



# Updating Our Retirement Benefits

*For US employees earning retirement benefits under the Cash Balance formula of the CF Industries Holdings, Inc. Pension Plan (hired on or after January 1, 2004 and legacy Terra employees hired on or after July 1, 2003)*

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The background features a large green shape at the top that tapers to the right, and a blue shape at the bottom left that tapers to the right. A dark green shape is positioned between the green and blue shapes, overlapping them.

**As we continue to grow, it's important that we offer a retirement program that:**

- Provides a competitive benefit that is valued by employees
- Supports employees in building their retirement savings
- Recognizes and rewards long service
- Attracts prospective employees, and
- Supports career progression across CF

*This Guide is intended to satisfy the requirements for the issuance of a 204(h) Notice under the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), as well as a Section 4980F Notice under the Internal Revenue Code of 1986, as amended. You should take the time to read this Guide carefully and keep it with your copy of the Summary Plan Description.*



## What's Changing and Why

It is common practice to regularly review our benefit plans to make sure they meet our employees' needs and remain competitive in our industry. Our recent review found that we have an opportunity to update and enhance our North America retirement savings program. As we continue to grow, it's vital we offer a consistent retirement savings program that is valued by our employees, recognizes and rewards long service, is attractive to prospective candidates and supports career progression across CF.

Beginning January 1, 2023, you will earn retirement benefits through **enhanced company contributions to your 401(k) plan**, and you will stop earning benefits under the Cash Balance formula of the CF Industries Holdings, Inc. Pension Plan. The Cash Balance benefits that you have already earned through December 31, 2022 are yours to keep once vested and will be available to you when you leave the company.

While you will no longer earn annual pay credits, your Cash Balance plan account balance will continue to grow with annual interest credits. If you are not yet 100% vested, you will continue to earn vesting service until you reach three years of service with CF.

We remain committed to providing a competitive Total Rewards package, including retirement benefits that help you build your savings and enhance your financial well-being. This guide will help you better understand how your current retirement benefits work, what happens to the benefits you have already earned, and how the enhanced 401(k) will help you continue to build your retirement savings.

**Some of the terminology in this Guide may be new to you. Please reference page 9 for a glossary of terms.**

### Why is CF updating retirement benefits?

Several factors were considered:

- **Updated retirement benefit.** By moving to a defined contribution (DC)-based retirement savings program, we are aligning our retirement benefits with market practice while continuing to provide the valuable benefits employees expect and deserve.
- **Market competitiveness.** We must remain competitive in the benefits we offer our current employees as well as our future workforce. DC-based retirement benefits have become the norm in how companies are providing retirement benefits to their employees. The updates we're making align our retirement benefits with what's common in the market, and what potential employees expect from an employer.
- **Investment control.** With a DC-based retirement savings program, employees have control over how all of their retirement benefits are invested. This also makes it more attractive for potential employees to join CF.

