>
<tr>
<td>Effect of share-based compensation including issuance of common shares</td>
<td>4,424,437</td>
<td>226</td>
<td>(9)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>217</td>
<td>–</td>
</tr>
<tr>
<td>Transfer of net gain on cash flow hedges</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(11)</td>
<td>(11)</td>
<td>–</td>
<td>(11)</td>
<td>–</td>
</tr>
<tr>
<td>Transfer of net actuarial gain on defined benefit plans</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(95)</td>
<td>(95)</td>
<td>95</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Share cancellation</td>
<td>(210,173)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance – December 31, 2021</strong></td>
<td>557,492,516</td>
<td>15,457</td>
<td>149</td>
<td>(176)</td>
<td>30</td>
<td>(146)</td>
<td>8,192</td>
<td>23,652</td>
<td>47</td>
</tr>
<tr>
<td>Net earnings</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>7,660</td>
<td>7,660</td>
</tr>
<tr>
<td>Other comprehensive (loss) income</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(198)</td>
<td>22</td>
<td>(176)</td>
<td>–</td>
<td>(176)</td>
<td>(1)</td>
</tr>
<tr>
<td>Shares repurchased (Note 23)</td>
<td>(53,312,559)</td>
<td>(1,487)</td>
<td>(22)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(2,987)</td>
<td>(4,496)</td>
<td>–</td>
</tr>
<tr>
<td>Dividends declared (Note 23)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(1,019)</td>
<td>(1,019)</td>
<td>–</td>
</tr>
<tr>
<td>Non-controlling interest transactions</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(1)</td>
<td>(1)</td>
<td>(28)</td>
</tr>
<tr>
<td>Effect of share-based compensation including issuance of common shares</td>
<td>3,066,148</td>
<td>202</td>
<td>(18)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>184</td>
<td>–</td>
</tr>
<tr>
<td>Transfer of net loss on cash flow hedges</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>14</td>
<td>14</td>
<td>–</td>
<td>14</td>
<td>–</td>
</tr>
<tr>
<td>Transfer of net actuarial gain on defined benefit plans</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(83)</td>
<td>(83)</td>
<td>83</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td><strong>Balance – December 31, 2022</strong></td>
<td>507,246,105</td>
<td>14,172</td>
<td>109</td>
<td>(374)</td>
<td>(17)</td>
<td>(391)</td>
<td>11,928</td>
<td>25,818</td>
<td>45</td>
</tr>
</tbody>
</table>

(See Notes to the Consolidated Financial Statements)
### Consolidated Balance Sheets

**As at December 31**

<table>
<thead>
<tr>
<th>NOTE</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>901</td>
<td>499</td>
</tr>
<tr>
<td>Receivables</td>
<td>6,194</td>
<td>5,366</td>
</tr>
<tr>
<td>Inventories</td>
<td>7,632</td>
<td>6,328</td>
</tr>
<tr>
<td>Prepaid expenses and other current assets</td>
<td>1,615</td>
<td>1,653</td>
</tr>
<tr>
<td><strong>Non-current assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>21,767</td>
<td>20,016</td>
</tr>
<tr>
<td>Goodwill</td>
<td>12,368</td>
<td>12,220</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>2,297</td>
<td>2,340</td>
</tr>
<tr>
<td>Investments</td>
<td>843</td>
<td>703</td>
</tr>
<tr>
<td>Other assets</td>
<td>969</td>
<td>829</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>54,586</td>
<td>49,954</td>
</tr>
<tr>
<td><strong>Liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term debt</td>
<td>2,142</td>
<td>1,560</td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td>542</td>
<td>545</td>
</tr>
<tr>
<td>Current portion of lease liabilities</td>
<td>305</td>
<td>286</td>
</tr>
<tr>
<td>Payables and accrued charges</td>
<td>11,291</td>
<td>10,052</td>
</tr>
<tr>
<td><strong>Non-current liabilities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Long-term debt</td>
<td>8,040</td>
<td>7,521</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>899</td>
<td>934</td>
</tr>
<tr>
<td>Deferred income tax liabilities</td>
<td>3,547</td>
<td>3,165</td>
</tr>
<tr>
<td>Pension and other post-retirement benefit liabilities</td>
<td>319</td>
<td>419</td>
</tr>
<tr>
<td>Asset retirement obligations and accrued environmental costs</td>
<td>1,403</td>
<td>1,566</td>
</tr>
<tr>
<td>Other non-current liabilities</td>
<td>235</td>
<td>207</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td>28,723</td>
<td>26,255</td>
</tr>
<tr>
<td><strong>Shareholders’ Equity</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Share capital</td>
<td>14,172</td>
<td>15,457</td>
</tr>
<tr>
<td>Contributed surplus</td>
<td>109</td>
<td>149</td>
</tr>
<tr>
<td>Accumulated other comprehensive loss</td>
<td>(391)</td>
<td>(146)</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>11,928</td>
<td>8,192</td>
</tr>
<tr>
<td>Equity holders of Nutrien</td>
<td>25,818</td>
<td>23,652</td>
</tr>
<tr>
<td>Non-controlling interest</td>
<td>45</td>
<td>47</td>
</tr>
<tr>
<td><strong>Total Shareholders’ Equity</strong></td>
<td>25,863</td>
<td>23,699</td>
</tr>
<tr>
<td><strong>Total Liabilities and Shareholders’ Equity</strong></td>
<td>54,586</td>
<td>49,954</td>
</tr>
</tbody>
</table>

(See Notes to the Consolidated Financial Statements)

Approved by the Board of Directors,

Director  
Director
Note 1  Description of Business

Nutrien Ltd. (collectively with its subsidiaries, “Nutrien”, “we”, “us”, “our” or “the Company”) is the world’s largest provider of crop inputs and services. Nutrien plays a critical role in helping growers around the globe increase food production in a sustainable manner.

The Company is a corporation organized under the laws of Canada with its registered head office located at Suite 1700, 211 19th Street East, Saskatoon, Saskatchewan, Canada, S7K 5R6. As at December 31, 2022, the Company had assets as follows:

<table>
<thead>
<tr>
<th>Segment</th>
<th>Description</th>
</tr>
</thead>
</table>
| Nutrien Ag Solutions (“Retail”) | • various retail facilities across the US, Canada, Australia and South America  
• private label and proprietary crop protection products and nutritionals  
• an innovative integrated digital platform for growers and crop consultants  
• a financing solutions provider in support of Nutrien’s agricultural product and service sales |
| Potash                   | • 6 operations in the province of Saskatchewan                                                |
| Nitrogen                 | • 8 production facilities in North America: 4 in Alberta, 1 in Georgia, 1 in Louisiana, 1 in Ohio and 1 in Texas  
• 1 large-scale operation in Trinidad  
• 5 upgrade facilities in North America: 3 in Alberta, 1 in Missouri and 1 in Washington  
• 50 percent investment in Profertil S.A. (“Profertil”), a nitrogen producer based in Argentina |
| Phosphate                | • 2 mines and processing plants: 1 in Florida and 1 in North Carolina  
• phosphate feed plants in Illinois, Missouri and Nebraska  
• 1 industrial phosphoric acid plant in Ohio                                              |
| Corporate and Others     | • investment in Canpotex Limited (“Canpotex”), a Canadian potash export, sales and marketing company owned in equal shares by Nutrien and another potash producer  
• 22 percent investment in Sinofert Holdings Limited (“Sinofert”), a fertilizer supplier and distributor in China |

Note 2  Basis of Presentation

We prepared these consolidated financial statements in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). We have consistently applied the same accounting policies throughout all periods presented, as if these policies had always been in effect, with the exception of the accounting standards adopted effective January 1, 2022, as disclosed in Note 30.

Certain immaterial 2021 figures have been reclassified in the consolidated statements of cash flows and segment information note.

These consolidated financial statements were authorized for issue by the Board of Directors on February 16, 2023.

Sensitivity analyses included throughout the notes should be used with caution as the changes are hypothetical and not reflective of future performance. The sensitivities have been calculated independently of changes in other key variables. Changes in one factor may result in changes in another, which could increase or reduce certain sensitivities. We prepared these consolidated financial statements under the historical cost basis, except for items that IFRS requires to be measured at fair value. Details of our accounting policies are primarily disclosed in Note 30. Reference to n/a indicates information is not applicable.
Note 3 / Segment Information

The Company has four reportable operating segments: Nutrien Ag Solutions (“Retail”), Potash, Nitrogen and Phosphate. The Retail segment distributes crop nutrients, crop protection products, seed and merchandise, and it provides services directly to growers through a network of farm centers in North America, South America and Australia. The Potash, Nitrogen and Phosphate segments are differentiated by the chemical nutrient contained in the products that each produces.

The Executive Leadership Team (“ELT”), composed of officers at the Executive Vice President level and above, is the Chief Operating Decision Maker (“CODM”). The CODM uses adjusted net earnings (loss) before finance costs, income taxes, and depreciation and amortization (“adjusted EBITDA”) to measure performance and allocate resources to the operating segments. The CODM considers adjusted EBITDA to be a meaningful measure because it is not impacted by long-term investment and financing decisions, but rather focuses on the performance of our day-to-day operations. In addition, it excludes the impact of impairments and other costs that are centrally managed by our corporate function.

We determine the composition of the reportable segments based on factors including risks and returns, internal organization, and internal reports reviewed by the CODM. We allocate certain expenses across segments based on reasonable considerations such as production capacities or historical trends.

<table>
<thead>
<tr>
<th>2022</th>
<th>Retail</th>
<th>Potash</th>
<th>Nitrogen</th>
<th>Phosphate</th>
<th>Corporate and Others</th>
<th>Eliminations</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales – third party</td>
<td>21,266</td>
<td>7,600</td>
<td>6,755</td>
<td>2,263</td>
<td>–</td>
<td>–</td>
<td>37,884</td>
</tr>
<tr>
<td>– intersegment</td>
<td>84</td>
<td>599</td>
<td>1,293</td>
<td>357</td>
<td>–</td>
<td>(2,333)</td>
<td>–</td>
</tr>
<tr>
<td>Sales – total</td>
<td>21,350</td>
<td>8,199</td>
<td>8,048</td>
<td>2,620</td>
<td>–</td>
<td>(2,333)</td>
<td>37,884</td>
</tr>
<tr>
<td>Freight, transportation and distribution</td>
<td>– 300</td>
<td>515</td>
<td>243</td>
<td>– (186)</td>
<td>– (872)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>21,350</td>
<td>7,899</td>
<td>7,533</td>
<td>2,377</td>
<td>–</td>
<td>(2,147)</td>
<td>37,012</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>16,171</td>
<td>1,400</td>
<td>4,252</td>
<td>1,884</td>
<td>–</td>
<td>(2,119)</td>
<td>21,588</td>
</tr>
<tr>
<td>Gross margin</td>
<td>5,179</td>
<td>6,499</td>
<td>3,281</td>
<td>493</td>
<td>–</td>
<td>(28)</td>
<td>15,424</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>3,392</td>
<td>10</td>
<td>28</td>
<td>7</td>
<td>(1)</td>
<td>(22)</td>
<td>3,414</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>200</td>
<td>9</td>
<td>17</td>
<td>13</td>
<td>326</td>
<td>–</td>
<td>565</td>
</tr>
<tr>
<td>Provincial mining taxes</td>
<td>–</td>
<td>1,149</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>1,149</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>63</td>
</tr>
<tr>
<td>Reversal of impairment of assets (Note 13)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(780)</td>
<td>–</td>
<td>(780)</td>
</tr>
<tr>
<td>Other expenses (income)</td>
<td>29</td>
<td>5</td>
<td>(137)</td>
<td>67</td>
<td>227</td>
<td>13</td>
<td>204</td>
</tr>
<tr>
<td>Earnings (loss) before finance costs and income taxes</td>
<td>1,558</td>
<td>5,326</td>
<td>3,373</td>
<td>1,186</td>
<td>(615)</td>
<td>(19)</td>
<td>10,809</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>752</td>
<td>443</td>
<td>558</td>
<td>188</td>
<td>71</td>
<td>–</td>
<td>2,012</td>
</tr>
<tr>
<td>EBITDA 1</td>
<td>2,310</td>
<td>5,769</td>
<td>3,931</td>
<td>1,374</td>
<td>(544)</td>
<td>(19)</td>
<td>12,821</td>
</tr>
<tr>
<td>Integration and restructuring related costs</td>
<td>2</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>44</td>
<td>–</td>
<td>46</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>63</td>
<td>–</td>
<td>63</td>
</tr>
<tr>
<td>Reversal of impairment of assets (Note 13)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(780)</td>
<td>–</td>
<td>(780)</td>
</tr>
<tr>
<td>COVID-19 coronavirus pandemic (“COVID-19”) related expenses</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>8</td>
<td>–</td>
<td>8</td>
</tr>
<tr>
<td>Foreign exchange loss, net of related derivatives</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>31</td>
<td>–</td>
<td>31</td>
</tr>
<tr>
<td>Gain on disposal of investment (Note 13)</td>
<td>(19)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>(19)</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>2,293</td>
<td>5,769</td>
<td>3,931</td>
<td>594</td>
<td>(398)</td>
<td>(19)</td>
<td>12,170</td>
</tr>
<tr>
<td>Assets</td>
<td>24,451</td>
<td>13,921</td>
<td>11,807</td>
<td>2,661</td>
<td>2,622</td>
<td>(876)</td>
<td>54,586</td>
</tr>
</tbody>
</table>

1 EBITDA is calculated as net earnings (loss) before finance costs, income taxes, and depreciation and amortization.
<table>
<thead>
<tr>
<th></th>
<th>Retail</th>
<th>Potash</th>
<th>Nitrogen</th>
<th>Phosphate</th>
<th>Corporate and Others</th>
<th>Eliminations</th>
<th>Consolidated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales – third party</td>
<td>17,665</td>
<td>4,021</td>
<td>4,216</td>
<td>1,810</td>
<td>–</td>
<td>–</td>
<td>27,712</td>
</tr>
<tr>
<td>Sales – intersegment</td>
<td>69</td>
<td>386</td>
<td>921</td>
<td>236</td>
<td>–</td>
<td>(1,612)</td>
<td>–</td>
</tr>
<tr>
<td>Sales – total</td>
<td>17,734</td>
<td>4,407</td>
<td>5,137</td>
<td>2,046</td>
<td>–</td>
<td>(1,612)</td>
<td>27,712</td>
</tr>
<tr>
<td>Freight, transportation and</td>
<td>–</td>
<td>–</td>
<td>371</td>
<td>448</td>
<td>217</td>
<td>(185)</td>
<td>851</td>
</tr>
<tr>
<td>distribution</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net sales</td>
<td>17,734</td>
<td>4,036</td>
<td>4,689</td>
<td>1,829</td>
<td>–</td>
<td>(1,427)</td>
<td>26,861</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>13,134</td>
<td>1,285</td>
<td>2,963</td>
<td>1,408</td>
<td>–</td>
<td>(1,338)</td>
<td>17,452</td>
</tr>
<tr>
<td>Gross margin</td>
<td>4,600</td>
<td>2,751</td>
<td>1,726</td>
<td>421</td>
<td>–</td>
<td>(89)</td>
<td>9,409</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>3,124</td>
<td>9</td>
<td>24</td>
<td>6</td>
<td>(21)</td>
<td>–</td>
<td>3,142</td>
</tr>
<tr>
<td>General and administrative</td>
<td>168</td>
<td>8</td>
<td>15</td>
<td>11</td>
<td>275</td>
<td>–</td>
<td>477</td>
</tr>
<tr>
<td>expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provincial mining taxes</td>
<td>–</td>
<td>–</td>
<td>466</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>466</td>
</tr>
<tr>
<td>Share-based compensation</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>198</td>
<td>–</td>
<td>198</td>
</tr>
<tr>
<td>expense</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impairment of assets (Note 13)</td>
<td>–</td>
<td>7</td>
<td>22</td>
<td>4</td>
<td>–</td>
<td>–</td>
<td>33</td>
</tr>
<tr>
<td>Other expenses (income)</td>
<td>86</td>
<td>22</td>
<td>(64)</td>
<td>15</td>
<td>253</td>
<td>–</td>
<td>312</td>
</tr>
<tr>
<td>Earnings (loss) before finance costs and income taxes</td>
<td>1,222</td>
<td>2,239</td>
<td>1,729</td>
<td>385</td>
<td>(705)</td>
<td>(89)</td>
<td>4,781</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>706</td>
<td>488</td>
<td>557</td>
<td>151</td>
<td>49</td>
<td>–</td>
<td>1,951</td>
</tr>
<tr>
<td>EBITDA</td>
<td>1,928</td>
<td>2,727</td>
<td>2,286</td>
<td>536</td>
<td>(656)</td>
<td>(89)</td>
<td>6,732</td>
</tr>
<tr>
<td>Integration and restructuring related costs</td>
<td>10</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>33</td>
<td>–</td>
<td>43</td>
</tr>
<tr>
<td>Share-based compensation expense</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>198</td>
<td>–</td>
<td>198</td>
</tr>
<tr>
<td>Impairment of assets (Note 13)</td>
<td>–</td>
<td>7</td>
<td>22</td>
<td>4</td>
<td>–</td>
<td>–</td>
<td>33</td>
</tr>
<tr>
<td>COVID-19 related expenses</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>45</td>
<td>–</td>
<td>–</td>
<td>45</td>
</tr>
<tr>
<td>Foreign exchange loss, net of related derivatives</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>39</td>
<td>–</td>
<td>39</td>
</tr>
<tr>
<td>Cloud computing transition adjustment (Note 6)</td>
<td>1</td>
<td>2</td>
<td>–</td>
<td>–</td>
<td>33</td>
<td>–</td>
<td>36</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>1,939</td>
<td>2,736</td>
<td>2,308</td>
<td>540</td>
<td>(308)</td>
<td>(89)</td>
<td>7,126</td>
</tr>
<tr>
<td>Assets</td>
<td>22,387</td>
<td>13,148</td>
<td>11,093</td>
<td>1,699</td>
<td>2,266</td>
<td>(639)</td>
<td>49,954</td>
</tr>
</tbody>
</table>

