



Building a Culture of Belonging

GENDER PAY GAP NARRATIVE

DATA REFLECTIVE APRIL 2021 THROUGH APRIL 2022



A Message from our CEO

CF Industries has a long history of creating value for our stakeholders. We believe we have an opportunity to help create a better world not only through the products we make and the way we operate, but also by empowering our employees, strengthening our culture of inclusive leadership, and supporting our communities.

CF Industries' employees enjoy well-paying jobs with outstanding benefits and opportunities for growth and development. Our team is deeply committed to safety excellence. As of December 31, 2022, the 12-month rolling average recordable incident rate was 0.33 incidents per 200,000 work hours, significantly better than industry benchmarks.

Our *Do It Right* approach has historically focused on the physical safety of our employees. Over the years, however, and especially during challenging times, we have learned that there are many tenets to safety. As a result, the way we approach and exemplify safety has continued to evolve to prioritize psychological safety as well. We are committed to creating a culture where all employees feel safe to respectfully voice their ideas and bring their full, authentic selves to work and feel seen, heard, and valued.

Tony Will

President and Chief Executive Officer



Tony Will
President and CEO

Measuring the Pay Gap

The [European Union Pay Transparency Act](#) regulations require all companies with over 250 employees to report their gender pay gap. CF shares the median and mean average of the pay gap between our male and female employees based on hourly pay rate. This hourly pay rate is measured from a snapshot taken on 5 April, 2022, and includes bonuses paid during the reporting period between April 2021-2022.

On 5 April, 2022, we employed 560 employees, of whom 555 were on full pay. Our median average gender pay gap is 3.52% with our median average bonus gender pay gap 1.83%. Our mean average gender pay gap is -3.49%. Our mean bonus gender pay gap is -54.14%. In the context of the gender pay gap, negative figures indicate higher earnings. In other words, our data tells us that during the reporting period, our female employees earned, on average, a 3.49% higher wage and on average a 54.14% higher bonus than our male employees, as shown below.

Understanding positive and negative figures in the gender pay gap

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

Gender split for total workforce (560 employees)

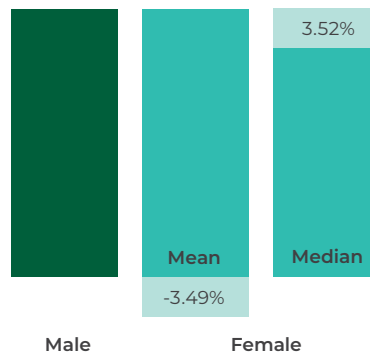


90.2% men (505 employees)

9.8% women (55 employees)

Proportion of females employed remains consistent year-over-year (2021: 89.2% male; 10.8% female).

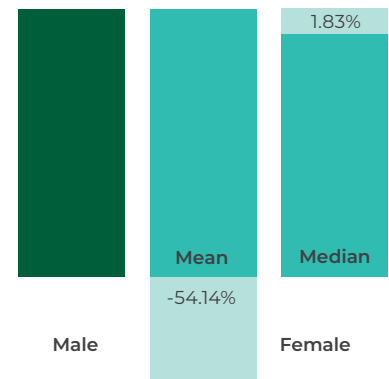
Pay



Mean average gender pay gap is -3.49%.

Median average gender pay gap is 3.52%. This is driven primarily by the increased number of shift allowances earned by our predominantly male operational population who safely operate our sites.

Bonus



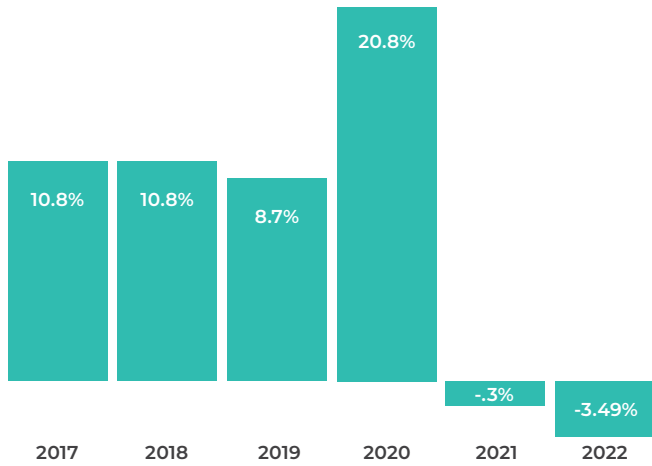
Mean average bonus gender pay gap is -54.14%. This highlights the increasing percentage of women in leadership and head office positions across the business.