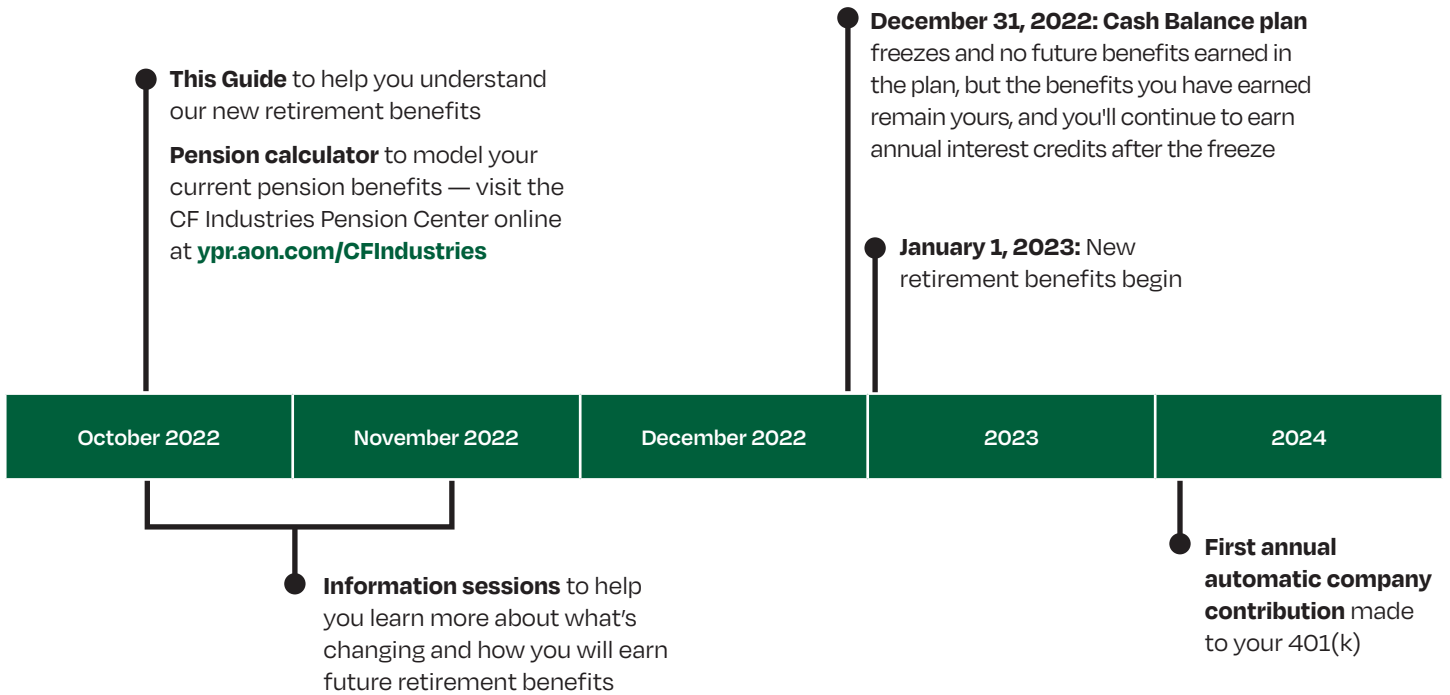
# Your Retirement Benefits: Changes at a Glance

Here's a quick look at the updates to our retirement benefits:

Plan	Update/change	For details
<b>401(k) Plan</b>	<p><b>New annual automatic company contribution (effective January 1, 2023)</b></p> <p>The company will make an annual contribution to your 401(k) each year equal to a percentage of your eligible earnings; there is no action or election required on your part. Contributions will generally be made in the first quarter following the end of the plan year for participants employed through December 31 of the plan year.</p>	<p><b>See page 4</b></p>
	<p><b>Expanded definition of eligible earnings (beginning January 1, 2023)</b></p> <p>Eligible earnings<sup>1</sup> for the annual and matching company contributions will include actual bonus paid (e.g., AIP, VIP).</p>	
	<p><b>Investment decisions</b></p> <p>You will have control over how your company contributions are invested, just as you do with your 401(k) contributions and the company's matching contributions.</p>	
	<p><b>Continued company-matching contributions</b></p> <p>The company will continue to match your contributions to the 401(k) — dollar for dollar — up to 6%.</p>	
<b>Cash Balance Plan</b>	<p><b>Pension plan freeze (December 31, 2022)</b></p> <p>Freezing the Cash Balance plan means that the benefits earned through the freeze date remain; however, no additional benefits will be earned under the Cash Balance plan, with the exception of the annual interest credits.</p> <p>Beginning on January 1, 2023, you will no longer earn annual pay credits.</p>	<p><b>See page 6</b></p>
	<p><b>Benefits you've earned will remain yours</b></p> <p>Your Cash Balance account balance as of December 31, 2022 is yours to keep once you become 100% vested (after three years of service). It will continue to grow with annual interest credits.</p>	
	<p><b>Determining your frozen benefit</b></p> <p>The amount of your benefit will be based on your Cash Balance account balance as of December 31, 2022, plus annual interest credits applied to your account.</p>	
	<p><b>Earning service towards vesting</b></p> <p>Being "vested" in a benefit means that you own that benefit. If you are not vested in the Cash Balance benefit yet because you've been with CF less than three years, your future service with the company will count towards vesting.</p>	

