



# Potash Operations, Capital, and Procurement

**SMA Supply Chain Forum**

4 April 2019

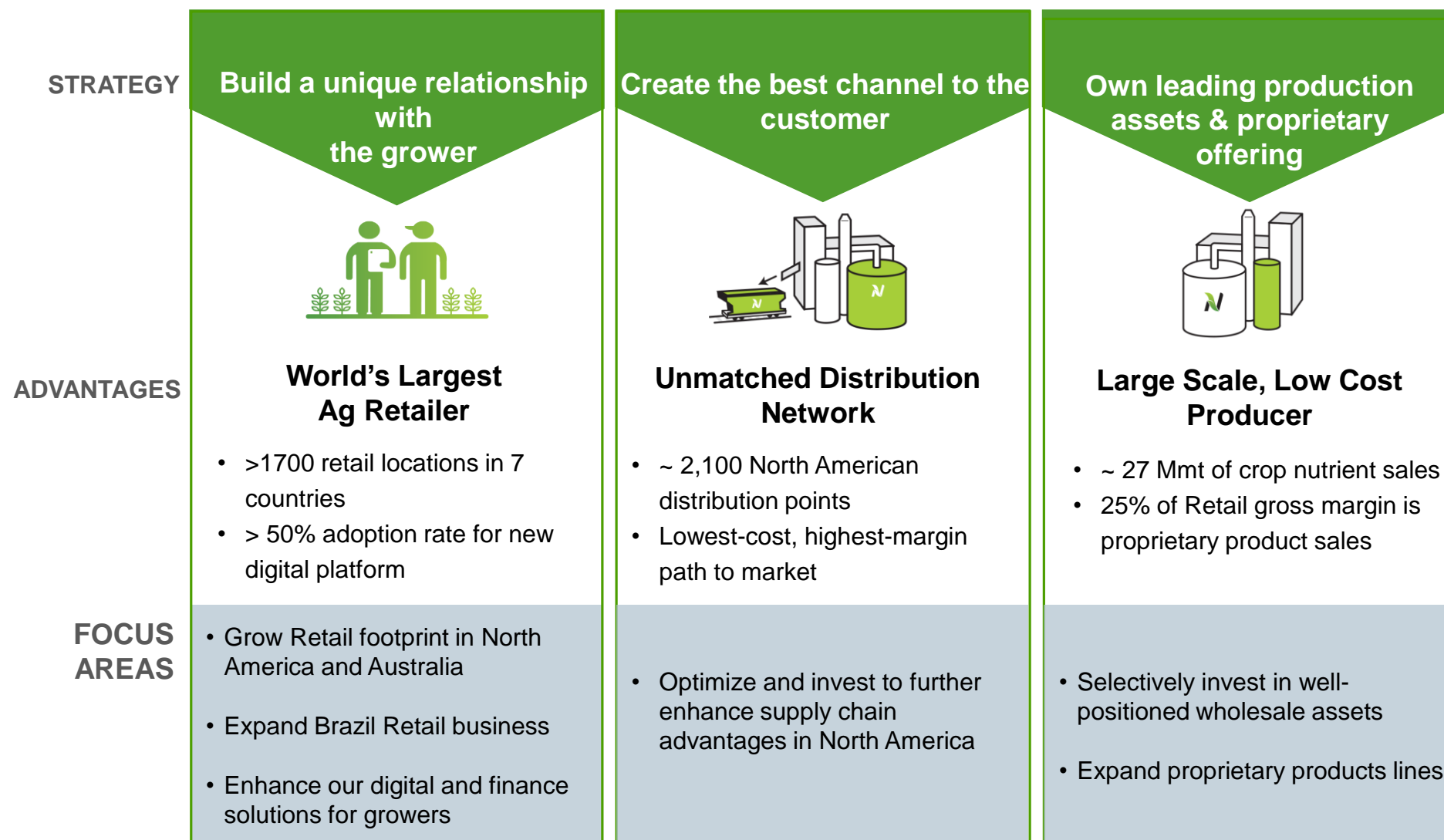
Jeff Wagner, Director, Capital - Potash

Josh Dodd, Director, Procurement - Potash

# Our Vision is to be the Leading Global Integrated Ag Solutions Provider

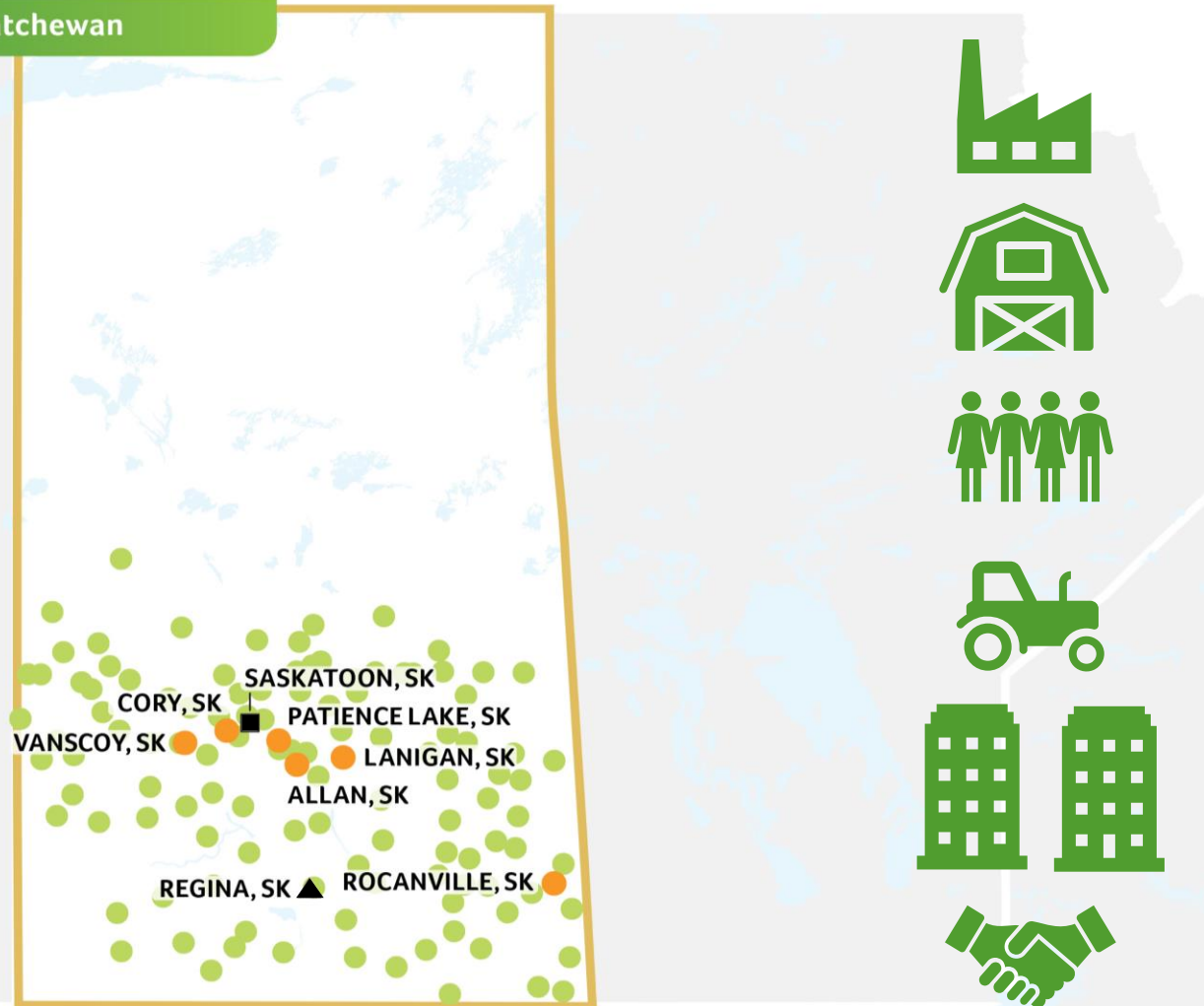


2