Median average bonus gender pay gap is 1.83%.

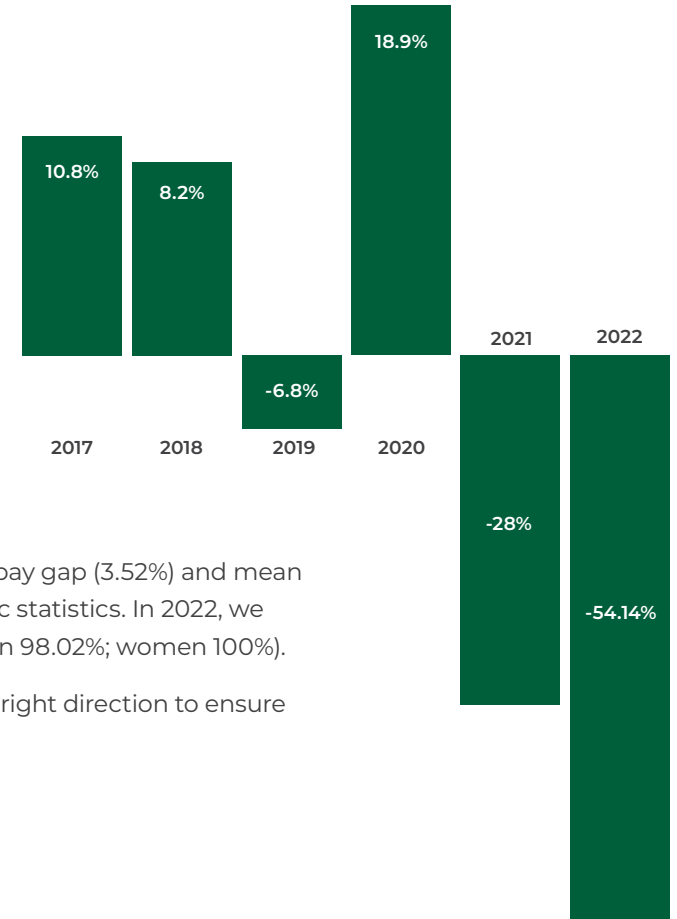
Our data shows that our female employees on average earn a 3.49% higher wage and 54.14% higher bonus than our male employees. We are proud that our mean gender pay gap of -3.49% is significantly lower than the national average of 8.3% as estimated for 2022 by the *Office for National Statistics*. The mean gender pay gap is also considerably lower than the chemical manufacturing industry estimate of 7.7%.

Between 2017-2021, we made significant progress to improve our mean hourly pay and mean bonus pay gap. In 2022, we saw the mean gender pay gap favour women for the second consecutive year in our gender pay gap reporting cycle, a significant achievement we are proud to highlight.

Mean gender pay gap in hourly pay



Mean gender pay gap in bonus pay

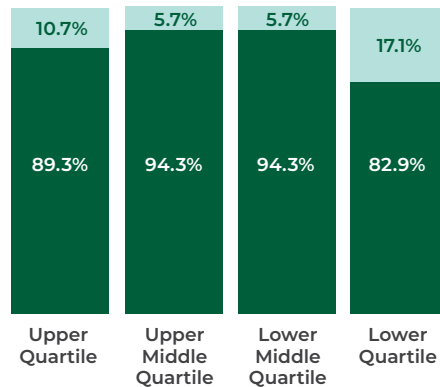


During the last reporting period, we saw our median hourly pay gap (3.52%) and mean hourly pay gap (-3.49%), even out based on the pre-pandemic statistics. In 2022, we continued to have almost all employees receive a bonus (men 98.02%; women 100%).

The above graph shows us that our data was trending in the right direction to ensure equality for male and female CF employees.

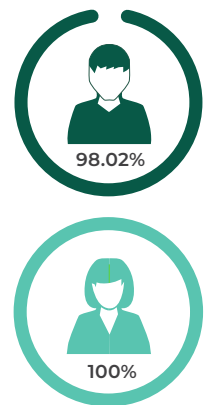
In 2022, the percentage of women in the middle and upper quartiles had increased since the previous year. Also, women with upper, middle, and lower pay quartiles decreased since 2021. The percentage of women receiving a bonus has increased, as shown on the right.