**Retail Segment Products**

| **Sales** | **Crop nutrients** | Dry and liquid macronutrient products including potash, nitrogen and phosphate, proprietary liquid micronutrient products, and nutrient application services. |
| **Crop protection products** | Various third-party supplier and proprietary products designed to maintain crop quality and manage plant diseases, weeds and other pests. |
| **Seed** | Various third-party supplier seed brands and proprietary seed product lines. |
| **Merchandise** | Fencing, feed supplements, livestock-related animal health products, storage and irrigation equipment, and other products. |
| **Nutrien Financial** | Financing solutions provided to Retail branches and customers in support of Nutrien’s agricultural product and service sales. |
| **Services and other revenues** | Product application, soil and leaf testing, crop scouting and precision agriculture services, and water services. |
### Products

<table>
<thead>
<tr>
<th>Products</th>
<th>Sales Prices Impacted By</th>
</tr>
</thead>
</table>
| Potash         | • North American – primarily granular  
|                | • Offshore (international) – primarily granular and standard                           |
| Nitrogen       | • Ammonia, urea, urea ammonium nitrate, industrial grade ammonium nitrate and ammonium sulfate |
| Phosphate      | • Solid fertilizer, liquid fertilizer, industrial products and feed products           |

### Retail sales by product line

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Crop nutrients</td>
<td>10,060</td>
<td>7,290</td>
</tr>
<tr>
<td>Crop protection products</td>
<td>7,067</td>
<td>6,333</td>
</tr>
<tr>
<td>Seed</td>
<td>2,112</td>
<td>2,008</td>
</tr>
<tr>
<td>Merchandise</td>
<td>1,019</td>
<td>1,033</td>
</tr>
<tr>
<td>Nutrien Financial</td>
<td>267</td>
<td>189</td>
</tr>
<tr>
<td>Services and other</td>
<td>966</td>
<td>980</td>
</tr>
<tr>
<td>Nutrien Financial elimination</td>
<td>(141)</td>
<td>(99)</td>
</tr>
<tr>
<td></td>
<td>21,350</td>
<td>17,734</td>
</tr>
</tbody>
</table>

### Potash sales by geography

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufactured product</td>
<td></td>
<td></td>
</tr>
<tr>
<td>North America</td>
<td>2,785</td>
<td>2,009</td>
</tr>
<tr>
<td>Offshore</td>
<td>5,414</td>
<td>2,398</td>
</tr>
<tr>
<td></td>
<td>8,199</td>
<td>4,407</td>
</tr>
</tbody>
</table>

### Nitrogen sales by product line

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufactured product</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ammonia</td>
<td>2,834</td>
<td>1,556</td>
</tr>
<tr>
<td>Urea</td>
<td>2,037</td>
<td>1,568</td>
</tr>
<tr>
<td>Solutions, nitrates and sulfates</td>
<td>1,996</td>
<td>1,274</td>
</tr>
<tr>
<td>Other nitrogen and purchased products</td>
<td>1,181</td>
<td>739</td>
</tr>
<tr>
<td></td>
<td>8,048</td>
<td>5,137</td>
</tr>
</tbody>
</table>

### Phosphate sales by product line

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufactured product</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fertilizer</td>
<td>1,520</td>
<td>1,250</td>
</tr>
<tr>
<td>Industrial and feed</td>
<td>763</td>
<td>574</td>
</tr>
<tr>
<td>Other phosphate and purchased products</td>
<td>337</td>
<td>222</td>
</tr>
<tr>
<td></td>
<td>2,620</td>
<td>2,046</td>
</tr>
</tbody>
</table>

---

1. Certain immaterial 2021 figures have been reclassified.
2. Represents elimination for the interest and service fees charged by Nutrien Financial to Retail branches.
3. Relates to Canpotex (Note 28) and includes other revenue representing provisional pricing adjustments of $(105) (2021 – $282).
### Sales – Third Party 1

<table>
<thead>
<tr>
<th>Location</th>
<th>2022</th>
<th>2021</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>20,089</td>
<td>16,009</td>
<td>15,971</td>
<td>15,095</td>
</tr>
<tr>
<td>Canada</td>
<td>3,783</td>
<td>3,094</td>
<td>18,303</td>
<td>17,766</td>
</tr>
<tr>
<td>Australia</td>
<td>3,877</td>
<td>3,591</td>
<td>1,105</td>
<td>1,202</td>
</tr>
<tr>
<td>Canpotex (Note 28)</td>
<td>5,414</td>
<td>2,398</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Trinidad</td>
<td>15</td>
<td>258</td>
<td>688</td>
<td>638</td>
</tr>
<tr>
<td>Brazil</td>
<td>1,136</td>
<td>567</td>
<td>851</td>
<td>391</td>
</tr>
<tr>
<td>Other</td>
<td>3,570</td>
<td>1,795</td>
<td>521</td>
<td>340</td>
</tr>
</tbody>
</table>

Total: 37,884 | 27,712 | 37,439 | 35,432

1 Sales by location of customers.
2 Excludes financial instruments (other than equity-accounted investees), deferred tax assets and post-employment benefit assets.
3 Other third-party sales primarily relate to Argentina of $666 (2021 – $526), Europe of $856 (2021 – $236) and Others of $2,048 (2021 – $1,033).

### Canpotex sales by market (%) 2022 2021

<table>
<thead>
<tr>
<th>Market</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Latin America</td>
<td>34</td>
<td>38</td>
</tr>
<tr>
<td>Other Asian markets 1</td>
<td>34</td>
<td>35</td>
</tr>
<tr>
<td>China</td>
<td>14</td>
<td>11</td>
</tr>
<tr>
<td>Other markets</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>India</td>
<td>8</td>
<td>6</td>
</tr>
</tbody>
</table>

1 All Asian markets except China and India.

### Note 4 Nature of Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchased and produced raw materials and product for resale 1</td>
<td>18,747</td>
<td>14,711</td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>2,012</td>
<td>1,951</td>
</tr>
<tr>
<td>Employee costs 2</td>
<td>2,968</td>
<td>3,007</td>
</tr>
<tr>
<td>Freight</td>
<td>1,094</td>
<td>1,023</td>
</tr>
<tr>
<td>(Reversal of) impairment of assets (Note 13)</td>
<td>(780)</td>
<td>33</td>
</tr>
<tr>
<td>Provincial mining taxes 3</td>
<td>1,149</td>
<td>466</td>
</tr>
<tr>
<td>Integration and restructuring related costs</td>
<td>46</td>
<td>43</td>
</tr>
<tr>
<td>Contract services</td>
<td>745</td>
<td>590</td>
</tr>
<tr>
<td>Lease expense 4</td>
<td>93</td>
<td>81</td>
</tr>
<tr>
<td>Fleet fuel, repairs and maintenance</td>
<td>359</td>
<td>302</td>
</tr>
<tr>
<td>Gain on disposal of investment</td>
<td>(19)</td>
<td>–</td>
</tr>
<tr>
<td>COVID-19 related expenses</td>
<td>8</td>
<td>45</td>
</tr>
<tr>
<td>Cloud computing transition adjustment</td>
<td>–</td>
<td>36</td>
</tr>
<tr>
<td>Other</td>
<td>653</td>
<td>643</td>
</tr>
<tr>
<td>Total cost of goods sold and expenses</td>
<td>27,075</td>
<td>22,931</td>
</tr>
</tbody>
</table>

1 Significant expenses include supplies, energy, fuel, purchases of raw material (natural gas – feedstock, sulfur, ammonia and reagents) and product for resale (crop nutrients and protection products, and seed).
2 Includes salaries and wages, employee benefits, and share-based compensation.
3 Includes Saskatchewan potash production tax, and Saskatchewan resource surcharge of $909 and $240 (2021 – $341 and $125), respectively, as required under Saskatchewan provincial legislation.
4 Includes lease expense relating to short-term leases, leases of low value and variable lease payments.
## Note 5 / Share-based Compensation

<table>
<thead>
<tr>
<th>Plans</th>
<th>Eligibility</th>
<th>Granted</th>
<th>Vesting Period</th>
<th>Maximum Term</th>
<th>Settlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock Options</td>
<td>Officers and eligible employees</td>
<td>Annually</td>
<td>25 percent per year over four years</td>
<td>10 years</td>
<td>Shares ¹</td>
</tr>
<tr>
<td>Performance Share Units (&quot;PSUs&quot;)</td>
<td>Officers and eligible employees</td>
<td>Annually</td>
<td>On third anniversary of grant date based on total shareholder return over a three-year performance cycle, compared to average total shareholder return of a peer group of companies over the same period</td>
<td>Not applicable</td>
<td>Cash</td>
</tr>
<tr>
<td>Restricted Share Units (&quot;RSUs&quot;)</td>
<td>Officers and eligible employees</td>
<td>Annually</td>
<td>On third anniversary of grant date and not subject to performance conditions</td>
<td>Not applicable</td>
<td>Cash</td>
</tr>
<tr>
<td>Deferred Share Units (&quot;DSUs&quot;)</td>
<td>Non-executive directors</td>
<td>At the discretion of the Board of Directors</td>
<td>Fully vest upon grant</td>
<td>Not applicable</td>
<td>Cash ²</td>
</tr>
<tr>
<td>Stock Appreciation Rights (&quot;SARs&quot;) / Tandem Stock Appreciation Rights (&quot;TSARs&quot;) ³</td>
<td>Awards no longer granted; legacy awards only</td>
<td>Awards no longer granted; legacy awards only</td>
<td>25 percent per year over four years</td>
<td>10 years</td>
<td>Cash</td>
</tr>
</tbody>
</table>

¹ Stock options may also be settled by cash settlement or, if approved by the Company, by a broker-assisted “cashless exercise” arrangement or a “net exercise” arrangement.

² Directors can redeem their DSUs for cash only when they leave the Board of Directors for an amount equal to the market value of the common shares at the time of redemption or as mandated by the Nutrien DSU Plan.

³ Holders of TSARs have the ability to choose between (a) receiving in cash the price of our shares on the date of exercise in excess of the exercise price of the right or (b) receiving common shares by paying the exercise price of the right. Our past experience and future expectation is that substantially all TSAR holders will elect to choose the first option.

The weighted average fair value of stock options granted was estimated as of the date of the grant using the Black–Scholes–Merton option-pricing model. The weighted average grant date fair value of stock options per unit granted in 2022 was $20.49 (2021 – $11.77). The weighted average assumptions by year of grant that impacted current year results are as follows:

<table>
<thead>
<tr>
<th>Year of Grant</th>
<th>Exercise price per option</th>
<th>Expected annual dividend yield (%)</th>
<th>Expected volatility (%)</th>
<th>Risk-free interest rate (%)</th>
<th>Average expected life of options (years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2022</td>
<td>77.50</td>
<td>2.45</td>
<td>30</td>
<td>2.00</td>
<td>8.5</td>
</tr>
<tr>
<td>2021</td>
<td>56.64</td>
<td>3.22</td>
<td>29</td>
<td>1.11</td>
<td>8.5</td>
</tr>
</tbody>
</table>
The aggregate grant date fair value of all stock options granted in 2022 was $8. The average share price in 2022 was $86.22 per share.

The following table summarizes information about our stock options outstanding as at December 31, 2022, with expiry dates ranging from May 2023 to February 2032:

<table>
<thead>
<tr>
<th>Range of Exercise Prices</th>
<th>Options Outstanding</th>
<th>Options Exercisable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number</td>
<td>Weighted Average Remaining Life in Years</td>
</tr>
<tr>
<td>$37.84 to $41.31</td>
<td>154,255</td>
<td>3</td>
</tr>
<tr>
<td>$41.32 to $43.36</td>
<td>1,084,241</td>
<td>5</td>
</tr>
<tr>
<td>$43.37 to $52.75</td>
<td>473,441</td>
<td>4</td>
</tr>
<tr>
<td>$52.76 to $55.08</td>
<td>487,590</td>
<td>4</td>
</tr>
<tr>
<td>$55.09 to $64.43</td>
<td>964,532</td>
<td>7</td>
</tr>
<tr>
<td>$64.44 to $109.45</td>
<td>721,419</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>3,885,478</td>
<td>5</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Compensation Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Units Granted in 2022</td>
</tr>
<tr>
<td>Stock options</td>
</tr>
<tr>
<td>PSUs</td>
</tr>
<tr>
<td>RSUs</td>
</tr>
<tr>
<td>DSUs</td>
</tr>
<tr>
<td>SARs/TSARs</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
### Note 6  Other Expenses (Income)

<table>
<thead>
<tr>
<th>Item</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Integration and restructuring related costs</td>
<td>46</td>
<td>43</td>
</tr>
<tr>
<td>Foreign exchange loss, net of related derivatives</td>
<td>31</td>
<td>42</td>
</tr>
<tr>
<td>Earnings of equity-accounted investees</td>
<td>(247)</td>
<td>(89)</td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>12</td>
<td>26</td>
</tr>
<tr>
<td>COVID-19 related expenses</td>
<td>8</td>
<td>45</td>
</tr>
<tr>
<td>Gain on disposal of investment</td>
<td>(19)</td>
<td>–</td>
</tr>
<tr>
<td>Project feasibility costs</td>
<td>79</td>
<td>50</td>
</tr>
<tr>
<td>Customer prepayment costs</td>
<td>42</td>
<td>45</td>
</tr>
<tr>
<td>Legal expenses</td>
<td>21</td>
<td>6</td>
</tr>
<tr>
<td>Consulting expenses</td>
<td>29</td>
<td>4</td>
</tr>
<tr>
<td>Employee special recognition award</td>
<td>61</td>
<td>–</td>
</tr>
<tr>
<td>Cloud computing transition adjustment</td>
<td>–</td>
<td>36</td>
</tr>
<tr>
<td>Other expenses</td>
<td>141</td>
<td>104</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>204</td>
<td>312</td>
</tr>
</tbody>
</table>

In 2021, the IFRS Interpretations Committee published a final agenda decision that clarified how to recognize certain configuration and customization expenditures related to cloud computing with retrospective application. Costs that do not meet the capitalization criteria should be expensed as incurred. In 2021, we changed our accounting policy to align with the interpretation and previously capitalized costs that no longer qualified for capitalization were expensed as a transition adjustment since they were not material.

### Note 7  Finance Costs

<table>
<thead>
<tr>
<th>Item</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest expense</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Short-term debt</td>
<td>153</td>
<td>44</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>333</td>
<td>415</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>35</td>
<td>33</td>
</tr>
<tr>
<td><strong>Total interest expense</strong></td>
<td>521</td>
<td>492</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>–</td>
<td>142</td>
</tr>
<tr>
<td>Unwinding of discount on asset retirement obligations</td>
<td>29</td>
<td>(9)</td>
</tr>
<tr>
<td>Interest on net defined benefit pension and other post-retirement plan obligations</td>
<td>8</td>
<td>9</td>
</tr>
<tr>
<td>Borrowing costs capitalized to property, plant and equipment</td>
<td>(37)</td>
<td>(29)</td>
</tr>
<tr>
<td>Interest income</td>
<td>(25)</td>
<td>(8)</td>
</tr>
<tr>
<td>Other finance costs</td>
<td>67</td>
<td>16</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>563</td>
<td>613</td>
</tr>
</tbody>
</table>

Borrowing costs capitalized to property, plant and equipment in 2022 were calculated by applying an average capitalization rate of 4.1 percent (2021 – 4.1 percent) to expenditures on qualifying assets.
### Income Taxes

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current income tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tax expense for current year</td>
<td>2,314</td>
<td>1,033</td>
</tr>
<tr>
<td>Adjustments in respect of prior years</td>
<td>63</td>
<td>(13)</td>
</tr>
<tr>
<td><strong>Total current income tax expense</strong></td>
<td>2,377</td>
<td>1,020</td>
</tr>
<tr>
<td><strong>Deferred income tax</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Origination and reversal of temporary differences</td>
<td>215</td>
<td>(30)</td>
</tr>
<tr>
<td>Adjustments in respect of prior years</td>
<td>(41)</td>
<td>6</td>
</tr>
<tr>
<td>Change in recognition of tax losses and deductible temporary differences</td>
<td>8</td>
<td>(6)</td>
</tr>
<tr>
<td>Impact of tax rate changes</td>
<td>–</td>
<td>(1)</td>
</tr>
<tr>
<td><strong>Total deferred income tax expense (recovery)</strong></td>
<td>182</td>
<td>(31)</td>
</tr>
<tr>
<td><strong>Income tax expense included in net earnings</strong></td>
<td>2,559</td>
<td>989</td>
</tr>
</tbody>
</table>

We operate in a specialized industry and in several tax jurisdictions; as a result, our earnings are subject to various rates of taxation.