## Saskatchewan



**6 Potash Mines, Pilot Plant and Seed Development R&D at Innovation Place**



**~125 Retail Sites**



**~4,000 employees**



**Supporting ~15,000 farmers**



**2 Corporate Offices (Saskatoon & Regina)**



**Sustained by nearly 2,000 local suppliers**

Retail Location Potash Facility Corporate Office Canadian Retail Office



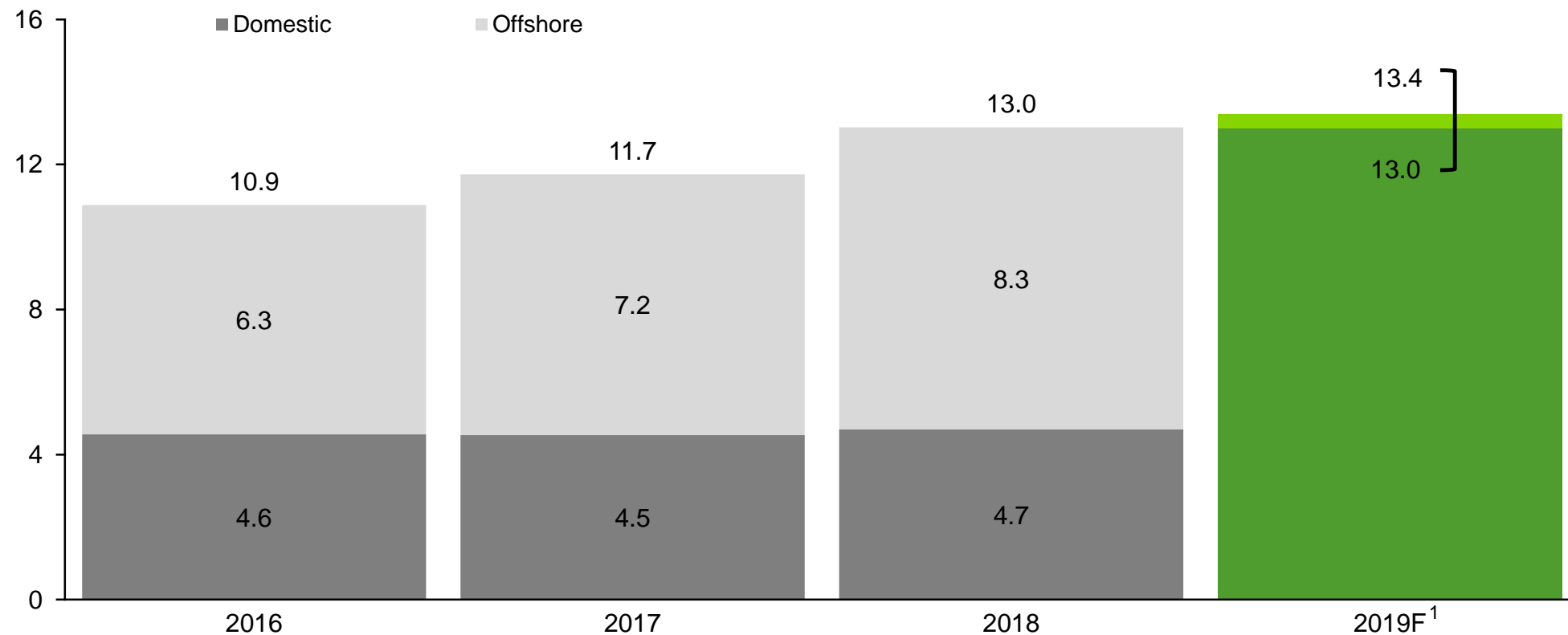
**\$750 million**  
more to the Saskatchewan economy