Pay quartiles



The percentage of women in the upper middle quartile has increased since last year (up from 4.1%).

Recipient of bonus



Both men and women received bonuses higher than the last reporting period (men 95.1%; women 96.8%).

Career Progression at CF

We continue to place professional and personal development at the heart of CF, and we exhibit efforts to upskill and promote employees internally. We believe in the importance to plan successively and ensure our coworkers can advance in their chosen career path.

Please take a moment to hear from a few female employees located at CF UK to learn about their experiences with the Company.

Lesley Lambert-Gibbs, Senior Procurement Officer

I started working for CF at the end of 2015 as a procurement officer. Since then, I have been promoted to a senior procurement officer. Having started working in the industrial chemical industry at age 18, I have had 37 years to witness a progressively changing (for the better) attitude towards female staff within several different chemical companies.

In my view, CF treats both genders equally and respectfully, and all opportunities are open to all staff, along with the same payment structure. In my workplace, we have a fair number of female staff in different levels of employment. My head of department is female and is an excellent role model of just how far you can rise within the realms of CF, if you are willing to work hard.

I have had the experience of training and development in my own role and the opportunity to apply for higher levels if I so wished. My experience with CF has been a rewarding and positive one. It's refreshing to see that CF is ensuring that equal opportunities are available to all."

Kathy Golding, Business Analyst – IT

I joined the company in 1996 as a day chemist. As one of only two females on the manufacturing site, I was unsure how I would be received. It was a positive experience, and I was always treated the same as my male colleagues. I was offered the opportunity to join the IT department in 2003 following my involvement in a cross-functional project. My manager was happy to develop my skills in this area over the culminating years for me to be offered the position of business analyst in 2016. Throughout my time with the company, there have always been women in senior roles, which has been encouraging. I have always seen CF as a gender and ethnically diverse company, that is happy to recognise the achievements of all employees no matter their age, gender, sexual orientation or ethnicity."

Judith Goldsbrough, Operational Accountant –Finance

I have been with CF for 24 years, starting at the headquarters in a junior administrative position. I worked my way up with the support given and earned my accounting qualifications, ultimately finding my way into finance. This enabled me to experience numerous roles within that time. Hopefully, the long service shows that I enjoy my time here. I have experienced many company and staffing changes throughout the years. Moving from a headquarter environment 15 years ago to a site-based manufacturing environment was in itself a change. Although, I soon fit in and felt very comfortable. The Billingham site is truly a 'family-feel' environment, and everyone is willing to help and offer support when needed."

Continued Progress

CF Industries has made progress across its global business in building a more diverse and inclusive workplace. We strive for a variety of perspectives, backgrounds, and experiences to be represented across the Company. We have set short- and long-term inclusion, diversity, and equity (ID&E) goals that we are already exhibiting progress in achieving this mission. The Company remains intentional to address these public goals related to shaping a diverse and inclusive workforce. Further, we are executing our ID&E strategy, which is focused on three areas:

- 1 Representation
- 2 Education and Skill Development
- 3 Belonging




Our Commitment to Inclusion and Diversity

At CF, we're on a journey to build a culture of belonging: a workplace where everyone feels welcomed, valued, empowered, and inspired to do their best work. A culture where it's safe to be yourself. That's our vision of inclusion, diversity, and equity (ID&E). Whilst this commitment is not new, we're finding new ways to live out our commitment and advance our culture.


2022 Highlights for CF Industries

Strengthening Inclusion, Diversity & Equity across our Organization




17%

During its first full calendar year, **Inclusion Resource Group (IRG) membership has grown** to include 17% of our organization




3,300


Hours CF Industries employees volunteered together through our new **Volunteer Time Off (VTO) program**, positively impacting our communities




Proud sponsor of **Women in Agribusiness, National Association for EHS&S Management, Society of Women Engineers, and Society of Hispanic Professional conferences**, which advances equitable professional development opportunities for our team




100% employee compliance with mandatory **Disrupting Everyday Bias** training




Internal roll-out of our **Employee Value Proposition**, our unique offer and promise to current and future employees




1,100+ Hours of dedicated **mentoring performed by colleagues through CF Industries' new mentoring program**, Mentoring@CF, since its launch in April 2022