The provision for income taxes differs from the amount that would have resulted from applying the Canadian statutory income tax rates to earnings before income taxes as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Earnings before income taxes</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Canada</td>
<td>5,707</td>
<td>1,884</td>
</tr>
<tr>
<td>United States</td>
<td>3,447</td>
<td>1,319</td>
</tr>
<tr>
<td>Trinidad</td>
<td>487</td>
<td>256</td>
</tr>
<tr>
<td>Australia</td>
<td>263</td>
<td>204</td>
</tr>
<tr>
<td>Other</td>
<td>342</td>
<td>505</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>10,246</td>
<td>4,168</td>
</tr>
<tr>
<td><strong>Canadian federal and provincial statutory income tax rate (%)</strong></td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td><strong>Income tax at statutory rates</strong></td>
<td>2,766</td>
<td>1,125</td>
</tr>
<tr>
<td>Adjusted for the effect of:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Impact of foreign tax rates</td>
<td>(132)</td>
<td>(98)</td>
</tr>
<tr>
<td>Non-taxable income</td>
<td>(98)</td>
<td>(18)</td>
</tr>
<tr>
<td>Production-related deductions</td>
<td>(51)</td>
<td>(24)</td>
</tr>
<tr>
<td>Withholding taxes</td>
<td>18</td>
<td>3</td>
</tr>
<tr>
<td>Non-deductible expenses</td>
<td>17</td>
<td>12</td>
</tr>
<tr>
<td>Other</td>
<td>39</td>
<td>(11)</td>
</tr>
<tr>
<td><strong>Income tax expense included in net earnings</strong></td>
<td>2,559</td>
<td>989</td>
</tr>
</tbody>
</table>
Deferred Income Taxes

<table>
<thead>
<tr>
<th>Deferred Income Tax (Assets) Liabilities</th>
<th>Deferred Income Tax (Recovery) Expense Recognized in Net Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
</tr>
<tr>
<td>Deferred income tax assets</td>
<td></td>
</tr>
<tr>
<td>Tax loss and other carryforwards</td>
<td>(396)</td>
</tr>
<tr>
<td>Asset retirement obligations and accrued environmental costs</td>
<td>(319)</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>(298)</td>
</tr>
<tr>
<td>Inventories</td>
<td>(155)</td>
</tr>
<tr>
<td>Pension and other post-retirement benefit liabilities</td>
<td>(151)</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>(117)</td>
</tr>
<tr>
<td>Payables and accrued charges</td>
<td>(98)</td>
</tr>
<tr>
<td>Receivables</td>
<td>(48)</td>
</tr>
<tr>
<td>Other assets</td>
<td>(1)</td>
</tr>
<tr>
<td>Deferred income tax liabilities</td>
<td></td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>4,305</td>
</tr>
<tr>
<td>Goodwill and intangible assets</td>
<td>347</td>
</tr>
<tr>
<td>Payables and accrued charges</td>
<td>–</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td>3,099</td>
</tr>
</tbody>
</table>

Reconciliation of net deferred income tax liabilities:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance – beginning of year</td>
<td></td>
<td>2,903</td>
</tr>
<tr>
<td>Income tax expense (recovery) recognized in net earnings</td>
<td>182</td>
<td>(31)</td>
</tr>
<tr>
<td>Income tax charge recognized in other comprehensive income (&quot;OCI&quot;)</td>
<td>7</td>
<td>30</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td>7</td>
</tr>
<tr>
<td>Balance – end of year</td>
<td>3,099</td>
<td>2,903</td>
</tr>
</tbody>
</table>

Amounts and expiry dates of unused tax losses and unused tax credits as at December 31, 2022, were:

<table>
<thead>
<tr>
<th>Amount</th>
<th>Expiry Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unused federal operating losses</td>
<td>1,508 2026 – Indefinite</td>
</tr>
<tr>
<td>Unused federal capital losses</td>
<td>562      Indefinite</td>
</tr>
</tbody>
</table>

The unused tax losses and credits with no expiry dates can be carried forward indefinitely.

As at December 31, 2022, we had $778 of federal tax losses for which we did not recognize deferred tax assets.

We have determined that it is probable that all recognized deferred tax assets will be realized through a combination of future reversals of temporary differences and taxable income.

We did not recognize deferred tax liabilities related to temporary differences associated with investments in subsidiaries and equity-accounted investees amounting to $13,060 as at December 31, 2022 (2021 – $10,241).
**Note 9**  
**Net Earnings Per Share**

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weighted average number of common shares</td>
<td>538,475,000</td>
<td>569,664,000</td>
</tr>
<tr>
<td>Dilutive effect of stock options</td>
<td>1,535,000</td>
<td>1,625,000</td>
</tr>
<tr>
<td>Weighted average number of diluted common shares</td>
<td>540,010,000</td>
<td>571,289,000</td>
</tr>
</tbody>
</table>

Options excluded from the calculation of diluted net earnings per share due to the option exercise prices being greater than the average market price of common shares were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of options excluded</td>
<td>567,409</td>
<td>2,393,822</td>
</tr>
<tr>
<td>Performance option plan years fully excluded</td>
<td>2012 – 2014</td>
<td>2012 – 2015</td>
</tr>
<tr>
<td>Stock option plan years fully excluded</td>
<td>2022</td>
<td>2021</td>
</tr>
</tbody>
</table>

1 Previously granted under a legacy long-term incentive plan.

**Note 10**  
**Financial Instruments and Related Risk Management**

Our ELT, along with the Board of Directors (including Board of Directors committees), is responsible for monitoring our risk exposures and managing our policies to address these risks. Our strategic and risk management processes are integrated to ensure we understand the benefit from the relationship between strategy, risk and value creation. Outlined below are our risk management strategies we have developed to mitigate the financial market risks that we are exposed to.

<table>
<thead>
<tr>
<th>Credit Risks</th>
<th>Risk Management Strategies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables from customers</td>
<td>• establish credit approval policies and procedures for new and existing customers</td>
</tr>
<tr>
<td></td>
<td>• extend credit to qualified customers through</td>
</tr>
<tr>
<td></td>
<td>• review of credit agency reports, financial statements and/or credit references, as available</td>
</tr>
<tr>
<td></td>
<td>• review of existing customer accounts every 12 to 24 months based on the credit limit amounts</td>
</tr>
<tr>
<td></td>
<td>• evaluation of customer and country risk for international customers</td>
</tr>
<tr>
<td></td>
<td>• establish credit period:</td>
</tr>
<tr>
<td></td>
<td>• 15 and 30 days for wholesale fertilizer customers</td>
</tr>
<tr>
<td></td>
<td>• 30 days for industrial and feed customers</td>
</tr>
<tr>
<td></td>
<td>• 30 to 360 days for Retail customers, including Nutrien Financial</td>
</tr>
<tr>
<td></td>
<td>• up to 180 days for select export sales customers, including Canpotex</td>
</tr>
<tr>
<td></td>
<td>• transact on a cash basis with certain customers who may not meet specified benchmark creditworthiness or cannot provide other evidence of ability to pay</td>
</tr>
<tr>
<td></td>
<td>• execute agency arrangements with financial institutions or other partners with which we have only a limited recourse involvement</td>
</tr>
<tr>
<td></td>
<td>• sell receivables to financial institutions which substantially transfer the risks and rewards</td>
</tr>
<tr>
<td></td>
<td>• set eligibility requirements for Nutrien Financial to limit the risk of the receivables</td>
</tr>
<tr>
<td></td>
<td>• may require security over certain crop or livestock inventories</td>
</tr>
<tr>
<td></td>
<td>• set up provision using the lifetime expected credit loss method considering all possible default events over the expected life of a financial instrument. Receivables are grouped based on days past due and/or customer credit risk profile. Estimated losses on receivables are based on known troubled accounts and historical experience of losses incurred. Receivables are considered to be in default and are written off against the allowance when it is probable that all remaining contractual payments due will not be collected in accordance with the terms of the agreement.</td>
</tr>
<tr>
<td>Cash and cash equivalents and other receivables</td>
<td>• require acceptable minimum counterparty credit ratings</td>
</tr>
<tr>
<td></td>
<td>• limit counterparty or credit exposure</td>
</tr>
<tr>
<td></td>
<td>• select counterparties with investment-grade quality</td>
</tr>
</tbody>
</table>
Aging of receivables (%) as at December 31:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Retail (Nutrien Financial)</td>
<td>Retail (Excluding Nutrien Financial)</td>
<td>Potash, Nitrogen and Phosphate</td>
<td>Retail (Nutrien Financial)</td>
</tr>
<tr>
<td>Current</td>
<td>83</td>
<td>84</td>
<td>97</td>
<td>82</td>
</tr>
<tr>
<td>30 days or less past due</td>
<td>10</td>
<td>9</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>31 – 90 days past due</td>
<td>3</td>
<td>4</td>
<td>–</td>
<td>4</td>
</tr>
<tr>
<td>Greater than 90 days past due</td>
<td>4</td>
<td>3</td>
<td>–</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

1 Certain immaterial 2021 figures have been reclassified.

Maximum exposure to credit risk as at December 31:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>901</td>
<td>499</td>
</tr>
<tr>
<td>Receivables (excluding income tax receivable)</td>
<td>6,050</td>
<td>5,143</td>
</tr>
<tr>
<td></td>
<td>6,951</td>
<td>5,642</td>
</tr>
</tbody>
</table>

Liquidity Risk Management Strategies

- establish an external borrowing policy to maintain sufficient liquid financial resources to fund our operations and meet our commitments and obligations in a cost-effective manner
- maintain an optimal capital structure
- maintain investment-grade credit ratings that provide ease of access to the debt capital and commercial paper markets
- maintain sufficient short-term credit availability
- uphold long-term relationships with a sufficient number of high-quality and diverse lenders

Refer to Note 17 for our available credit facilities.

The following maturity analysis of our financial liabilities and gross settled derivative contracts (for which the cash flows are settled simultaneously) is based on the expected undiscounted contractual cash flows from the date of the consolidated balance sheets to the contractual maturity date.

<table>
<thead>
<tr>
<th>2022</th>
<th>Carrying Amount of Liability as at December 31</th>
<th>Contractual Cash Flows</th>
<th>Within 1 Year</th>
<th>1 to 3 Years</th>
<th>3 to 5 Years</th>
<th>Over 5 Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term debt</td>
<td>1 2,142</td>
<td>2,142</td>
<td>2,142</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Payables and accrued charges</td>
<td>2 9,683</td>
<td>9,683</td>
<td>9,683</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Long-term debt, including current portion</td>
<td>1 8,582</td>
<td>13,420</td>
<td>932</td>
<td>2,292</td>
<td>1,249</td>
<td>8,947</td>
</tr>
<tr>
<td>Lease liabilities, including current portion</td>
<td>1 1,204</td>
<td>1,374</td>
<td>337</td>
<td>427</td>
<td>199</td>
<td>411</td>
</tr>
<tr>
<td>Derivatives</td>
<td></td>
<td>35</td>
<td>35</td>
<td>35</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>21,646</td>
<td>26,654</td>
<td>13,129</td>
<td>2,719</td>
<td>1,448</td>
<td>9,358</td>
</tr>
</tbody>
</table>

1 Contractual cash flows include contractual interest payments related to debt obligations and lease liabilities. Interest rates on debt with variable rates are based on the prevailing rates as at December 31, 2022.
2 Excludes non-financial liabilities and includes payables of approximately $1.9 billion related to our prepaid inventory to secure product discounts. We consider these payables to be part of our working capital. For these payables, we participated in arrangements where the vendors sold their right to receive payment to financial institutions without extending the original payment terms. These payables were paid in January 2023.
Foreign Exchange Risk  
Risk Management Strategy

| Foreign currency denominated accounts | • execute foreign currency derivative contracts within certain prescribed limits for both forecast operating and capital expenditures to manage the earnings impact, including those related to our equity-accounted investees, that could occur from a reasonably possible strengthening or weakening of the US dollar |

The fair value of our net foreign exchange currency derivative (liabilities) assets at December 31, 2022 was $(18) (2021 – $1). The following table presents the significant foreign currency derivatives that existed at December 31:

<table>
<thead>
<tr>
<th>Sell/buy</th>
<th>2022</th>
<th>Average contract rate</th>
<th>2021</th>
<th>Average contract rate</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Notional</td>
<td>Maturities</td>
<td></td>
<td>Notional</td>
</tr>
<tr>
<td><strong>Derivatives not designated as hedges</strong></td>
<td></td>
<td></td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>Forwards</td>
<td></td>
<td></td>
<td></td>
<td>1.3584</td>
</tr>
<tr>
<td>USD/Canadian dollars (&quot;CAD&quot;)</td>
<td>473</td>
<td>2023</td>
<td></td>
<td>522</td>
</tr>
<tr>
<td>USD/Australian dollars (&quot;AUD&quot;)</td>
<td>13</td>
<td>2023</td>
<td>1.5929</td>
<td>19</td>
</tr>
<tr>
<td>AUD/USD</td>
<td>133</td>
<td>2023</td>
<td>1.5010</td>
<td>113</td>
</tr>
<tr>
<td>Brazilian real/USD</td>
<td>374</td>
<td>2023</td>
<td>5.6892</td>
<td>135</td>
</tr>
<tr>
<td>Options</td>
<td></td>
<td></td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>USD/CAD – buy USD puts</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>20</td>
</tr>
<tr>
<td>USD/CAD – sell USD calls</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>20</td>
</tr>
<tr>
<td>AUD/USD – buy USD calls</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>71</td>
</tr>
<tr>
<td>AUD/USD – sell USD puts</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>72</td>
</tr>
<tr>
<td><strong>Derivatives designated as hedges</strong></td>
<td></td>
<td></td>
<td>2022</td>
<td></td>
</tr>
<tr>
<td>Forwards</td>
<td></td>
<td></td>
<td>1.3255</td>
<td></td>
</tr>
<tr>
<td>USD/CAD</td>
<td>487</td>
<td>2023</td>
<td></td>
<td>343</td>
</tr>
</tbody>
</table>

**Market Risks**

**Type**

- Short-term and long-term debt
- Natural gas derivative instruments
- Investment at fair value

**Risk Management Strategies**

- use a portfolio of fixed and floating rate instruments
- align current and long-term assets with demand and fixed-term debt
- monitor the effects of market changes in interest rates
- use interest rate swaps, if desired
- diversify our forecast gas volume requirements, including a portion of annual requirements purchased at spot market prices, a portion at fixed prices (up to 10 years) and a portion indexed to the market price of ammonia
- acquire a reliable supply of natural gas feedstock and fuel on a location-adjusted, cost-competitive basis
- ensure the security of principal amounts invested
- provide for an adequate degree of liquidity
- achieve a satisfactory return

We do not believe we have material exposure to interest or price risk on our financial instruments as at December 31, 2022 and 2021.
**Fair Value**

Financial instruments included in the consolidated balance sheets are measured either at fair value or amortized cost. The following tables explain the valuation methods used to determine the fair value of each financial instrument and its associated level in the fair value hierarchy.

<table>
<thead>
<tr>
<th>Financial Instruments at Fair Value</th>
<th>Fair Value Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents</td>
<td>Carrying amount (approximation to fair value assumed due to short-term nature)</td>
</tr>
<tr>
<td>Equity securities</td>
<td>Closing bid price of the common shares as at the balance sheet date</td>
</tr>
<tr>
<td>Debt securities</td>
<td>Closing bid price of the debt or other instruments with similar terms and credit risk (Level 2) as at the balance sheet date</td>
</tr>
<tr>
<td>Foreign currency derivatives not traded in an active market</td>
<td>Quoted forward exchange rates (Level 2) as at the balance sheet date</td>
</tr>
<tr>
<td>Foreign exchange forward contracts, swaps and options, and natural gas swaps not traded in an active market</td>
<td>Based on a discounted cash flow model. Inputs included contractual cash flows based on prices for natural gas futures contracts, fixed prices and notional volumes specified by the swap contracts, the time value of money, liquidity risk, our own credit risk (related to instruments in a liability position) and counterparty credit risk (related to instruments in an asset position). Futures contract prices used as inputs in the model were supported by prices quoted in an active market and therefore categorized in Level 2.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Instruments at Amortized Cost</th>
<th>Fair Value Method</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables, short-term debt, and payables and accrued charges</td>
<td>Carrying amount (approximation to fair value assumed due to short-term nature)</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>Quoted market prices (Level 1 or 2 depending on the market liquidity of the debt)</td>
</tr>
<tr>
<td>Other long-term debt instruments</td>
<td>Carrying amount</td>
</tr>
</tbody>
</table>

The following table presents our fair value hierarchy for financial instruments carried at fair value on a recurring basis or measured at amortized cost and require fair value disclosure:

<table>
<thead>
<tr>
<th>Financial assets (liabilities) measured at</th>
<th>Carrying Amount</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Level 1</td>
<td>Level 2</td>
<td>Level 3</td>
</tr>
<tr>
<td><strong>Fair value on a recurring basis</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>901</td>
<td>–</td>
<td>901</td>
</tr>
<tr>
<td>Derivative instrument assets</td>
<td>7</td>
<td>–</td>
<td>7</td>
</tr>
<tr>
<td>Other current financial assets</td>
<td>148</td>
<td>19</td>
<td>129</td>
</tr>
<tr>
<td>– marketable securities 2</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investments at fair value through other comprehensive income (“FVTOCI”)</td>
<td>200</td>
<td>190</td>
<td>–</td>
</tr>
<tr>
<td>Derivative instrument liabilities</td>
<td>(35)</td>
<td>–</td>
<td>(35)</td>
</tr>
<tr>
<td><strong>Amortized cost</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes and debentures</td>
<td>(500)</td>
<td>(493)</td>
<td>–</td>
</tr>
<tr>
<td>Fixed and floating rate debt</td>
<td>(42)</td>
<td>–</td>
<td>(42)</td>
</tr>
<tr>
<td>Long-term debt</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Notes and debentures</td>
<td>(7,910)</td>
<td>(3,581)</td>
<td>(3,656)</td>
</tr>
<tr>
<td>Fixed and floating rate debt</td>
<td>(130)</td>
<td>–</td>
<td>(130)</td>
</tr>
</tbody>
</table>

1. During 2022 and 2021, there were no transfers between levels for financial instruments measured at fair value on a recurring basis. Our policy is to recognize transfers at the end of the reporting period.
2. Marketable securities consist of equity and fixed income securities.
## Note 11  Receivables

<table>
<thead>
<tr>
<th>Segment</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Receivables from customers</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Third parties</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail (Nutrien Financial)</td>
<td>2,705</td>
<td>2,178</td>
</tr>
<tr>
<td>Retail</td>
<td>1,293</td>
<td>977</td>
</tr>
<tr>
<td>Potash, Nitrogen, Phosphate</td>
<td>827</td>
<td>804</td>
</tr>
<tr>
<td>Potash (Note 28)</td>
<td>866</td>
<td>828</td>
</tr>
<tr>
<td>Related party – Canpotex</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less allowance for expected credit losses of</td>
<td></td>
<td></td>
</tr>
<tr>
<td>receivables from customers</td>
<td>(95)</td>
<td>(82)</td>
</tr>
<tr>
<td>Rebates</td>
<td>172</td>
<td>222</td>
</tr>
<tr>
<td>Income taxes (Note 8)</td>
<td>144</td>
<td>223</td>
</tr>
<tr>
<td>Other receivables</td>
<td>282</td>
<td>216</td>
</tr>
<tr>
<td><strong>Total Receivables</strong></td>
<td>5,596</td>
<td>4,705</td>
</tr>
</tbody>
</table>

1 Includes $2,260 of very low risk of default and $445 of low risk of default (2021 – $1,792 of very low risk of default and $386 of low risk of default).

Qualifying receivables from customers financed by Nutrien Financial represents high-quality receivables from customers that have been rated very low to low risk of default among Retail’s receivables from customers.

Customer credit with a financial institution of $445 at December 31, 2022, related to our agency agreement, is not recognized in our consolidated balance sheets. Through the agency agreement, we only have a limited recourse involvement to the extent of an indemnification of the financial institution to a maximum of 5 percent (2021 – 5 percent) of the qualified customer loans. Historical indemnification losses on this arrangement have been negligible, and the average aging of the customer loans with the financial institution is current.