<sup>1</sup> US eligible earnings includes base, actual bonus paid (e.g., AIP, VIP), and other various earnings — for example, scheduled overtime and shift differential — up to a maximum of \$500,000 USD. To the extent eligible earnings exceed the Internal Revenue Code Section 401(a)(17) limit (\$305,000 for 2022), certain contributions may be made under a nonqualified savings plan sponsored by CF. You will be notified if you are impacted by this IRS limit and have contributions made under a nonqualified savings plan.

## What you can expect now and at the time of the change:



# Understanding Your Future Retirement Savings Benefit

Beginning January 1, 2023, in addition to the 401(k) company match, you will earn future retirement benefits through a new annual automatic company contribution to your 401(k). This contribution will be based on your years of service and your eligible earnings as shown in the chart below.

You will also continue to receive company-matching contributions of 100% on the first 6% of compensation you contribute to your 401(k) each pay period.

Your 401(k) Company Contribution Opportunity			
Years of service	Your annual company contribution	Maximum company-matching contribution <sup>2</sup> (per pay period)	Total potential company contribution annually
Less than 5 years	4%	6%	<b>10%</b>
5 – 9 years	5%	6%	<b>11%</b>
10 – 14 years	6%	6%	<b>12%</b>
15 or more years	7%	6%	<b>13%</b>

<sup>2</sup> Assumes you contribute at least 6% of pay to receive the maximum company match.

## Expanded definition of eligible earnings

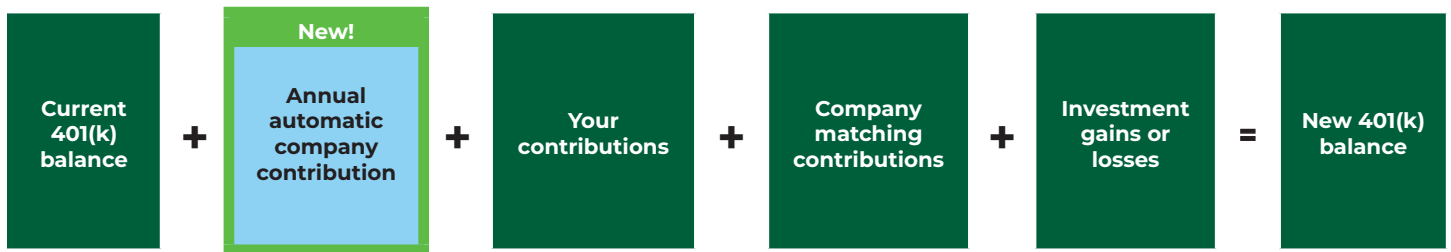
Beginning January 1, 2023, eligible earnings for the automatic company and matching contributions will include actual bonus paid (e.g., AIP, VIP)<sup>3</sup>. US eligible earnings include up to a maximum of \$500,000 USD.

## How much can I contribute to my 401(k)?

Your combined pre-tax and Roth 401(k) contributions are subject to an annual limit, which is \$20,500 in 2022. If you are age 50 or older, you may contribute up to an additional \$6,500 for a total of \$27,000. You can change your 401(k) contribution election at any time during the year, but make sure you contribute enough to get the full company match. If you stop making contributions for any reason, the company-matching contributions will stop too.

<sup>3</sup> CF Industries reserves the right to amend, change or terminate any of its benefit plans, programs, policies or practices at any time.