Launched **New Hire Integration program**, providing all new hires with consistent and engaging experience as well as connections to peers and resources during first 90 days to help create a sense of belonging



4M+ Total **charitable giving**



2,000+ Participants in **cultural awareness and engagement events**

Expanded new paid parental leave benefit for all employees, offering paid leave of up to four weeks for new parents

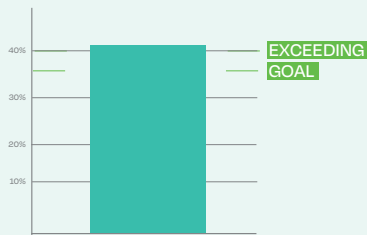
Sustainability Goals

Our sustainability goals include a focus on females and traditionally underrepresented groups and serve as an additional guide for our inclusion, diversity, and equity (ID&E) strategy.

Goal: Increase representation of females and persons of color in senior leadership roles (director level and above) to at least 30% by the end of 2025

Result

As of November 2022, we have surpassed this goal and are at 38%



Goal: Create additional pathways to long-term professional growth for traditionally underrepresented employee groups by the end of 2021 with the ultimate goal of increasing the hiring and promotion of underrepresented groups

Result



In 2021, we joined over 80+ companies in supporting the Multiple Pathways Initiative, a multi-year effort to facilitate career development and shift talent practices to emphasize skill versus credentials



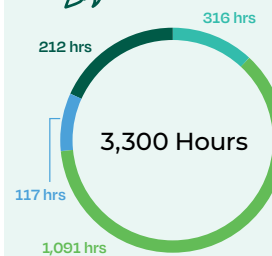
In 2022, we advanced toward those goals, working with internal and external experts to develop skills-based job descriptions, create clear pathways to promotions, and optimize our recruiting process

Goal: Implement a Volunteer Time Off (VTO) program by the end of 2021, which provides paid time off for employees to volunteer in their communities with organizations that are part of the Company's giving strategy. Achieve 25% employee participation in VTO program by the end of 2025

Result



We launched our VTO program in 2021



In 2022, CF Industries employees volunteered 3,300 hours, making a positive impact across all four areas of our charitable giving strategy: environmental sustainability (509 hours); healthy food access (546 hours); Science, Technology, Engineering, and Mathematics (STEM) education and awareness (44 hours); and local community advancement (1804 hours)

- STEM Education Awareness
- Local Community Advancement
- Environmental Sustainability
- Healthy Food Access

Acting on our Strategy

Our long-term Inclusion, Diversity & Equity (ID&E) strategy focuses on working concurrently across three key areas – Representation, Education & Skill Development, and Belonging. In 2022, we advanced our strategy on multiple fronts.

- Developed an ID&E scorecard to measure the impact of individual ID&E efforts
- Identified diverse sources of talent and built partnerships targeting Historically Black Colleges and Universities in the US and Science, Technology, Engineering, and Mathematics (STEM) organizations
- Leveraged talent assessment process to identify diverse talent and create talent development plans
- Launched new mentoring program, Mentoring@CF, to develop and retain diverse talent
- Sponsored new professional conferences, advancing equitable professional development opportunities for our team



REPRESENTATION
Increase representation of women and underrepresented groups at all levels



EDUCATION & SKILL DEVELOPMENT
Enhance organizational understanding and skillsets related to inclusion and diversity



BELONGING
Strengthen belonging and our inclusive culture internally and in our communities

- Established Inclusion Council goals and action plans
- Supported Inclusion Resource Group (IRG) 2022 plans to increase membership and engagement activities
- Identified and organized two organization-wide philanthropic events
- Partnered with internal centers of excellence in well-being, Total Rewards, safety, and procurement
- Incorporated 7, 45, 90, 180-day belonging surveys into the New Hire Integration program

- Continued to require Disrupting Everyday Bias training as part of our core curriculum and onboarding strategy, with 100% of employees completing online training
- Provided inclusive leadership training to all people leaders
- Supported Multiple Pathways Initiative to develop underrepresented employees and attract minority and female candidates
- Integrated IRG and ID&E goals into recruitment efforts and CF's New Hire Integration program, which provides a consistent and engaging experience for new hires during their first 90 days
- Integrated communication strategy and campaign reinforcing ID&E goals
- Continued to reinforce existing bias training in daily interactions, behaviors, and decisions
- Launched new ID&E Learning Journey program