## Note 12  Inventories

<table>
<thead>
<tr>
<th>Segment</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Product purchased for resale</td>
<td>5,885</td>
<td>4,889</td>
</tr>
<tr>
<td>Finished products</td>
<td>612</td>
<td>410</td>
</tr>
<tr>
<td>Intermediate products</td>
<td>184</td>
<td>206</td>
</tr>
<tr>
<td>Raw materials</td>
<td>425</td>
<td>337</td>
</tr>
<tr>
<td>Materials and supplies</td>
<td>526</td>
<td>486</td>
</tr>
<tr>
<td><strong>Total Inventories</strong></td>
<td>7,632</td>
<td>6,328</td>
</tr>
</tbody>
</table>

### By Segment

<table>
<thead>
<tr>
<th>Segment</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>6,035</td>
<td>5,018</td>
</tr>
<tr>
<td>Potash</td>
<td>398</td>
<td>312</td>
</tr>
<tr>
<td>Nitrogen</td>
<td>706</td>
<td>553</td>
</tr>
<tr>
<td>Phosphate</td>
<td>493</td>
<td>445</td>
</tr>
<tr>
<td><strong>Total Inventories</strong></td>
<td>7,632</td>
<td>6,328</td>
</tr>
</tbody>
</table>

Inventories expensed to cost of goods sold during the year were $21,371 (2021 – $17,243).
### Note 13 Property, Plant and Equipment

<table>
<thead>
<tr>
<th>Description</th>
<th>Land and Improvements</th>
<th>Buildings and Improvements</th>
<th>Machinery and Equipment</th>
<th>Mine Development Costs</th>
<th>Assets Under Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Useful life range (years)</td>
<td>1 – 85</td>
<td>1 – 70</td>
<td>1 – 80</td>
<td>1 – 60</td>
<td>n/a</td>
<td></td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>1,073</td>
<td>6,305</td>
<td>10,221</td>
<td>853</td>
<td>1,564</td>
<td>20,016</td>
</tr>
<tr>
<td>Acquisitions (Note 25)</td>
<td>12</td>
<td>40</td>
<td>23</td>
<td>–</td>
<td>65</td>
<td>140</td>
</tr>
<tr>
<td>Additions</td>
<td>17</td>
<td>9</td>
<td>25</td>
<td>–</td>
<td>2,202</td>
<td>2,253</td>
</tr>
<tr>
<td>Additions – Right-of-use (&quot;ROU&quot;) assets</td>
<td>–</td>
<td>51</td>
<td>230</td>
<td>–</td>
<td>–</td>
<td>281</td>
</tr>
<tr>
<td>Disposals</td>
<td>(9)</td>
<td>(13)</td>
<td>(24)</td>
<td>–</td>
<td>–</td>
<td>(46)</td>
</tr>
<tr>
<td>Transfers</td>
<td>35</td>
<td>163</td>
<td>1,281</td>
<td>170</td>
<td>(1,649)</td>
<td>–</td>
</tr>
<tr>
<td>Foreign currency translation and other</td>
<td>5</td>
<td>2</td>
<td>55</td>
<td>30</td>
<td>(90)</td>
<td>2</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(35)</td>
<td>(185)</td>
<td>(1,006)</td>
<td>(94)</td>
<td>–</td>
<td>(1,320)</td>
</tr>
<tr>
<td>Depreciation – ROU assets</td>
<td>(2)</td>
<td>(58)</td>
<td>(279)</td>
<td>–</td>
<td>–</td>
<td>(339)</td>
</tr>
<tr>
<td>Reversal of impairment</td>
<td>105</td>
<td>26</td>
<td>491</td>
<td>149</td>
<td>9</td>
<td>780</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2022</td>
<td>1,201</td>
<td>6,340</td>
<td>11,017</td>
<td>1,108</td>
<td>2,101</td>
<td>21,767</td>
</tr>
<tr>
<td>Balance – December 31, 2022 is composed of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>1,605</td>
<td>8,795</td>
<td>22,023</td>
<td>2,699</td>
<td>2,101</td>
<td>37,223</td>
</tr>
<tr>
<td>Accumulated depreciation and impairments</td>
<td>(404)</td>
<td>(2,455)</td>
<td>(11,006)</td>
<td>(1,591)</td>
<td>–</td>
<td>(15,456)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2022</td>
<td>1,201</td>
<td>6,340</td>
<td>11,017</td>
<td>1,108</td>
<td>2,101</td>
<td>21,767</td>
</tr>
<tr>
<td>Balance – December 31, 2022 is composed of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owned property, plant and equipment</td>
<td>1,173</td>
<td>5,956</td>
<td>10,267</td>
<td>1,108</td>
<td>2,101</td>
<td>20,605</td>
</tr>
<tr>
<td>ROU assets</td>
<td>28</td>
<td>384</td>
<td>750</td>
<td>–</td>
<td>–</td>
<td>1,162</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2022</td>
<td>1,201</td>
<td>6,340</td>
<td>11,017</td>
<td>1,108</td>
<td>2,101</td>
<td>21,767</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2020</td>
<td>1,090</td>
<td>6,305</td>
<td>10,336</td>
<td>723</td>
<td>1,206</td>
<td>19,660</td>
</tr>
<tr>
<td>Acquisitions (Note 25)</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>–</td>
<td>–</td>
<td>10</td>
</tr>
<tr>
<td>Additions</td>
<td>7</td>
<td>18</td>
<td>97</td>
<td>–</td>
<td>1,646</td>
<td>1,768</td>
</tr>
<tr>
<td>Additions – ROU assets</td>
<td>–</td>
<td>140</td>
<td>238</td>
<td>–</td>
<td>–</td>
<td>378</td>
</tr>
<tr>
<td>Disposals</td>
<td>(29)</td>
<td>(21)</td>
<td>(35)</td>
<td>–</td>
<td>(1)</td>
<td>(86)</td>
</tr>
<tr>
<td>Transfers</td>
<td>38</td>
<td>142</td>
<td>874</td>
<td>145</td>
<td>(1,199)</td>
<td>–</td>
</tr>
<tr>
<td>Foreign currency translation and other</td>
<td>2</td>
<td>(34)</td>
<td>(41)</td>
<td>55</td>
<td>(83)</td>
<td>(101)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>(35)</td>
<td>(91)</td>
<td>(991)</td>
<td>(70)</td>
<td>–</td>
<td>(1,287)</td>
</tr>
<tr>
<td>Depreciation – ROU assets</td>
<td>(2)</td>
<td>(57)</td>
<td>(248)</td>
<td>–</td>
<td>–</td>
<td>(307)</td>
</tr>
<tr>
<td>Impairment</td>
<td>–</td>
<td>–</td>
<td>(14)</td>
<td>–</td>
<td>(5)</td>
<td>(19)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>1,073</td>
<td>6,305</td>
<td>10,221</td>
<td>853</td>
<td>1,564</td>
<td>20,016</td>
</tr>
<tr>
<td>Balance – December 31, 2021 is composed of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>1,547</td>
<td>8,584</td>
<td>20,627</td>
<td>2,496</td>
<td>1,564</td>
<td>34,818</td>
</tr>
<tr>
<td>Accumulated depreciation and impairments</td>
<td>(474)</td>
<td>(2,279)</td>
<td>(10,406)</td>
<td>(1,643)</td>
<td>–</td>
<td>(14,802)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>1,073</td>
<td>6,305</td>
<td>10,221</td>
<td>853</td>
<td>1,564</td>
<td>20,016</td>
</tr>
<tr>
<td>Balance – December 31, 2021 is composed of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Owned property, plant and equipment</td>
<td>1,044</td>
<td>5,930</td>
<td>9,517</td>
<td>853</td>
<td>1,564</td>
<td>18,908</td>
</tr>
<tr>
<td>ROU assets</td>
<td>29</td>
<td>375</td>
<td>704</td>
<td>–</td>
<td>–</td>
<td>1,108</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>1,073</td>
<td>6,305</td>
<td>10,221</td>
<td>853</td>
<td>1,564</td>
<td>20,016</td>
</tr>
</tbody>
</table>
Depreciation of property, plant and equipment was included in the following:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freight, transportation and distribution</td>
<td>148</td>
<td>133</td>
</tr>
<tr>
<td>Cost of goods sold</td>
<td>1,024</td>
<td>1,052</td>
</tr>
<tr>
<td>Selling expenses</td>
<td>424</td>
<td>416</td>
</tr>
<tr>
<td>General and administrative expenses</td>
<td>42</td>
<td>36</td>
</tr>
<tr>
<td>Depreciation recorded in earnings</td>
<td>1,638</td>
<td>1,637</td>
</tr>
<tr>
<td>Depreciation recorded in inventory</td>
<td>151</td>
<td>112</td>
</tr>
</tbody>
</table>

### Impairment Reversals

In 2022, we revised our pricing forecasts to reflect the current macroeconomic environment, which triggered an impairment review at our Phosphate cash-generating units (“CGUs”), Aurora and White Springs. In 2020, we recorded a total impairment of assets relating to property plant and equipment at Aurora of $545. In 2017 and 2020, we recorded total impairment of assets at White Springs relating to property, plant and equipment of $250 and $215, respectively.

Due to increases in our forecasts, the recoverable amounts of both CGUs were above their carrying amounts. As a result, we fully reversed the previously recorded impairments, net of depreciation that would have been incurred had no impairment been recognized, in the statement of earnings relating to property, plant and equipment.

<table>
<thead>
<tr>
<th>Cash-generating units</th>
<th>Aurora</th>
<th>White Springs</th>
</tr>
</thead>
<tbody>
<tr>
<td>End of mine life (proven and probable reserves) (year)</td>
<td>2050</td>
<td>2030</td>
</tr>
<tr>
<td>Long-term growth rate (%)</td>
<td>2.0</td>
<td>n/a</td>
</tr>
<tr>
<td>Pre-tax discount rate (%)</td>
<td>n/a</td>
<td>15.2²</td>
</tr>
<tr>
<td>Post-tax discount rate (%)</td>
<td>10.4</td>
<td>12.0²</td>
</tr>
<tr>
<td>Forecasted EBITDA ³</td>
<td>3,090</td>
<td>980</td>
</tr>
</tbody>
</table>

1 At impairment reversal date.
2 Discount rate used in the previous measurement was 12.0% (pre-tax – 15.2%).
3 First five years of the forecast period.
Note 14  Goodwill and Intangible Assets

### Intangible Assets

<table>
<thead>
<tr>
<th></th>
<th>Goodwill</th>
<th>Customer Relationships</th>
<th>Technology</th>
<th>Trade Names</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Useful life range (years)</td>
<td>n/a</td>
<td>3 – 15</td>
<td>2 – 20</td>
<td>1 – 20</td>
<td>1 – 30</td>
<td>1 – 30</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>12,220</td>
<td>1,350</td>
<td>595</td>
<td>80</td>
<td>315</td>
<td>2,340</td>
</tr>
<tr>
<td>Acquisitions (Note 25)</td>
<td>200</td>
<td>59</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>104</td>
</tr>
<tr>
<td>Additions – internally developed</td>
<td>–</td>
<td>–</td>
<td>216</td>
<td>–</td>
<td>6</td>
<td>222</td>
</tr>
<tr>
<td>Foreign currency translation and other</td>
<td>(52)</td>
<td>(13)</td>
<td>14</td>
<td>1</td>
<td>(1)</td>
<td>1</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>(1)</td>
<td>(1)</td>
<td>–</td>
<td>–</td>
<td>(2)</td>
</tr>
<tr>
<td>Amortization (^1)</td>
<td>–</td>
<td>(166)</td>
<td>(122)</td>
<td>(8)</td>
<td>(72)</td>
<td>(368)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2022</td>
<td>12,368</td>
<td>1,229</td>
<td>702</td>
<td>95</td>
<td>271</td>
<td>2,297</td>
</tr>
<tr>
<td>Balance – December 31, 2022 is composed of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>12,375</td>
<td>2,001</td>
<td>1,028</td>
<td>150</td>
<td>649</td>
<td>3,828</td>
</tr>
<tr>
<td>Accumulated amortization and impairment</td>
<td>(7)</td>
<td>(772)</td>
<td>(326)</td>
<td>(55)</td>
<td>(378)</td>
<td>(1,531)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2022</td>
<td>12,368</td>
<td>1,229</td>
<td>702</td>
<td>95</td>
<td>271</td>
<td>2,297</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2020</td>
<td>12,198</td>
<td>1,515</td>
<td>437</td>
<td>75</td>
<td>361</td>
<td>2,388</td>
</tr>
<tr>
<td>Acquisitions (Note 25)</td>
<td>77</td>
<td>16</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>16</td>
</tr>
<tr>
<td>Additions – internally developed</td>
<td>–</td>
<td>–</td>
<td>118</td>
<td>19</td>
<td>9</td>
<td>146</td>
</tr>
<tr>
<td>Foreign currency translation and other</td>
<td>(49)</td>
<td>(15)</td>
<td>143</td>
<td>(3)</td>
<td>13</td>
<td>138</td>
</tr>
<tr>
<td>Disposals</td>
<td>(6)</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Cloud computing transition adjustment (Note 6)</td>
<td>–</td>
<td>–</td>
<td>(34)</td>
<td>–</td>
<td>–</td>
<td>(34)</td>
</tr>
<tr>
<td>Amortization (^1)</td>
<td>–</td>
<td>(166)</td>
<td>(122)</td>
<td>(8)</td>
<td>(72)</td>
<td>(368)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>12,220</td>
<td>1,350</td>
<td>595</td>
<td>80</td>
<td>315</td>
<td>2,340</td>
</tr>
<tr>
<td>Balance – December 31, 2021 is composed of:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost</td>
<td>12,227</td>
<td>1,961</td>
<td>808</td>
<td>127</td>
<td>619</td>
<td>3,515</td>
</tr>
<tr>
<td>Accumulated amortization and impairment</td>
<td>(7)</td>
<td>(611)</td>
<td>(213)</td>
<td>(47)</td>
<td>(304)</td>
<td>(1,175)</td>
</tr>
<tr>
<td>Carrying amount – December 31, 2021</td>
<td>12,220</td>
<td>1,350</td>
<td>595</td>
<td>80</td>
<td>315</td>
<td>2,340</td>
</tr>
</tbody>
</table>

\(^1\) Amortization of $302 was included in selling expenses during the year ended December 31, 2022 (2021 – $260).

\(^2\) The average remaining amortization period of customer relationships as at December 31, 2022, was approximately 4 years.

\(^3\) Certain trade names have indefinite useful lives as there are no regulatory, legal, contractual, cooperative, economic or other factors that limit their useful lives.

### Goodwill Impairment Testing

<table>
<thead>
<tr>
<th>Goodwill by cash-generating unit or group of cash-generating units</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail – North America</td>
<td>6,898</td>
<td>6,898</td>
</tr>
<tr>
<td>Retail – International</td>
<td>927</td>
<td>779</td>
</tr>
<tr>
<td>Potash</td>
<td>154</td>
<td>154</td>
</tr>
<tr>
<td>Nitrogen</td>
<td>4,389</td>
<td>4,389</td>
</tr>
<tr>
<td></td>
<td>12,368</td>
<td>12,220</td>
</tr>
</tbody>
</table>

We performed our annual impairment test on goodwill and did not identify any impairment.

In 2022, North American central banks increased their benchmark borrowing rates, which are a component of our discount rate for impairment testing. As a result of these increases, we revised our discount rates throughout 2022, which triggered impairment testing for our Retail – North America group of CGUs as at June 30, 2022 and September 30, 2022. No impairment was recognized during these interim testing periods.

Goodwill is more susceptible to impairment risk if there is an increase in the discount rate, or a deterioration in business operating results or economic conditions and actual results do not meet our forecasts. As at September 30, 2022, the Retail – North America group of CGUs carrying amount approximated its recoverable amount. A 25 basis point increase in the discount rate would have resulted in an impairment of the carrying amount of goodwill of approximately $500. A decrease in forecasted EBITDA and cash flows or a reduction in the terminal growth rate could result in impairment in the future.
Retail – North America – Key Assumptions

<table>
<thead>
<tr>
<th></th>
<th>As at September 30, 2022</th>
<th>As at June 30, 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Terminal growth rate (%)</td>
<td>2.5</td>
<td>2.5</td>
</tr>
<tr>
<td>Forecasted EBITDA over forecast period (billions)</td>
<td>7.6</td>
<td>7.5</td>
</tr>
<tr>
<td>Discount rate (%)</td>
<td>8.5</td>
<td>8.0</td>
</tr>
</tbody>
</table>

In testing for impairment of goodwill, we calculate the recoverable amount for a CGU or groups of CGUs containing goodwill. We used the FVLCD methodology based on after-tax discounted cash flows (five-year projections plus a terminal value) and incorporated assumptions an independent market participant would apply, including considerations related to climate-change initiatives. We adjusted discount rates for each CGU or group of CGUs for the risk associated with achieving our forecasts and for the country risk premium in which we expect to generate cash flows. FVLCD is a Level 3 measurement. We use our market capitalization and comparative market multiples to ensure discounted cash flow results are reasonable.

The key assumptions with the greatest influence on the calculation of the recoverable amounts are the discount rates, terminal growth rates and cash flow forecasts. The key forecast assumptions were based on historical data and our estimates of future results from internal sources considering industry and market trends.

The remaining CGUs were tested as part of our annual impairment test and the following table indicates the key assumptions used:

<table>
<thead>
<tr>
<th>Terminal Growth Rate (%)</th>
<th>Discount Rate (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail – International 1</td>
<td>2.0 – 6.0 2.0 – 6.2</td>
</tr>
<tr>
<td>Potash</td>
<td>2.5</td>
</tr>
<tr>
<td>Nitrogen</td>
<td>2.0</td>
</tr>
</tbody>
</table>

1 The discount rates reflect the country risk premium and size for our international groups of CGUs.

### Note 15 Investments

<table>
<thead>
<tr>
<th>Name</th>
<th>Principal Activity</th>
<th>Principal Place of Business and Incorporation</th>
<th>Proportion of Ownership Interest and Voting Rights Held (%)</th>
<th>Carrying Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>2022</td>
<td>2021</td>
</tr>
<tr>
<td>Equity-accounted investees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profertil</td>
<td>Nitrogen producer</td>
<td>Argentina</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Canpotex</td>
<td>Marketing and logistics of potash</td>
<td>Canada</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Other associates and joint ventures</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total equity-accounted investees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Investments at FVTOCI</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sinofer</td>
<td>Fertilizer supplier and distributor</td>
<td>China/Bermuda</td>
<td>22</td>
<td>22</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total investments at FVTOCI</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

We continuously assess our ability to exercise significant influence or joint control over our investments. Our 22 percent ownership in Sinofer does not constitute significant influence as we do not have any representation on the board of directors of Sinofer. We elected to account for our investment in Sinofer as FVTOCI as it is held for strategic purposes.