## How your 401(k) works: Beginning January 1, 2023



The money in your 401(k) account is yours once vested

Your contributions to your 401(k) and any investment gains or losses are always yours and you can take them with you, wherever your career takes you. The company's automatic and matching contributions and their associated investment gains or losses are yours once vested:

- You become vested in the **company's annual automatic contributions** and the associated investment gains/losses on these contributions after 3 years of service (includes service prior to January 1, 2023).
- You become vested in the **company-matching contributions** and the associated investment gains/losses on these contributions after 2 years of service (includes service prior to January 1, 2023).

### 401(k) investment choices

You choose how you want the savings in your 401(k) invested. You will keep any investment gains or losses on your contributions, and once vested, the company's automatic and matching contributions to your account. If you don't choose an investment option, your account will be invested in the target date fund for your assumed retirement age. You can see and choose your investment options by contacting Fidelity online at [www.netbenefits.com](http://www.netbenefits.com) or calling **1-800-835-5095** Monday through Friday from 8:30 a.m. to 8:00 p.m. ET.

### Financial planning resources... at no cost to you!

You can contact an Ayco financial coach to discuss the impact that the new retirement program will have on your financial plan. Ayco's experienced financial professionals are available to help you maximize the value of your benefits and deliver personalized financial guidance.

You can engage on your terms, when and how it is most convenient for you, either by working with an Ayco coach or using their digital tools, trackers, and resources. Coaches are backed by the power of Goldman Sachs and provide objective and confidential guidance — at no cost to you.

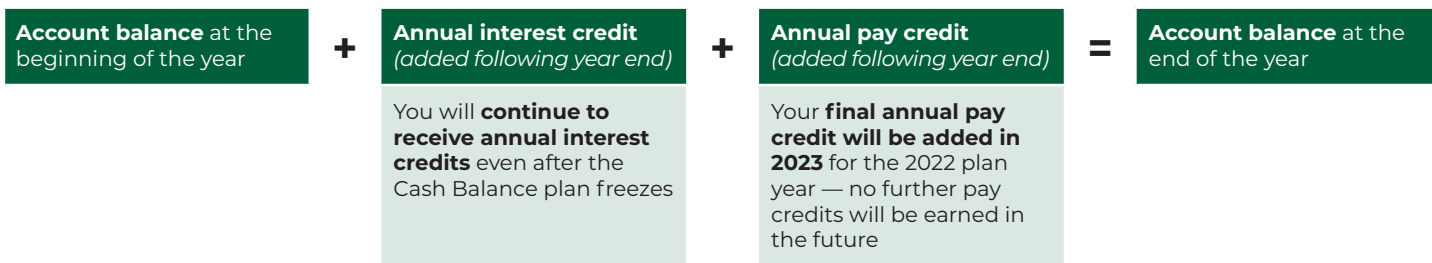
Call an Ayco coach at **1-800-527-0012** or access Goldman Sachs Ayco's digital platform at [www.ayco.com/login/cfindustries](http://www.ayco.com/login/cfindustries).

## Understanding Your Cash Balance Benefit

The Cash Balance plan is a defined benefit pension plan, which means CF calculates a “defined” monthly benefit that you will be eligible to receive during retirement. The monthly benefit is based on your Cash Balance account value at the time you start receiving payment.

While you will earn future retirement benefits through the 401(k), your Cash Balance account value that you earn through December 31, 2022, plus annual interest credits, will still make up a portion of your retirement income, so it's important to understand how it works. Let's take a closer look at how your Cash Balance account is calculated:

### How the Cash Balance plan works... the annual calculation



### What the pension plan changes mean for you

Beginning on January 1, 2023, your Cash Balance plan benefit will be frozen, so what does that really mean for your pension benefit?

- **Benefits will stop accruing.** “Freezing” the Cash Balance plan means that you won't earn annual pay credits in that plan after December 31, 2022. However, your Cash Balance account will continue to grow with annual interest credits.
- **Benefits earned through December 31, 2022 will be available to you when you leave the company.** While you will stop earning annual pay credits after December 31, 2022, all vested benefits are yours.
- **You will continue to earn service towards vesting.** If you are not yet vested in the Cash Balance plan because you have been with the company less than three years, your future service with the company will count towards vesting fully in your benefits.