Future conditions related to Profertil may be affected by political, economic and social instability. We are exposed to foreign exchange risk related to fluctuations in the Argentine peso against the US dollar and currency controls, which may restrict our ability to obtain dividends from Profertil.
Note 16  Other Assets

<table>
<thead>
<tr>
<th>Description</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred income tax assets (Note 8)</td>
<td>448</td>
<td>262</td>
</tr>
<tr>
<td>Ammonia catalysts – net of accumulated amortization of $94 (2021 – $85)</td>
<td>104</td>
<td>88</td>
</tr>
<tr>
<td>Long-term income tax receivable (Note 8)</td>
<td>54</td>
<td>166</td>
</tr>
<tr>
<td>Accrued pension benefit assets (Note 21)</td>
<td>157</td>
<td>170</td>
</tr>
<tr>
<td>Other</td>
<td>206</td>
<td>143</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>969</strong></td>
<td><strong>829</strong></td>
</tr>
</tbody>
</table>

Note 17  Short-term Debt

<table>
<thead>
<tr>
<th>Credit facilities</th>
<th>Rate of Interest (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsecured revolving term credit facility</td>
<td>5.3</td>
</tr>
<tr>
<td>Unsecured revolving term facility 2</td>
<td>3.9</td>
</tr>
<tr>
<td>South America</td>
<td>1.3</td>
</tr>
<tr>
<td>Australia</td>
<td>2.1</td>
</tr>
<tr>
<td>Commercial paper 1</td>
<td>4.8</td>
</tr>
<tr>
<td>Other</td>
<td>2.1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,142</strong></td>
</tr>
</tbody>
</table>

1 We use our $4,500 commercial paper program for our short-term cash requirements. The amount available under the commercial paper program is limited to the availability of backup funds under the $4,500 unsecured revolving term credit facility and excess cash invested in highly liquid securities.

Our credit facilities are renegotiated periodically. Our total credit facility limits as at December 31 were:

<table>
<thead>
<tr>
<th>Credit facilities</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unsecured revolving term facility 1</td>
<td>4,500</td>
<td>4,500</td>
</tr>
<tr>
<td>Unsecured revolving term facility 2</td>
<td>2,000</td>
<td>-</td>
</tr>
<tr>
<td>Uncommitted revolving demand facility</td>
<td>1,000</td>
<td>500</td>
</tr>
<tr>
<td>Other credit facilities 3</td>
<td>1,180</td>
<td>720</td>
</tr>
</tbody>
</table>

1 In 2022, we extended the maturity date from June 4, 2026 to September 14, 2027, subject to extension at the request of Nutrien provided that the resulting maturity date may not exceed five years from the date of request.
2 In 2022, we entered into a new $2,000 unsecured revolving term credit facility, with the same principal covenants and events of default as our existing $4,500 unsecured revolving term credit facility.
3 Total facility limit amounts include some facilities with maturities in excess of one year.

Principal covenants and events of default under the unsecured revolving term credit facilities include a debt to capital ratio (refer to Note 24) and other customary events of default and covenant provisions. Non-compliance with such covenants could result in accelerated repayment and/or termination of the credit facility. We were in compliance with all covenants as at December 31, 2022.

In 2022, to help temporarily manage normal seasonal working capital swings, we entered into non-revolving term credit facilities with an aggregate principal amount of $2,000, which had the same principal covenants and events of default as our existing revolving term credit facilities. The $2,000 non-revolving term credit facilities were fully repaid and subsequently terminated after the new $2,000 unsecured revolving term credit facility was entered into, as described above.
### Note 18  Long-term Debt

<table>
<thead>
<tr>
<th>Rate of Interest (%)</th>
<th>Maturity</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notes 1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.150</td>
<td>October 1, 2022</td>
<td>-</td>
<td>500</td>
</tr>
<tr>
<td>1.900</td>
<td>May 13, 2023</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>5.900</td>
<td>November 7, 2024</td>
<td>500</td>
<td>-</td>
</tr>
<tr>
<td>3.000</td>
<td>April 1, 2025</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>5.950</td>
<td>November 7, 2025</td>
<td>500</td>
<td>-</td>
</tr>
<tr>
<td>4.000</td>
<td>December 15, 2026</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>4.200</td>
<td>April 1, 2029</td>
<td>750</td>
<td>750</td>
</tr>
<tr>
<td>2.950</td>
<td>May 13, 2030</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>4.125</td>
<td>March 15, 2035</td>
<td>450</td>
<td>-</td>
</tr>
<tr>
<td>7.125</td>
<td>May 23, 2036</td>
<td>212</td>
<td>212</td>
</tr>
<tr>
<td>5.875</td>
<td>December 1, 2036</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>5.625</td>
<td>December 1, 2040</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>6.125</td>
<td>January 15, 2041</td>
<td>401</td>
<td>401</td>
</tr>
<tr>
<td>4.900</td>
<td>June 1, 2043</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>5.250</td>
<td>January 15, 2045</td>
<td>489</td>
<td>489</td>
</tr>
<tr>
<td>5.000</td>
<td>April 1, 2049</td>
<td>750</td>
<td>750</td>
</tr>
<tr>
<td>3.950</td>
<td>May 13, 2050</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>Debentures 1</td>
<td>7.800</td>
<td>February 1, 2027</td>
<td>120</td>
</tr>
<tr>
<td>Other credit facilities 2</td>
<td>Various</td>
<td>Various</td>
<td>165</td>
</tr>
<tr>
<td>Other long-term debt</td>
<td>n/a</td>
<td>Various</td>
<td>7</td>
</tr>
</tbody>
</table>

Add net unamortized fair value adjustments: 310, 325
Less net unamortized debt issue costs: (72), (72)
Less current maturities: (542), (545)

Each series of notes and debentures is unsecured and has no sinking fund requirements prior to maturity. Each series is redeemable and has various provisions that allow redemption prior to maturity, at our option, at specified prices.

Other credit facilities are unsecured and consist of South America facilities with debt of $162 (2021 – $137) and interest rates ranging from 1.9 percent to 17.4 percent and other facilities with debt of $3 (2021 – $4) and an interest rate of 4.0 percent.

We are subject to certain customary covenants including limitation on liens, merger and change of control covenants, and customary events of default. As calculated in Note 24, we were in compliance with these covenants as at December 31, 2022.
The following is a summary of changes in liabilities arising from financing activities:

<table>
<thead>
<tr>
<th></th>
<th>Short-Term Debt</th>
<th>Long-Term Debt</th>
<th>Lease Liabilities</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance – December 31, 2021</td>
<td>1,560</td>
<td>8,066</td>
<td>1,220</td>
<td>10,846</td>
</tr>
<tr>
<td>Cash flows (cash inflows and outflows presented on a net basis)</td>
<td>529</td>
<td>475</td>
<td>(341)</td>
<td>663</td>
</tr>
<tr>
<td>Additions and other adjustments to ROU assets</td>
<td>–</td>
<td>–</td>
<td>334</td>
<td>334</td>
</tr>
<tr>
<td>Foreign currency translation and other non-cash changes</td>
<td>53</td>
<td>41</td>
<td>(9)</td>
<td>85</td>
</tr>
<tr>
<td>Balance – December 31, 2022</td>
<td>2,142</td>
<td>8,582</td>
<td>1,204</td>
<td>11,928</td>
</tr>
<tr>
<td>Balance – December 31, 2020</td>
<td>159</td>
<td>10,061</td>
<td>1,140</td>
<td>11,360</td>
</tr>
<tr>
<td>Cash flows (cash inflows and outflows presented on a net basis)</td>
<td>1,344</td>
<td>(2,133)</td>
<td>(320)</td>
<td>(1,109)</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>–</td>
<td>142</td>
<td>–</td>
<td>142</td>
</tr>
<tr>
<td>Additions and other adjustments to ROU assets</td>
<td>–</td>
<td>–</td>
<td>408</td>
<td>408</td>
</tr>
<tr>
<td>Foreign currency translation and other non-cash changes</td>
<td>57</td>
<td>(4)</td>
<td>(8)</td>
<td>45</td>
</tr>
<tr>
<td>Balance – December 31, 2021</td>
<td>1,560</td>
<td>8,066</td>
<td>1,220</td>
<td>10,846</td>
</tr>
</tbody>
</table>

**Note 19 Lease Liabilities**

<table>
<thead>
<tr>
<th></th>
<th>Average Rate of Interest (%)</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease liabilities – non-current</td>
<td>3.3</td>
<td>899</td>
<td>934</td>
</tr>
<tr>
<td>Current portion of lease liabilities</td>
<td>3.0</td>
<td>305</td>
<td>286</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>1,204</td>
<td>1,220</td>
</tr>
</tbody>
</table>

**Note 20 Payables and Accrued Charges**

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and other payables</td>
<td>5,797</td>
<td>5,179</td>
</tr>
<tr>
<td>Customer prepayments</td>
<td>2,298</td>
<td>2,083</td>
</tr>
<tr>
<td>Dividends</td>
<td>244</td>
<td>257</td>
</tr>
<tr>
<td>Accrued compensation</td>
<td>681</td>
<td>669</td>
</tr>
<tr>
<td>Current portion of asset retirement obligations and accrued environmental costs (Note 22)</td>
<td>234</td>
<td>170</td>
</tr>
<tr>
<td>Accrued interest</td>
<td>102</td>
<td>80</td>
</tr>
<tr>
<td>Current portion of share-based compensation (Note 5)</td>
<td>142</td>
<td>185</td>
</tr>
<tr>
<td>Current portion of derivatives</td>
<td>35</td>
<td>20</td>
</tr>
<tr>
<td>Income taxes (Note 8)</td>
<td>899</td>
<td>606</td>
</tr>
<tr>
<td>Provincial mining taxes</td>
<td>114</td>
<td>53</td>
</tr>
<tr>
<td>Other taxes</td>
<td>59</td>
<td>50</td>
</tr>
<tr>
<td>Current portion of pension and other post-retirement benefits (Note 21)</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>Other accrued charges and others</td>
<td>671</td>
<td>684</td>
</tr>
<tr>
<td></td>
<td>11,291</td>
<td>10,052</td>
</tr>
</tbody>
</table>
Note 21  Pension and Other Post-retirement Benefits

We offer the following pension and other post-retirement benefits to qualified employees: defined benefit pension plans; defined contribution pension plans; and health, dental and life insurance, referred to as other defined benefit plans. Substantially all our employees participate in at least one of these plans.

**Description of Defined Benefit Pension Plans**

<table>
<thead>
<tr>
<th>Plan Type</th>
<th>Contributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>• non-contributory,</td>
</tr>
<tr>
<td></td>
<td>• guaranteed annual pension payments for life,</td>
</tr>
<tr>
<td></td>
<td>• benefits generally depend on years of service and compensation level in the final years leading up to age 65,</td>
</tr>
<tr>
<td></td>
<td>• benefits available starting at age 55 at a reduced rate,</td>
</tr>
<tr>
<td></td>
<td>• plans provide for maximum pensionable salary and maximum annual benefit limits.</td>
</tr>
<tr>
<td></td>
<td>• made to meet or exceed minimum funding requirements of the Employee Retirement Income Security Act of 1974 and associated Internal Revenue Service regulations and procedures.</td>
</tr>
<tr>
<td>Canada</td>
<td>• made to meet or exceed minimum funding requirements based on provincial statutory requirements and associated federal taxation rules.</td>
</tr>
<tr>
<td>Suppl... Management</td>
<td>• non-contributory,</td>
</tr>
<tr>
<td></td>
<td>• unfunded, and</td>
</tr>
<tr>
<td></td>
<td>• supplementary pension benefits.</td>
</tr>
<tr>
<td></td>
<td>• provided for by charges to earnings sufficient to meet the projected benefit obligations, and</td>
</tr>
<tr>
<td></td>
<td>• payments to plans are made as plan payments to retirees occur.</td>
</tr>
</tbody>
</table>

Our defined benefit pension plans are funded with separate funds that are legally separated from the Company and administered through an employee benefits or management committee in each country, which is composed of our employees. The employee benefits or management committee is required by law to act in the best interests of the plan participants and, in the US and Canada, is responsible for the governance of the plans, including setting certain policies (e.g., investment and contribution) of the funds. The current investment policy for each country’s plans generally does not include any asset/liability matching strategies or currency hedging strategies. Plan assets held in trusts are governed by local regulations and practices in each country, as is the nature of the relationship between the Company and the trustees and their composition.

**Description of Other Post-Retirement Plans**

We provide health care plans for certain eligible retired employees in the US, Canada and Trinidad. Eligibility for these benefits is generally based on a combination of age and years of service at retirement. Certain terms of the plans include

• coordination with government-provided medical insurance in each country;
• certain unfunded cost-sharing features such as co-insurance, deductibles and co-payments – benefits subject to change;
• for certain plans, maximum lifetime benefits;
• at retirement, the employee’s spouse and certain dependent children may be eligible for coverage;
• benefits are self-insured and are administered through third-party providers; and
• generally, retirees contribute towards annual cost of the plans.

We provide non-contributory life insurance plans for certain retired employees who meet specific age and service eligibility requirements.
Risks

The defined benefit pension and other post-retirement plans expose us to broadly similar actuarial risks. The most significant risks include investment risk and interest rate risk as discussed below. Other risks include longevity risk and salary risk.

**Investment risk**

A deficit will be created if plan assets underperform the discount rate used in the defined benefit obligation valuation. To mitigate investment risk, we employ:

- a total return on investment approach whereby a diversified mix of equities and fixed income investments is used to maximize long-term return for a prudent level of risk; and
- risk tolerance established through careful consideration of plan liabilities, plan funded status and corporate financial condition.

Other assets such as private equity and hedge funds are not used at this time. Our policy is not to invest in commodities, precious metals, mineral rights, bullions or collectibles. Investment risk is measured and monitored on an ongoing basis through quarterly investment portfolio reviews, annual liability measurements and periodic asset/liability studies.

**Interest rate risk**

A decrease in bond interest rates will increase the pension liability; however, this is generally expected to be partially offset by an increase in the return on the plan’s debt investments.

Financial Information

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Obligation</td>
<td>Plan Assets</td>
</tr>
<tr>
<td>Balance – beginning of year</td>
<td>(1,996)</td>
<td>1,731 (265)</td>
</tr>
<tr>
<td>Components of defined benefit expense recognized in earnings</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current service cost for benefits earned during the year</td>
<td>(27)</td>
<td>– (27)</td>
</tr>
<tr>
<td>Interest (expense) income</td>
<td>(60)</td>
<td>52 (8)</td>
</tr>
<tr>
<td>Past service cost, including curtailment gains and settlements</td>
<td>24</td>
<td>(39) (15)</td>
</tr>
<tr>
<td>Foreign exchange rate changes and other</td>
<td>28</td>
<td>(21) 7</td>
</tr>
<tr>
<td>Subtotal of components of defined benefit (recovery) expense recognized in earnings</td>
<td>(35)</td>
<td>(8) (43)</td>
</tr>
<tr>
<td>Remeasurements of the net defined benefit liability recognized in OCI during the year</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial gain arising from:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Changes in financial assumptions</td>
<td>423</td>
<td>– 423</td>
</tr>
<tr>
<td>Changes in demographic assumptions</td>
<td>21</td>
<td>– 21</td>
</tr>
<tr>
<td>(Loss) gain on plan assets (excluding amounts included in net interest)</td>
<td>–</td>
<td>(337) (337)</td>
</tr>
<tr>
<td>Subtotal of remeasurements</td>
<td>444</td>
<td>(337) 107</td>
</tr>
<tr>
<td>Cash flows</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions by plan participants</td>
<td>(6)</td>
<td>6 –</td>
</tr>
<tr>
<td>Employer contributions</td>
<td>–</td>
<td>24 24</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>86</td>
<td>(86)</td>
</tr>
<tr>
<td>Subtotal of cash flows</td>
<td>80</td>
<td>(56) 24</td>
</tr>
<tr>
<td>Balance – end of year</td>
<td>(1,507)</td>
<td>1,330 (177)</td>
</tr>
</tbody>
</table>

Balance is composed of:

- **Non-current assets**
  - Other assets (Note 16) | 157 | 170 |
- **Current liabilities**
  - Payables and accrued charges (Note 20) | (15) | (16) |
- **Non-current liabilities**
  - Pension and other post-retirement benefit liabilities | (319) | (419) |

1 Obligations arising from funded and unfunded pension plans are $1,255 and $252 (2021 – $1,659 and $337), respectively. Other post-retirement benefit plans have no plan assets and are unfunded.

2 Certain immaterial figures have been reclassified in 2021.
## Plan Assets

As at December 31, the fair value of plan assets of our defined benefit pension plans, by asset category, were as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quoted Prices in Active Markets for Identical Assets</td>
<td>Other 1</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents</strong></td>
<td>93</td>
<td>4</td>
</tr>
<tr>
<td><strong>Equity securities and equity funds</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>U.S.</td>
<td>8</td>
<td>107</td>
</tr>
<tr>
<td>International</td>
<td>–</td>
<td>14</td>
</tr>
<tr>
<td>Debt securities 2</td>
<td>–</td>
<td>841</td>
</tr>
<tr>
<td>Other</td>
<td>–</td>
<td>263</td>
</tr>
<tr>
<td><strong>Total pension plan assets</strong></td>
<td>101</td>
<td>1,229</td>
</tr>
</tbody>
</table>

1 Approximately 100 percent (2021 – 100 percent) of the Other plan assets are held in funds whose fair values are estimated using their net asset value per share. For the majority of these funds, the redemption frequency is immediate. The Plan Committee manages the asset allocation based upon our current liquidity and income needs.