To see the value of your pension benefit and model future projections, visit the pension calculator at the CF Industries Pension Center online at [ypr.aon.com/CFIndustries](https://ypr.aon.com/CFIndustries).



# Answers to Your Questions

## Questions about the change

### 1. Why is CF making these changes?

We regularly review our benefit plans to make sure they meet our employees' needs and remain competitive in our industry. Our review found that we have an opportunity to update and harmonize our retirement benefits so that all current and future employees will have the opportunity to build their retirement savings.

### 2. Who is affected by the update to our benefits?

As we harmonize our retirement benefits, all current and future employees across North America will have the opportunity to begin earning future retirement benefits through our enhanced US 401(k) or Canadian DC plan. This transition will take place between January 1, 2023 and January 1, 2026, depending on the participant's current retirement plan.

### 3. Are our new benefits competitive?

Yes. We benchmark our benefit plans with companies similar to ours to help us make sure our benefits are competitive with those offered by companies with which we compete for talent.

### 4. Will CF save money as a result of these changes?

The design of the new program is not a cost-saving exercise. Rather, our goal is to provide a more modern plan design that is valued by our employees, recognizes and rewards long service, is attractive to prospective candidates and supports career progression across CF.

## Questions about your benefits

### 5. What changes are being made to my benefits?

Beginning January 1, 2023, you will earn retirement benefits through enhanced company contributions to your 401(k) plan, and you will stop earning benefits in the Cash Balance plan (your plan will be frozen). The Cash Balance benefits that you have earned through December 31, 2022 are yours to keep once vested and will be available to you when you leave the company.

While you will no longer earn annual pay credits, your Cash Balance account will continue to grow with annual interest credits. If you are not yet 100% vested, you will continue to earn vesting service until you reach three years of service with CF.

### 6. What is a "frozen" pension plan?

A frozen pension plan means that the benefits earned through the freeze date remain; however, no additional benefits will be earned in this plan. With the Cash Balance plan, your account balance will continue to grow with annual interest credits. After you leave the company, you can receive the benefits you have earned prior to the plan freeze (December 31, 2022).

### 7. What happens to the pension benefits I have already earned?

Benefits you earn in the Cash Balance plan through December 31, 2022 are yours to keep once you are vested and will be available to you when you leave the company. Beginning January 1, 2023, you will no longer earn benefits in the Cash Balance plan; however, your benefit will continue to grow through annual interest credits beyond the freeze.

## Answers to Your Questions (continued)

### 8. How will my final Cash Balance benefit be determined?

The amount of your benefit from the pension plan will be determined by the value of your individual Cash Balance account on December 31, 2022 (the date of the freeze), plus additional annual interest credits applied to your account for each year until you start receiving payment.

### 9. How are annual pay credits determined?

You receive pay credits based on your years of pension service and the amount of your pension-eligible compensation during that year, as follows:

Completed years of pension plan service on the last day of the plan year	Pay credit for the calendar year (as a percentage of pension-eligible compensation)
Under 5 years	4%
5 but under 10 years	5%
10 but under 15 years	6%
15 or more years	7%

This contribution will end when the Cash Balance plan freezes (December 31, 2022).

### 10. When will I receive my 2022 annual pay credit and interest credit?

Your annual pay credit and interest credit for the 2022 plan year will be added to your account in mid-2023. While no further pay credits will be earned, you will continue to receive interest credits annually.

### 11. Can I move my Cash Balance account to my 401(k)?

No. However, once all DB plans in North America are frozen as of December 31, 2025, we will explore options in the future to enable employees to transfer the benefits to their US 401(k) to give them more control over how these funds are invested.

### 12. How will I earn retirement benefits in the future?

When your Cash Balance plan freezes (December 31, 2022), you will begin earning all future retirement benefits through automatic and matching company contributions to your 401(k). You will have flexibility and control over how your retirement savings are invested.

### 13. Do I have to contribute to my 401(k) to receive the automatic company contribution?

No. The automatic company contribution will be made to your 401(k) account based on your years of service and your eligible earnings. However, if you do not contribute to your 401(k), you will be missing out on up to 6% additional contributions from the company.

### 14. Where can I go for more information?

If you have questions, you should attend one of the information sessions being held in October and November.

For questions about your pension benefits, visit CF Industries Pension Center online at [ypr.aon.com/CFIndustries](http://ypr.aon.com/CFIndustries) or call **1-866-234-9977** Monday through Friday, 9:00 a.m. to 5:00 p.m. CT.

For questions about the 401(k), visit Fidelity online at [www.netbenefits.com](http://www.netbenefits.com) or call **1-800-835-5095** Monday through Friday from 8:30 a.m. to 8:00 p.m. ET.

For financial planning resources, call an Ayco coach at **1-800-527-0012** or access Goldman Sachs Ayco's digital platform at [www.ayco.com/login/cfindustries](http://www.ayco.com/login/cfindustries).

## Glossary of Terms

**Annual automatic contribution:** a contribution made by CF to your 401(k) each year that is determined by your length of service and a percentage of your eligible earnings. CF makes this contribution with no action or contribution required by you.

**Annual interest credit:** an amount of money CF contributes each year to your Cash Balance account — even after the freeze — based on the value of your plan account. The annual interest credit is the greater of 3% or an annual rate equal to the average rate of the interest paid on a 10-year Treasury security for the November of the prior plan year.

**Annual pay credit:** an amount of money CF contributes to your Cash Balance account based on your years of pension service and the amount of your pension-eligible compensation during that year.

**Company-matching contribution:** money CF contributes to your 401(k) account if you contribute to the plan from your eligible earnings. The maximum annual matching company contribution is 6% of your eligible earnings.

**Eligible earnings:** amount of money you earn at CF that is considered when determining your company-provided benefits and the amount you can contribute to your 401(k). Eligible earnings include base, actual bonus paid (e.g., AIP, VIP), and other various earnings — for example, scheduled overtime and shift differential — up to a maximum of \$500,000.

**Defined benefit plan:** a company-sponsored retirement plan where benefits are calculated using a formula that considers completed years of service and eligible annual compensation. The Cash Balance pension plan is a defined benefit plan.

**Defined contribution plan:** a company-sponsored retirement plan in which CF and you make contributions to your individual account under the plan. The amount CF automatically contributes annually considers completed years of service and eligible annual earnings, while company-matching contributions match the amount you contribute, up to 6% annually. The amount in the account at distribution includes the contributions and investment gains or losses. The 401(k) is a defined contribution plan.

**Freeze:** a pension plan freeze means that benefits earned through the freeze date remain; however, no additional benefits will be earned in this plan. Cash Balance participants will continue to earn interest credits after the freeze.

**Vesting:** the process of earning ownership rights to your retirement benefits. When you are vested in the plan, you are entitled to the plan benefit. If you are not yet vested in your Cash Balance account, future service with the company will count towards fully vesting in your benefit.



*This Guide is intended to provide highlights of certain features of the CF Industries Holdings, Inc. Pension Plan and CF Industries Holdings, Inc. 401(k) Plan. The materials herein do not contain all the terms and provisions of the program. If there is a discrepancy between the contents of this Guide and the official legal documents for the program, the official legal documents will govern. CF Industries reserves the right to amend, change or terminate any of its benefit plans, programs, policies or practices at any time. Nothing within the contents of this Guide shall be construed as creating an express or implied obligation on the part of the Company to maintain such plans, programs, policies or practices. Neither receipt of this packet nor participation in any Company-sponsored benefits is meant to imply an employment contract.*

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