2 Debt securities included US securities of 77 percent (2021 – 71 percent) and International securities of 22 percent (2021 – 28 percent) and Mortgage Backed Securities of 1 percent (2021 – 1 percent).

We use letters of credit or surety bonds to secure certain Canadian unfunded defined benefit plan liabilities as at December 31, 2022.

We expect to contribute approximately $128 to all pension and post-retirement plans in 2023. Total contributions recognized as expense under all defined contribution plans for 2022 was $128 (2021 – $111).

We used the following significant assumptions to determine the benefit obligations and expense for our significant plans as at and for the year ended December 31. These assumptions are determined by management and are reviewed annually by our independent actuaries.

<table>
<thead>
<tr>
<th></th>
<th>Pension</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2022</td>
<td>2021</td>
</tr>
<tr>
<td>Assumptions used to determine the benefit obligations 1:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Discount rate (%)</td>
<td>5.01</td>
<td>3.09</td>
</tr>
<tr>
<td>Rate of increase in compensation levels (%)</td>
<td>4.29</td>
<td>4.27</td>
</tr>
<tr>
<td>Medical cost trend rate – assumed (%) 2</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Medical cost trend rate – year reaches ultimate trend rate</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td>Mortality assumptions (years) 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Life expectancy at 65 for a male member currently at age 65</td>
<td>20.6</td>
<td>20.7</td>
</tr>
<tr>
<td>Life expectancy at 65 for a female member currently at age 65</td>
<td>22.9</td>
<td>22.9</td>
</tr>
<tr>
<td>Average duration of the defined benefit obligations (years) 4</td>
<td>12.7</td>
<td>15.3</td>
</tr>
</tbody>
</table>

1 The current year’s expense is determined using the assumptions that existed at the end of the previous year.

2 We assumed a graded medical cost trend rate starting at 7.00 percent in 2022, moving to 4.50 percent by 2033 (2021 – starting at 6.50 percent, moving to 4.50 percent by 2030).

3 Based on actuarial advice in accordance with the latest available published tables, adjusted where appropriate to reflect future longevity improvements for each country.

4 Weighted average length of the underlying cash flows.

Of the most significant assumptions, a change in discount rates has the greatest potential impact on our pension and other post-retirement benefit plans, with sensitivity to change as follows:

<table>
<thead>
<tr>
<th>Change in Assumption</th>
<th>2022 Benefit Obligations</th>
<th>Expense in Earnings Before Income Taxes</th>
<th>2021 Benefit Obligations</th>
<th>Expense in Earnings Before Income Taxes</th>
</tr>
</thead>
<tbody>
<tr>
<td>As reported</td>
<td>1,507</td>
<td>43</td>
<td>1,996</td>
<td>55</td>
</tr>
<tr>
<td>Discount rate</td>
<td>1.0 percentage point decrease</td>
<td>210</td>
<td>20</td>
<td>330</td>
</tr>
<tr>
<td></td>
<td>1.0 percentage point increase</td>
<td>(170)</td>
<td>(20)</td>
<td>(260)</td>
</tr>
</tbody>
</table>
Note 22  Asset Retirement Obligations and Accrued Environmental Costs

<table>
<thead>
<tr>
<th>December 31, 2022</th>
<th>Cash Flow Payments (years)</th>
<th>Discounted Cash Flows</th>
<th>+0.5%</th>
<th>-0.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset retirement obligations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potash</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Phosphate</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate and others</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accrued environmental costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Corporate and others</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Time frame in which payments are expected to principally occur from December 31, 2022. Adjustments to the years can result from changes to the mine life and/or changes in the rate of tailings volumes.
2 Risk-free discount rates used to discount cash flows reflect current market assessments of the time value of money and the risks specific to the timing and jurisdiction of the obligation. Risk-free rates range from 3.0 percent to 5.5 percent.
3 Total undiscounted cash flows are $4.0 billion. For the Potash segment, this represents total undiscounted cash flows in the first year of decommissioning. This excludes subsequent years of tailings dissolution, fine tails capping, tailings management area reclamation, post-reclamation activities and monitoring, and final decommissioning, which are estimated to take an additional 125 to 433 years.
4 For nitrogen sites, we have not recorded any asset retirement obligations as no significant asset retirement obligations have been identified or there is no reasonable basis for estimating a date or range of dates of cessation of operations. We considered the historical performance of our facilities as well as our planned maintenance, major upgrades and replacements, which can extend the useful lives of our facilities indefinitely.
5 Includes certain potash and phosphate sites that are non-operating sites, with the majority of phosphate site payments taking place over the next 17 years.

<table>
<thead>
<tr>
<th></th>
<th>Asset Retirement Obligations</th>
<th>Accrued Environmental Costs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance – December 31, 2021</td>
<td>1,231</td>
<td>505</td>
<td>1,736</td>
</tr>
<tr>
<td>Disposals</td>
<td>–</td>
<td>(7)</td>
<td>(7)</td>
</tr>
<tr>
<td>Change in estimates</td>
<td>36</td>
<td>2</td>
<td>38</td>
</tr>
<tr>
<td>Settlements</td>
<td>(81)</td>
<td>(41)</td>
<td>(122)</td>
</tr>
<tr>
<td>Accretion</td>
<td>27</td>
<td>2</td>
<td>29</td>
</tr>
<tr>
<td>Foreign currency translation and other</td>
<td>(26)</td>
<td>(11)</td>
<td>(37)</td>
</tr>
<tr>
<td>Balance – December 31, 2022</td>
<td>1,187</td>
<td>450</td>
<td>1,637</td>
</tr>
</tbody>
</table>

Balance – December 31, 2022 is composed of:
- Current liabilities
  - Payables and accrued charges (Note 20) 165 69 234
- Non-current liabilities
  - Asset retirement obligations and accrued environmental costs 1,022 381 1,403

We are subject to numerous environmental requirements under federal, provincial, state and local laws in the countries in which we operate. We have gypsum stack capping, and closure and post-closure obligations through our subsidiaries, PCS Phosphate Company, Inc. in White Springs, Florida, and PCS Nitrogen Inc. in Geismar, Louisiana, pursuant to the financial assurance regulatory requirements in those states. As at December 31, 2022, we had $391 in surety bonds and letters of credit outstanding relating to these financial assurance obligations. The recorded provisions may not necessarily reflect our obligations under these financial assurances.
Note 23  Share Capital

Authorized

We are authorized to issue an unlimited number of common shares without par value and an unlimited number of preferred shares. The common shares are not redeemable or convertible. The preferred shares may be issued in one or more series with rights and conditions to be determined by the Board of Directors.

Issued

<table>
<thead>
<tr>
<th>Balance – December 31, 2021</th>
<th>Number of Common Shares</th>
<th>Share Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued under option plans and share-settled plans</td>
<td>557,492,516</td>
<td>15,457</td>
</tr>
<tr>
<td>Repurchased</td>
<td>3,066,148</td>
<td>202</td>
</tr>
<tr>
<td>(53,312,559)</td>
<td>(1,487)</td>
<td></td>
</tr>
<tr>
<td>Balance – December 31, 2022</td>
<td>507,246,105</td>
<td>14,172</td>
</tr>
</tbody>
</table>

Share Repurchase Programs

<table>
<thead>
<tr>
<th>Commencement Date</th>
<th>Expiry</th>
<th>Maximum Shares for Repurchase</th>
<th>Maximum Shares for Repurchase (%)</th>
<th>Number of Shares Repurchased</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020 Normal Course Issuer Bid</td>
<td>February 27, 2020</td>
<td>February 26, 2021</td>
<td>28,572,458</td>
<td>5</td>
</tr>
<tr>
<td>2021 Normal Course Issuer Bid</td>
<td>March 1, 2021</td>
<td>February 28, 2022</td>
<td>28,468,448</td>
<td>5</td>
</tr>
<tr>
<td>2022 Normal Course Issuer Bid ¹</td>
<td>March 1, 2022</td>
<td>February 7, 2023</td>
<td>55,111,110</td>
<td>10</td>
</tr>
<tr>
<td>2023 Normal Course Issuer Bid ²</td>
<td>March 1, 2023</td>
<td>February 29, 2024</td>
<td>24,962,194</td>
<td>5</td>
</tr>
</tbody>
</table>

1 The original expiry date was February 28, 2023, but we acquired the maximum aggregate number of common shares allowable on February 7, 2023. As of February 7, 2023, an additional 8,002,792 common shares were repurchased for cancellation at a cost of $625 and an average price per share of $78.07.
2 On February 15, 2023, our Board of Directors approved a share repurchase program. The 2023 normal course issuer, which is subject to acceptance by the Toronto Stock Exchange, will expire earlier than the date above if we acquire the maximum number of common shares allowable or otherwise decide not to make any further repurchases.

Purchases under the normal course issuer bids were, or may be, made through open market purchases at market prices as well as by other means permitted by applicable securities regulatory authorities, including private agreements.

<table>
<thead>
<tr>
<th>Summary of share repurchases</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of common shares repurchased for cancellation</td>
<td>53,312,559</td>
<td>15,982,154</td>
</tr>
<tr>
<td>Average price per share (US dollars)</td>
<td>84.34</td>
<td>69.17</td>
</tr>
<tr>
<td>Total cost</td>
<td>4,496</td>
<td>1,105</td>
</tr>
</tbody>
</table>

Dividends Declared

<table>
<thead>
<tr>
<th>Declared</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Per Share</td>
<td>Declared</td>
<td>Per Share</td>
</tr>
<tr>
<td>February 16, 2022</td>
<td>0.48</td>
<td>February 17, 2021</td>
</tr>
<tr>
<td>May 18, 2022</td>
<td>0.48</td>
<td>May 17, 2021</td>
</tr>
<tr>
<td>August 4, 2022</td>
<td>0.48</td>
<td>August 9, 2021</td>
</tr>
<tr>
<td>November 3, 2022</td>
<td>0.48</td>
<td>November 1, 2021</td>
</tr>
<tr>
<td></td>
<td>1.92</td>
<td></td>
</tr>
</tbody>
</table>

On February 15, 2023, our Board of Directors declared a quarterly dividend to $0.53 per share payable on April 13, 2023, to shareholders of record on March 31, 2023. The total estimated dividend to be paid is $265.
Note 24  Capital Management

Our capital allocation policy prioritizes safe and reliable operations, a healthy balance sheet, a sustainable dividend to shareholders, and a strategy to allocate remaining cash flow that maximizes shareholder value.

We include total debt, adjusted total debt, adjusted net debt and adjusted shareholders’ equity as components of our capital structure. We monitor our capital structure and, based on changes in economic conditions, may adjust the structure by adjusting the amount of dividends paid to shareholders, repurchasing shares, issuing new shares, issuing new debt or retiring existing debt.

We have access to the capital markets through our base shelf prospectus. We use a combination of short-term and long-term debt to finance our operations. We typically pay floating rates of interest on short-term debt and credit facilities, and fixed rates on notes and debentures.

We monitor the following measures to evaluate our ability to service debt, make strategic investments and ensure we are in compliance with our debt covenants:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted net debt to adjusted EBITDA</td>
<td>0.9</td>
<td>1.4</td>
</tr>
<tr>
<td>Adjusted EBITDA to adjusted finance costs</td>
<td>21.6</td>
<td>14.3</td>
</tr>
<tr>
<td>Debt to capital (calculated as adjusted total debt to adjusted capital) (Limit: 0.65 : 1.00)</td>
<td>0.32 : 1.00</td>
<td>0.32 : 1.00</td>
</tr>
</tbody>
</table>

Adjusted EBITDA is calculated in Note 3, while the calculation of the remaining components included in the above ratios are set out in the following tables:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short-term debt</td>
<td>2,142</td>
<td>1,560</td>
</tr>
<tr>
<td>Current portion of long-term debt</td>
<td>542</td>
<td>545</td>
</tr>
<tr>
<td>Current portion of lease liabilities</td>
<td>305</td>
<td>286</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>8,040</td>
<td>7,521</td>
</tr>
<tr>
<td>Lease liabilities</td>
<td>899</td>
<td>934</td>
</tr>
<tr>
<td>Total debt</td>
<td>11,928</td>
<td>10,846</td>
</tr>
<tr>
<td>Letters of credit – financial</td>
<td>97</td>
<td>114</td>
</tr>
<tr>
<td>Adjusted total debt</td>
<td>12,025</td>
<td>10,960</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total debt</td>
<td>11,928</td>
<td>10,846</td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>(901)</td>
<td>(499)</td>
</tr>
<tr>
<td>Unamortized fair value adjustments</td>
<td>(310)</td>
<td>(325)</td>
</tr>
<tr>
<td>Adjusted net debt</td>
<td>10,717</td>
<td>10,022</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total shareholders’ equity</td>
<td>25,863</td>
<td>23,699</td>
</tr>
<tr>
<td>Adjusted total debt</td>
<td>12,025</td>
<td>10,960</td>
</tr>
<tr>
<td>Adjusted capital</td>
<td>37,888</td>
<td>34,659</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance costs</td>
<td>563</td>
<td>613</td>
</tr>
<tr>
<td>Unwinding of discount on asset retirement obligations</td>
<td>(29)</td>
<td>9</td>
</tr>
<tr>
<td>Borrowing costs capitalized to property, plant and equipment</td>
<td>37</td>
<td>29</td>
</tr>
<tr>
<td>Interest on net defined benefit pension and other post-retirement plan obligations</td>
<td>(8)</td>
<td>(9)</td>
</tr>
<tr>
<td>Loss on early extinguishment of debt</td>
<td>-</td>
<td>(142)</td>
</tr>
<tr>
<td>Adjusted finance costs</td>
<td>563</td>
<td>500</td>
</tr>
</tbody>
</table>

In 2022, we filed a base shelf prospectus in Canada and the US qualifying the issuance of up to $5 billion of common shares, debt securities and other securities during a period of 25 months from March 11, 2022. In 2022, we issued $1 billion of notes pursuant to the base shelf prospectus and a prospectus supplement, as discussed in Note 18.
### Note 25  Business Combinations

<table>
<thead>
<tr>
<th></th>
<th>Casa do Adubo S.A. (&quot;Casa do Adubo&quot;)</th>
<th>Other Acquisitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition date</td>
<td>October 1, 2022</td>
<td>Various</td>
</tr>
<tr>
<td>Purchase price, net of cash and cash equivalents acquired, and amounts held in escrow</td>
<td>$231 (preliminary)</td>
<td>$176 (preliminary) (2021 – $88)</td>
</tr>
<tr>
<td></td>
<td>On the acquisition date, we acquired 100% of the issued and outstanding Casa do Adubo stock.</td>
<td></td>
</tr>
<tr>
<td>Goodwill and expected benefits of acquisitions</td>
<td>$145 (preliminary)</td>
<td>$55 (preliminary) (2021 – $77)</td>
</tr>
</tbody>
</table>
|                          | The expected benefits of the acquisitions resulting in goodwill include:  
|                          | • synergies from expected reduction in operating costs  
|                          | • wider distribution channel for selling products of acquired businesses  
|                          | • a larger assembled workforce  
|                          | • potential increase in customer base  
|                          | • enhanced ability to innovate |                   |
| Description              | An agriculture retailer in Brazil with 39 retail locations and 10 distribution centers. This acquisition is aligned with our disciplined approach to capital allocation and sustainability commitments, as we continue to expand our presence in Brazil. | 2022 – 43 Retail locations related to various agricultural services and one wholesale warehouse location (2021 – 36 Retail locations) |

We have engaged independent valuation experts to assist in determining the fair value of certain assets acquired and liabilities assumed and related deferred income tax impacts. As at December 31, 2022, the total consideration and purchase price allocation for Casa do Adubo and certain other acquisitions are not final as we are continuing to obtain and verify information required to determine the fair value of certain assets acquired and liabilities assumed and the amount of deferred income taxes arising on their recognition, as part of the due diligence process. We expect to finalize the amounts recognized as we obtain the information necessary to complete the analysis within one year from the date of acquisition.

We allocated the following values to the acquired assets and assumed liabilities based upon fair values at their respective acquisition date. The information below represents preliminary fair values. For certain other acquisitions, we finalized the purchase price with no material change to the fair values disclosed in prior periods. Refer to Note 30 for details of our valuation technique and judgments applied.
### Financial Information Related to the Acquired Operations

#### 2022 Proforma (estimated as if acquisitions occurred at the beginning of the year)

<table>
<thead>
<tr>
<th></th>
<th>Casa do Adubo</th>
<th>Other Acquisitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>440</td>
<td>240</td>
</tr>
<tr>
<td>Earnings before finance costs and income taxes(^1)</td>
<td>42</td>
<td>13</td>
</tr>
</tbody>
</table>

\(^1\) Net earnings is not available.

#### 2022 Actuals

<table>
<thead>
<tr>
<th></th>
<th>Casa do Adubo</th>
<th>Other Acquisitions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>130</td>
<td>100</td>
</tr>
<tr>
<td>Earnings before finance costs and income taxes</td>
<td>7</td>
<td>7</td>
</tr>
</tbody>
</table>

#### Note 26 Commitments

<table>
<thead>
<tr>
<th></th>
<th>Lease Liabilities</th>
<th>Long-Term Debt</th>
<th>Purchase Commitments</th>
<th>Capital Commitments</th>
<th>Other Commitments</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Within 1 year</strong></td>
<td>337</td>
<td>932</td>
<td>1,533</td>
<td>178</td>
<td>169</td>
<td>3,149</td>
</tr>
<tr>
<td><strong>1 to 3 years</strong></td>
<td>427</td>
<td>2,292</td>
<td>120</td>
<td>–</td>
<td>143</td>
<td>2,974</td>
</tr>
<tr>
<td><strong>3 to 5 years</strong></td>
<td>199</td>
<td>1,249</td>
<td>–</td>
<td>74</td>
<td>58</td>
<td>1,546</td>
</tr>
<tr>
<td><strong>Over 5 years</strong></td>
<td>411</td>
<td>8,947</td>
<td>120</td>
<td>–</td>
<td>58</td>
<td>9,536</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1,374</td>
<td>13,420</td>
<td>1,749</td>
<td>218</td>
<td>444</td>
<td>17,205</td>
</tr>
</tbody>
</table>
Purchase Commitments

We have a long-term natural gas purchase agreement in Trinidad that expires on December 31, 2023. The contract provides for prices that vary primarily with ammonia market prices and annual escalating floor prices. The commitments included in the foregoing table are based on floor prices and minimum purchase quantities.

Profertil has various gas contracts denominated in US dollars that expire in 2023 and 2025 and account for virtually all of Profertil’s gas requirements. YPF S.A., our joint venture partner in Profertil, supplies approximately 70 percent of the gas under these contracts.

The Carseland facility has a power cogeneration agreement, expiring on December 31, 2026, which provides 60 megawatt-hours of power per hour. The price for the power is based on a fixed charge adjusted for inflation and a variable charge based on the cost of natural gas provided to the facility for power generation.

Agreements for the purchase of sulfur for use in production of phosphoric acid provide for specified purchase quantities and prices based on market rates at the time of delivery. Commitments included in the foregoing table are based on expected contract prices.

As part of the agreement to sell the Conda Phosphate operations (“Conda”), we entered into long-term strategic supply and offtake agreements that end in 2023. Under the terms of the supply and offtake agreements, we will supply 100 percent of the ammonia requirements of Conda and purchase 100 percent of the monoammonium phosphate (“MAP”) product produced at Conda. The MAP production is estimated at 330,000 tonnes per year.

Other Commitments

Other commitments consist principally of pipeline capacity, technology service contracts, managed services contracts, throughput and various rail contracts, the latest of which expires in 2036, and mineral lease commitments, the latest of which expires in 2033.

Note 27 Guarantees

In the normal course of business, we provide indemnification agreements to counterparties in transactions such as purchase and sale contracts, service agreements, director/officer contracts, and leasing transactions. The terms of these indemnification agreements

- may require us to compensate counterparties for costs incurred as a result of various events, including environmental liabilities and changes in (or in the interpretation of) laws and regulations, or as a result of litigation claims or statutory sanctions that may be suffered by a counterparty as a consequence of the transaction;
- will vary based upon the contract, the nature of which prevents us from making a reasonable estimate of the maximum potential amount that we could be required to pay to counterparties; and
- have not historically resulted in any significant payments by Nutrien and, as at December 31, 2022, no amounts have been accrued in the consolidated financial statements (except for accruals relating to certain underlying liabilities).

We directly guarantee our share of certain commitments of Canpotex (such as railcar leases) under certain agreements with third parties. We would be required to perform on these guarantees in the event of default by the investee. No material loss is anticipated by reason of such agreements and guarantees.

Note 28 Related Party Transactions

Sale of Goods

We sell potash outside Canada and the US exclusively through Canpotex. Canpotex sells potash to buyers in export markets pursuant to term and spot contracts at agreed upon prices. Our total revenue is recognized at the amount received from Canpotex representing proceeds from their sale of potash, less net costs of Canpotex. Sales to Canpotex are shown in Note 3. The receivable outstanding from Canpotex is shown in Note 11 and arose from sale transactions described above. It is unsecured and bears no interest. There are no expected credit losses held against this receivable.
Key Management Personnel Compensation and Transactions with Post-Employment Benefit Plans

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and other short-term benefits</td>
<td>13</td>
<td>16</td>
</tr>
<tr>
<td>Share-based compensation</td>
<td>18</td>
<td>55</td>
</tr>
<tr>
<td>Post-employment benefits</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Termination benefits</td>
<td>10</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>44</td>
<td>82</td>
</tr>
</tbody>
</table>

Disclosures related to our post-employment benefit plans are shown in Note 21.

Note 29 Contingencies and Other Matters

Accounting Estimates and Judgments

The following judgments are required to determine our exposure to possible losses and gains related to environmental matters and other various claims and lawsuits pending:

- prediction of the outcome of uncertain events (i.e., being virtually certain, probable, remote or undeterminable);
- determination of whether recognition or disclosure in the consolidated financial statements is required; and
- estimation of potential financial effects.

Where no amounts are recognized, such amounts are contingent and disclosure may be appropriate. While the amount disclosed in the consolidated financial statements may not be material, the potential for large liabilities exists and, therefore, these estimates could have a material impact on our consolidated financial statements.

Supporting Information

Canpotex

Nutrien is a shareholder in Canpotex, which markets Canadian potash outside of Canada and the US. Should any operating losses or other liabilities be incurred by Canpotex, the shareholders have contractually agreed to reimburse it in proportion to each shareholder’s productive capacity. Through December 31, 2022, we are not aware of any operating losses or other liabilities.

Mining Risk

The risk of underground water inflows and other underground risks is insured on a limited basis, subject to insurance market availability. Through December 31, 2022, we are not aware of any material losses or other liabilities that we have not accrued for.

Environmental Remediation, Legal and Other Matters

We are engaged in ongoing site assessment and/or remediation activities at a number of facilities and sites. Anticipated costs associated with these matters are added to accrued environmental costs in the manner described in Note 22.

We have established provisions for environmental site assessment and/or remediation matters to the extent that we consider expenses associated with those matters likely to be incurred. Except for the uncertainties described below, we do not believe that our future obligations with respect to these matters are reasonably likely to have a material adverse effect on our consolidated financial statements.
Legal matters with significant uncertainties include the following:

- The United States Environmental Protection Agency ("US EPA") has an ongoing enforcement initiative directed at the phosphate industry related to the scope of an exemption for mineral processing wastes under the US Resource Conservation and Recovery Act ("RCRA"). This initiative affects the Conda Phosphate plant previously owned by Nu-West Industries, Inc. ("Nu-West"), a wholly owned subsidiary of Nutrien (Canada) Holdings ULC, and the Nutrien phosphoric acid facilities in Aurora, North Carolina; Geismar, Louisiana; and White Springs, Florida. Nutrien facilities received US EPA notices of violation ("NOVs") for alleged violations of the RCRA and various other environmental laws. Notwithstanding the sale of the Conda Phosphate operations in January 2018, Nu-West remains responsible for environmental liabilities attributable to its historic activities and for resolution of the NOVs. The facilities have been and continue to be involved in ongoing discussions with the US EPA, the US Department of Justice and the related state agencies to resolve these matters, with one such settlement being reached in 2022 for the Geismar, Louisiana facility. The Geismar consent decree was entered on October 19, 2022, and resolved the allegations associated with the historic phosphoric acid operations at that facility. Due to the nature of the allegations at the other facilities, we are uncertain as to how the matters will be resolved. Based on settlements with other members of the phosphate industry and the Geismar consent decree, we expect that a resolution could involve any or all of the following: 1) penalties, which we currently believe will not be material; 2) modification of certain operating practices; 3) capital improvement projects; 4) providing financial assurance for the future closure, maintenance and monitoring costs for the phosphogypsum stack system; and 5) addressing findings resulting from the RCRA section 3013 site investigations.

- We operate in countries that are parties to the Paris Agreement adopted in December 2015 pursuant to the United Nations Framework Convention on Climate Change. Each country that is a party to the Paris Agreement submitted an Intended Nationally Determined Contribution ("INDC") towards the control of greenhouse gas emissions. The impacts on our operations of these INDCs and other national and local efforts to limit or tax greenhouse gas emissions cannot be determined with any certainty at this time.

In addition, various other claims and lawsuits are pending against the Company in the ordinary course of business. While it is not possible to determine the ultimate outcome of such actions at this time, and inherent uncertainties exist in predicting such outcomes, we believe that the ultimate resolution of such actions is not reasonably likely to have a material adverse effect on our consolidated financial statements.

The breadth of our operations and the global complexity of tax regulations require assessments of uncertainties and judgments in estimating the taxes we will ultimately pay. The final taxes paid are dependent upon many factors, including negotiations with taxing authorities in various jurisdictions, outcomes of tax litigation, and resolution of disputes arising from federal, provincial, state and local tax audits. The resolution of these uncertainties and the associated final taxes may result in adjustments to our tax assets and tax liabilities.

We own facilities that have been either permanently or indefinitely shut down. We expect to incur nominal annual expenditures for site security and other maintenance costs at some of these facilities. Should the facilities be dismantled, certain other shutdown-related costs may be incurred. Such costs are not expected to have a material adverse effect on our consolidated financial statements and would be recognized and recorded in the period in which they are incurred.
Note 30  Accounting Policies, Estimates and Judgments

The following discusses the significant accounting policies, estimates, judgments and assumptions that we have adopted and applied and how they affect the amounts reported in the consolidated financial statements. Certain of our policies involve accounting estimates and judgments because they require us to make subjective or complex judgments about matters that are inherently uncertain and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions.

Basis of Consolidation

These consolidated financial statements include the accounts of the Company and entities we control.

- Subsidiaries are fully consolidated from the date on which control is transferred to the Company until the date on which control ceases. They are deconsolidated from the date that control ceases.
- Intercompany balances and transactions are eliminated on consolidation.

<table>
<thead>
<tr>
<th>Principal (wholly owned) Operating Subsidiaries</th>
<th>Location</th>
<th>Principal Activity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potash Corporation of Saskatchewan Inc.</td>
<td>Canada</td>
<td>Mining and/or processing of crop nutrients and corporate functions</td>
</tr>
<tr>
<td>Nutrien (Canada) Holdings ULC</td>
<td>Canada</td>
<td>Manufacturer and distributor of crop nutrients and corporate functions</td>
</tr>
<tr>
<td>Agrrium Canada Partnership</td>
<td>Canada</td>
<td>Manufacturer and distributor of crop nutrients</td>
</tr>
<tr>
<td>Agrium Potash Ltd.</td>
<td>Canada</td>
<td></td>
</tr>
<tr>
<td>Nutrien US LLC</td>
<td>US</td>
<td>Manufacturer and distributor of crop nutrients</td>
</tr>
<tr>
<td>Cominco Fertilizer Partnership</td>
<td>US</td>
<td></td>
</tr>
<tr>
<td>Loveland Products Inc.</td>
<td>US</td>
<td></td>
</tr>
<tr>
<td>Nutrien Ag Solutions Argentina S.A</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>Nutrien Ag Solutions (Canada) Inc.</td>
<td>Canada</td>
<td>Crop input retailer</td>
</tr>
<tr>
<td>Nutrien Ag Solutions, Inc.</td>
<td>US</td>
<td></td>
</tr>
<tr>
<td>Nutrien Ag Solutions Limited</td>
<td>Australia</td>
<td></td>
</tr>
<tr>
<td>PCS Nitrogen Fertilizer, LP</td>
<td>US</td>
<td>Production of nitrogen products in the US</td>
</tr>
<tr>
<td>PCS Nitrogen Ohio LP</td>
<td>US</td>
<td>Production of nitrogen products in the state of Ohio</td>
</tr>
<tr>
<td>PCS Nitrogen Trinidad Limited</td>
<td>Trinidad</td>
<td>Production of nitrogen products in Trinidad</td>
</tr>
<tr>
<td>PCS Phosphate Company, Inc.</td>
<td>US</td>
<td>Mining and/or processing of phosphate products</td>
</tr>
<tr>
<td>PCS Sales (USA) Inc.</td>
<td>US</td>
<td>Marketing and sales of the Company’s products</td>
</tr>
<tr>
<td>Phosphate Holding Company, Inc.</td>
<td>US</td>
<td>Mining and/or processing of phosphate products and production of nitrogen products in the US</td>
</tr>
</tbody>
</table>
Climate Change

In 2021, we announced our Environmental, Social and Governance (“ESG”) commitment to help address our key climate-related risks related to climate change and reduce our carbon footprint described in our Feeding the Future Plan. During 2022 there has been continued progress by Nutrien to deliver on our action plan and sustained development of the ESG frameworks and regulatory initiatives. We recognize that these developments could further impact our accounting estimates and judgments including, but not limited to, assessment of our asset useful lives, impairment of other long-lived assets, and asset retirement obligations and accrued environmental costs. We have monitored and will continue to monitor these developments as they affect our consolidated financial statements.

Foreign Currency Transactions

The consolidated financial statements are presented in US dollars, which we determined to be the functional currency of the Company and the majority of our subsidiaries. In determining the functional currency of our operations, we primarily considered the currency that determines the pricing of transactions rather than focusing on the currency in which transactions are denominated.

Foreign exchange gains and losses resulting from the settlement of foreign currency transactions, and from the translation at period-end of monetary assets and liabilities denominated in foreign currencies, are recognized and presented in the consolidated statements of earnings within other (income) expenses, as applicable, in the period in which they arise. Non-monetary assets measured at historical cost are translated at the average monthly exchange rate prevailing at the time of the transaction, unless the exchange rate in effect on the date of the transaction is available and it is apparent that such rate is a more suitable measurement.

Assets and liabilities in foreign operations are translated using the period-end rate, while the income and expenses are translated using the average monthly exchange rate. Equity of the foreign operation is translated using the historical rate at the time of the acquisition. Exchange gains and losses resulting from translation are recognized in other comprehensive income and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the foreign operation is disposed of.

Revenue

We recognize revenue when we transfer control over a good or service to a customer.

<table>
<thead>
<tr>
<th>Transfer of Control for Sale of Goods</th>
<th>Transfer of Control for Sale of Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>At the point in time when the product is purchased at our Retail farm center, or delivered and accepted by customers at their premises, or loaded for shipping.</td>
<td>Over time as the promised service is rendered.</td>
</tr>
</tbody>
</table>

Judgment is used to determine whether we are acting as principal or agent by evaluating who:

- has the primary responsibility for fulfilling the promised good;
- bears the inventory risk including if the vendor has the right to have its product returned on demand; and
- has discretion for establishing the price.

For transactions in which we act as an agent rather than the principal, revenue is recognized net of any commissions earned. The related commissions are recognized as the sales occur or as unconditional contracts are signed.

We recognize profits on sales to Canpotex when there is a transfer of control, either at the time the product is loaded for shipping or delivered, depending on the terms of the contract. Sales are recognized using a provisional price at the time control is transferred to Canpotex, with the final pricing determined upon Canpotex’s final sale to a third party (generally between one and three months from date of sale to Canpotex).
Our sales revenue relating to our Potash, Nitrogen and Phosphate segments is generally recorded and measured based on the “freight on board” mine, plant, warehouse or terminal price specified in the contract (except for certain vessel sales or specific product sales that are shipped and recorded on a delivered basis), which reflects the consideration we expect to be entitled to in exchange for the goods or services, net of any variable consideration (e.g., any trade discounts or estimated volume rebates). Our customer contracts may provide certain product quality specification guarantees but do not generally provide for refunds or returns. Sales prices are based on North American and international benchmark market prices, which are subject to global supply and demand, and other market factors.

For our Retail segment, we do not provide general warranties; however, our customer contracts may provide certain product quality specification guarantees. Returns and incentives are estimated based on historical and forecasted data, contractual terms, and current conditions.

Transportation costs are generally recovered from the customer through sales pricing. Where customer contracts include volume rebates, we estimate revenue at the earlier of when the most likely amount of consideration we expect to receive has been determined or when it is highly probable that a significant reversal will not occur.

Due to the nature of goods and services sold, any single estimate would have only a negligible impact on revenue.

As the expected period between when control over a promised good or service is transferred and when the customer pays for that good or service is generally less than 12 months, we apply the practical expedient as provided in IFRS 15, “Revenue from Contracts with Customers,” and do not adjust the promised amount of consideration for the effects of financing.

Intersegment sales are made under terms that approximate market value.

Seasonality in our business results from increased demand for products during planting season. Crop input sales are generally higher in the spring and fall application seasons. Crop nutrient inventories are normally accumulated leading up to each application season. Our cash collections generally occur after the application season is complete, while customer prepayments made to us are typically concentrated in December and January and inventory prepayments paid to our suppliers are typically concentrated in the period from November to January. Feed and industrial sales are more evenly distributed throughout the year.

**Share-Based Compensation**

For awards with performance conditions that determine the number of options or units to which employees are entitled, measurement of compensation cost is based on our best estimate of the outcome of the performance conditions. Changes to vesting assumptions are reflected in earnings immediately for compensation cost already recognized.

<table>
<thead>
<tr>
<th>For Plans Settled Through the Issuance of Equity</th>
<th>For Plans Settled Through Cash</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Fair value for stock options is determined on grant date using the Black-Scholes-Merton option-pricing model, and</td>
<td>• a liability is recorded based on the fair value of the awards each period.</td>
</tr>
</tbody>
</table>

Estimation involves determining:

- stock option-pricing model assumptions as described in the weighted average assumptions table in Note 5;
- forfeiture rate for options granted based on past experience and future expectations, and adjusted upon actual vesting; and
- projected outcome of performance conditions for PSUs, including our return on invested capital compared to Nutrien’s weighted average cost of capital, and including the relative ranking of our total shareholder return, including expected dividends, compared with a specified peer group using a Monte Carlo simulation option-pricing model; and
- the number of dividend equivalent units expected to be earned.
### Income Taxes

Taxation on earnings (loss) is composed of current and deferred income tax. Taxation is recognized in the statements of earnings unless it relates to items recognized either in OCI or directly in shareholders’ equity.

<table>
<thead>
<tr>
<th>Current Income Tax</th>
<th>Deferred Income Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>- is the expected tax payable on the taxable earnings for the year and includes any adjustments to income tax payable or recoverable in respect of previous years</td>
<td>- is recognized using the liability method</td>
</tr>
<tr>
<td>- is calculated using rates enacted or substantively enacted at the dates of the consolidated balance sheets in the countries where our subsidiaries and equity-accounted investees operate and generate taxable earnings</td>
<td>- is based on temporary differences between carrying amounts of assets and liabilities and their respective income tax bases</td>
</tr>
<tr>
<td>- is the best estimate expected to be paid to (or recovered from) the taxation authorities</td>
<td>- is determined using tax rates that have been enacted or substantively enacted by the dates of the consolidated balance sheets and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled</td>
</tr>
</tbody>
</table>

Current and deferred income tax assets and liabilities are offset only if certain criteria are met.

The realized and unrealized excess tax benefits from share-based compensation arrangements are recognized in contributed surplus as current and deferred tax, respectively.

The final taxes paid, and potential adjustments to tax assets and liabilities, are dependent upon many factors including

- negotiations with taxation authorities in various jurisdictions;
- outcomes of tax litigation; and
- resolution of disputes arising from federal, provincial, state and local tax audits.

Deferred income tax is not accounted for

- with respect to investments in subsidiaries and equity-accounted investees where we are able to control the reversal of the temporary difference and that difference is not expected to reverse in the foreseeable future; and
- if arising from initial recognition of an asset or liability in a transaction, other than a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss.

Deferred tax assets are

- recognized to the extent it is probable future taxable profit will be available to use deductible temporary differences and could be reduced if projected earnings are not achieved or increased if earnings previously not projected become probable; and
- reviewed at each balance sheet date and amended to the extent that it is no longer probable that the related tax benefit will be realized.

### Financial Instruments

Financial assets are measured at fair value (either through OCI or through profit or loss) or amortized cost depending on the objective of the business model for managing the instrument or group of instruments and the contractual terms of the cash flows.

For equity investments not held for trading, we may make an irrevocable election at initial recognition to recognize changes in fair value through OCI rather than profit or loss.
Financial instruments are classified and measured as follows:

<table>
<thead>
<tr>
<th>Fair Value Classification</th>
<th>Fair Value Through Profit or Loss</th>
<th>FVTOCI</th>
<th>Amortized Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Instrument type</td>
<td>Cash and cash equivalents, derivatives, and certain equity investments not held for trading</td>
<td>Certain equity investments not held for trading for which an irrevocable election was made</td>
<td>Receivables, short-term debt, payables and accrued charges, long-term debt, lease liabilities, and other long-term debt instruments</td>
</tr>
<tr>
<td>Fair value gains and losses</td>
<td>Profit or loss</td>
<td>OCI</td>
<td>–</td>
</tr>
<tr>
<td>Interest and dividends</td>
<td>Profit or loss</td>
<td>Profit or loss</td>
<td>Profit or loss: effective interest rate</td>
</tr>
<tr>
<td>Impairment of assets</td>
<td>–</td>
<td>–</td>
<td>Profit or loss</td>
</tr>
<tr>
<td>Foreign exchange</td>
<td>Profit or loss</td>
<td>OCI</td>
<td>Profit or loss</td>
</tr>
<tr>
<td>Transaction costs</td>
<td>Profit or loss</td>
<td>OCI</td>
<td>Included in cost of instrument</td>
</tr>
</tbody>
</table>

Financial instruments are recognized at trade date when we commit to purchase or sell the asset. Financial assets are derecognized when the rights to receive cash flow from the investments have expired or we have transferred the rights to receive cash flow and all the risks and rewards of ownership have also been substantially transferred.

Derivatives are used to lock in exchange rates. For designated and qualified cash flow hedges:

- the effective portion of the change in the fair value of the derivative is accumulated in OCI;
- when the hedged forecast transaction occurs, the related gain or loss is removed from AOCI and included in the cost of inventory or property plant and equipment;
- the hedging gain or loss included in the cost of inventory is recognized in earnings when the product containing the hedged item is sold or becomes impaired; and
- the ineffective portions of hedges are recorded in net earnings in the current period.

We assess whether our derivatives hedging transactions are expected to be or were highly effective, both at the hedge’s inception and on an ongoing basis, in offsetting changes in fair values of hedged items.

<table>
<thead>
<tr>
<th>Hedging Transaction</th>
<th>Measurement of Ineffectiveness</th>
<th>Potential Sources of Ineffectiveness</th>
</tr>
</thead>
</table>
| Foreign exchange      | Comparison of the cumulative changes in fair value and the cumulative change in the fair value of a hypothetical derivative with terms based on the hedged forecast cash flows | Changes in
  - timing or amounts of forecasted cash flows
  - embedded optionality
  - our credit risk or the credit risk of a counterparty |

Financial assets and financial liabilities are offset, and the net amount is presented in the consolidated balance sheets when we:

- currently have a legally enforceable right to offset the recognized amounts; and
- intend either to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

**Fair Value Measurements**

Estimated fair values for financial instruments are designed to approximate amounts for which the instruments could be exchanged in a current arm’s-length transaction between knowledgeable, willing parties. The valuation policies and procedures for financial reporting purposes are determined by our finance department.
Fair value measurements are categorized into different levels within a fair value hierarchy based on the degree to which the lowest level inputs are observable and their significance:

<table>
<thead>
<tr>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unadjusted quoted prices (in active markets accessible at the measurement date for identical assets or liabilities)</td>
<td>Quoted prices (in markets that are not active or based on inputs that are observable for substantially the full term of the asset or liability)</td>
<td>Prices or valuation techniques that require inputs that are both unobservable and significant to the overall measurement</td>
</tr>
</tbody>
</table>

Fair value estimates

- are at a point in time and may change in subsequent reporting periods due to market conditions or other factors;
- can be determined using multiple methods, which can cause values (or a range of reasonable values) to differ; and
- may require assumptions about costs/prices over time, discount and inflation rates, defaults, and other relevant variables.

**Cash and Cash Equivalents**

Highly liquid investments with a maturity of three months or less from the date of purchase are considered to be cash equivalents.

**Receivables**

Receivables from customers are recognized initially at fair value and subsequently measured at amortized cost less allowance for expected credit losses of receivables from customers.

**Inventories**

Inventories are valued monthly at the lower of cost and net realizable value. Costs are allocated to inventory using the weighted average cost method.

Net realizable value is based on:

<table>
<thead>
<tr>
<th>Products and Raw Materials</th>
<th>Materials and Supplies</th>
</tr>
</thead>
<tbody>
<tr>
<td>• selling price of the finished product (in ordinary course of business) less the estimated costs of completion and estimated costs to make the sale</td>
<td>• replacement cost</td>
</tr>
</tbody>
</table>

A writedown is recognized if the carrying amount exceeds net realizable value and may be reversed if the circumstances that caused it no longer exist. Various factors impact our estimates of net realizable value, including inventory levels, forecasted prices of key production inputs, global nutrient capacities, crop price trends, and changes in regulations and standards employed.

Vendors may offer various incentives to purchase products for resale. Vendor rebates and prepay discounts are accounted for as a reduction of the prices of the suppliers’ products. Rebates based on the amount of materials purchased reduce cost of goods sold as inventory is sold. Rebates earned based on sales volumes of products are offset to cost of goods sold.

Rebates that are probable and can be reasonably estimated are accrued. Rebates that are not probable or estimable are accrued when certain milestones are achieved.

Estimation of rebates can be complex in nature as vendor arrangements are diverse. The amount of the accrual is determined by analyzing and reviewing historical trends to apply negotiated rates to estimated and actual purchase volumes. Estimated amounts accrued throughout the year could also be impacted if actual purchase volumes differ from projected volumes.
## Property, Plant and Equipment

### Owned

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>cost, which includes capitalized borrowing costs, less accumulated depreciation and any accumulated impairment losses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>cost of major inspections and overhauls is capitalized</td>
</tr>
<tr>
<td></td>
<td></td>
<td>maintenance and repair expenditures that do not improve or extend productive life are expensed in the period incurred</td>
</tr>
</tbody>
</table>

### Right-of-Use (Leased)

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>cost less accumulated depreciation and any accumulated impairment losses</td>
</tr>
<tr>
<td></td>
<td></td>
<td>lease payments are allocated between finance costs and a reduction of the liability, and discounted using the interest rate implicit in the lease, if available, or an incremental borrowing rate, being a rate that we would have to pay to borrow the funds required to obtain a similar asset, adjusted for term, security, asset value and the borrower’s economic environment.</td>
</tr>
</tbody>
</table>

### Depreciation method

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>certain property, plant and equipment directly related to our Potash, Nitrogen and Phosphate segments uses units-of-production based on the shorter of estimates of reserves or service lives</td>
</tr>
<tr>
<td></td>
<td></td>
<td>pre-stripping costs uses units-of-production over the ore mined from the mineable acreage stripped</td>
</tr>
<tr>
<td></td>
<td></td>
<td>remaining assets uses straight-line</td>
</tr>
</tbody>
</table>

### Estimated useful lives, expected patterns of consumption, depreciation method and residual values are reviewed at least annually.

### Judgment/practical expedients

<table>
<thead>
<tr>
<th>Description</th>
<th></th>
<th>Measurement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>costs, including income or expenses derived from an asset under construction, that are eligible for capitalization;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>timing to cease cost capitalization, generally when the asset is capable of operating in the manner intended by management, but also considering the circumstances and the industry in which the asset is to be operated, normally predetermined by management with reference to such factors as productive capacity;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>the appropriate level of componentization (for individual components for which different depreciation methods or rates are appropriate);</td>
</tr>
<tr>
<td></td>
<td></td>
<td>repairs and maintenance that qualify as major inspections and overhauls; and</td>
</tr>
<tr>
<td></td>
<td></td>
<td>useful life over which such costs should be depreciated, which may be impacted by changes in our strategy, process or operations as a result of climate-change initiatives.</td>
</tr>
</tbody>
</table>

Judgment is required in determining whether a contract or arrangement includes a lease and if it is reasonably certain that an extension option will be exercised. We seek to maximize operational flexibility in managing our leasing activities by including extension options when negotiating new leases. Extension options are exercisable at our option and not by the lessors. In determining if a renewal period should be included in the lease term, we consider all relevant factors that create an economic incentive for us to exercise a renewal, including

- the location of the asset and the availability of suitable alternatives,
- the significance of the asset to operations, and
- our business strategy.

Estimation is used to determine the useful lives of ROU assets, the lease term and the appropriate discount rate applied to the lease payments to calculate the lease liability.
Uncertainties are inherent in estimating reserve quantities, particularly as they relate to assumptions regarding future prices, the geology of our mines, the mining methods used, and the related costs incurred to develop and mine reserves. Changes in these assumptions could result in material adjustments to reserve estimates, which could result in impairments or changes to depreciation expense in future periods.

We have chosen to
- include the use of a single discount rate for a portfolio of leases with reasonably similar characteristics,
- not separate non-lease components and instead to account for lease and non-lease components as a single arrangement, and
- use exemptions for short-term and low-value leases which allow payments to be expensed as incurred.

Goodwill and Intangible Assets

Goodwill is carried at cost, is not amortized, and represents the excess of the cost of an acquisition over the fair value of the Company’s share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is allocated to a CGU or group of CGUs for impairment testing based on the level at which it is monitored by management, and not at a level higher than an operating segment. The allocation is made to the CGU or group of CGUs expected to benefit from the business combination in which the goodwill arose.

Intangible assets are generally measured at cost less accumulated amortization and any accumulated impairment losses. We use judgment to determine which expenditures are eligible for capitalization as intangible assets. Costs incurred internally from researching and developing a product are expensed as incurred until technological feasibility is established, at which time the costs are capitalized until the product is available for its intended use. Judgment is required in determining when technological feasibility of a product is established. Intangible assets with finite lives are amortized on a straight-line basis over their estimated useful lives. At least annually, the useful lives are reviewed and adjusted if appropriate.

Impairment of Long-Lived Assets

To assess impairment, assets are grouped at the smallest levels for which there are separately identifiable cash inflows that are largely independent of the cash inflows from other assets or groups of assets (this can be at the asset or CGU level).

At the end of each reporting period, we review conditions to determine whether there is any indication that an impairment exists that could potentially impact the carrying amounts of both our long-lived assets to be held and used (including property, plant and equipment, and investments), and our goodwill and intangible assets. When such indicators exist, impairment testing is performed. Additionally, goodwill is tested at least annually on October 1.

We review, at each reporting period, for possible reversal of the impairment for non-financial assets, other than goodwill.

Estimates and judgment involve
- identifying the appropriate asset, group of assets, CGU or groups of CGUs;
- determining the appropriate discount rate for assessing the recoverable amount;
- making assumptions about future sales, market conditions, terminal growth rates and cash flow forecasts over the long-term life of the assets or CGUs; and
- evaluating impacts of climate change to our strategy, processes and operations.
We cannot predict if an event that triggers impairment or a reversal of impairment will occur, when it will occur or how it will affect reported asset amounts. Asset impairment amounts previously recorded could be affected if different assumptions were used or if market and other conditions change. Such changes could result in non-cash charges materially affecting our consolidated financial statements.

**Pension and Other Post-Retirement Benefits**

Employee retirement and other defined benefit plans costs, including current and past service costs, gains or losses on curtailments and settlements, and remeasurements, are actuarially determined on a regular basis using the projected unit credit method.

When a plan amendment occurs before a settlement, we recognize past service cost before any gain or loss on settlement.

Our discount rate assumptions are impacted by

- the weighted average interest rate at which each pension and other post-retirement plan liability could be effectively settled at the measurement date;
- country specific rates; and
- the use of a yield curve approach based on the respective plans’ demographics, expected future pension benefits and medical claims. Payments are measured and discounted to determine the present value of the expected future cash flows. The cash flows are discounted using yields on high-quality AA-rated non-callable bonds with cash flows of similar timing where there is a deep market for such bonds. Where we do not believe there is a deep market for such bonds (such as for terms in excess of 10 years in Canada), the cash flows are discounted using a yield curve derived from yields on provincial bonds rated AA or better to which a spread adjustment is added to reflect the additional risk of corporate bonds.

Net actuarial gains or loss incurred during the period for defined benefit plans are closed out to retained earnings at each period-end.

**Asset Retirement Obligations and Accrued Environmental Costs**

Asset retirement obligations and accrued environmental costs include

- reclamation and restoration costs at our potash and phosphate mining operations, including management of materials generated by mining and mineral processing, such as various mine tailings and gypsum;
- land reclamation and revegetation programs;
- decommissioning of underground and surface operating facilities;
- general clean-up activities aimed at returning the areas to an environmentally acceptable condition; and
- post-closure care and maintenance.

We consider the following factors as we estimate our provisions:

- environmental laws and regulations and interpretations by regulatory authorities, including updates on climate change, could change or circumstances affecting our operations could change, either of which could result in significant changes to current plans;
- the nature, extent and timing of current and proposed reclamation and closure techniques in view of present environmental laws and regulations;
- appropriate technical resources, including outside consultants, assist us in developing specific site closure and post-closure plans in accordance with the jurisdiction requirements; and
- timing of settlement of the obligations, which is typically correlated with mine life estimates except for certain land reclamation programs.

It is reasonably possible that the ultimate costs could change in the future and that changes to these estimates could have a material effect on our consolidated financial statements. We review our estimates for any changes in assumptions at the end of each reporting period.
We recognized contingent liabilities related to our business combinations or acquisitions, which represent additional environmental costs that are present obligations although cash outflows of resources are not probable. These contingent liabilities are subsequently measured at the higher of the amount initially recognized and the amount that would be recognized if the liability becomes probable.

**Share Capital**

Common shares are classified as equity. Incremental costs directly attributable to the issuance of common shares are recognized as a deduction from equity, net of any tax effects. When we repurchase our own common shares, share capital is reduced by the average carrying value of the shares repurchased. The excess of the purchase price over the average carrying value is recognized as a deduction from retained earnings. If the average carrying value of the shares repurchased is less than the average carrying value of the shares in share capital, the excess is recognized as an addition to share capital. Shares are cancelled upon repurchase.

**Restructuring Charges**

Plant shutdowns, sales of business units or other corporate restructurings may trigger restructuring charges. The provision is based on the best estimate of a detailed formal plan, which includes determining the incremental costs for employee termination, contract termination and other exit costs.

**Business Combinations**

Purchase price allocation involves judgment in identifying assets acquired and liabilities assumed, and estimation of their fair values. Key assumptions include discount rates and revenue growth rates specific to the acquired assets or liabilities assumed. We performed a thorough review of all internal and external sources of information available on circumstances that existed at the acquisition date. We also engaged independent valuation experts on certain acquisitions to assist in determining the fair value of certain assets acquired and liabilities assumed and related deferred income tax impacts. To determine fair values, we generally use the following valuation techniques:

<table>
<thead>
<tr>
<th>Account</th>
<th>Valuation Technique and Judgments Applied</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property, plant and equipment</td>
<td>Market approach for land and certain types of personal property: sales comparison that measures the value of an asset through an analysis of sales and offerings of comparable assets. Replacement costs for all other depreciable property, plant and equipment: measures the value of an asset by estimating the costs to acquire or construct comparable assets and adjusts for age and condition of the asset.</td>
</tr>
<tr>
<td>Intangible assets</td>
<td>Income approach – multi-period excess earnings method: measures the value of an asset based on the present value of the incremental after-tax cash flows attributable to the asset after deducting contributory asset charges (“CACs”). Allocation of CACs is a matter of judgment and based on the nature of the acquired businesses’ operations and historical trends. We considered several factors in determining the fair value of customer relationships, such as customers’ relationships with the acquired company and its employees, the segmentation of customers, historical customer attrition rates, and revenue growth.</td>
</tr>
<tr>
<td>Other provisions and contingent liabilities</td>
<td>Decision-tree approach of future costs and a risk premium to capture the compensation sought by risk-averse market participants for bearing the uncertainty inherent in the cash flows of the liability.</td>
</tr>
</tbody>
</table>

For each business combination, we elect to measure the non-controlling interest in the acquired entity either at fair value or at the proportionate share of the acquiree’s identifiable net assets. Foreign exchange hedge gains or losses that we designated a cash flow hedge are included in the consideration. The gain or loss from the cash flow hedge is deferred in OCI and subsequently recorded as an adjustment to goodwill when the business combination occurs.

Transaction costs are recorded in integration and restructuring related costs in other (income) expenses.
Standards, Amendments and Interpretations Effective and Applied
The IASB and IFRS Interpretations Committee ("IFRIC") has issued certain standards and amendments or interpretations to existing standards that were effective, and we have applied.

In 2022, we have adopted the following amendments and annual improvements with no material impact on our consolidated financial statements:

- Reference to the Conceptual Framework (Amendments to IFRS 3)
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018–2020 (IFRS 16, IFRS 9, IFRS 1, IAS 41)

Standards, Amendments and Interpretations Not Yet Effective and Not Applied
The IASB and IFRIC have issued the following standards, amendments or interpretations to existing standards that were not yet effective and not applied as at December 31, 2022.

The following amendments and amended standards will be adopted in 2023 and are not expected to have a material impact on our consolidated financial statements:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (IFRS 1, IAS 12)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Definition of Accounting Estimates (Amendments to IAS 8)
- IFRS 17 Insurance Contracts
- Amendments to IFRS 17

The following amendments are being reviewed to determine the potential impact on our consolidated financial statements:

- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Classification of liabilities as current or non-current (Amendments to IAS 1)