- **\$460 million** in economic output increased due to operational activity
- **\$220 million** in additional capital investments on our facilities, equipment and digital assets
- **\$70 million** associated with the new Nutrien Tower currently under construction

Potash sales have grown by over 2Mmt over the last two years

## Nutrien Potash Sales Volume

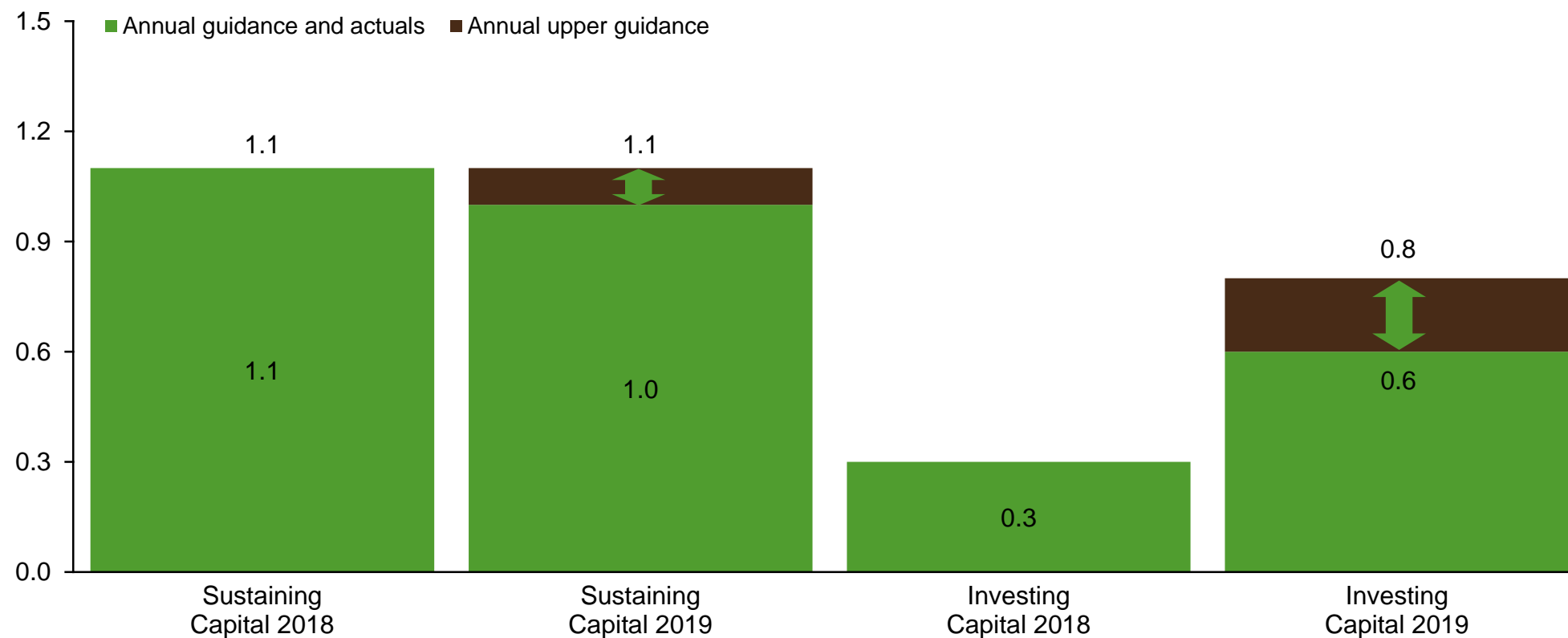
Million Tonnes KCl



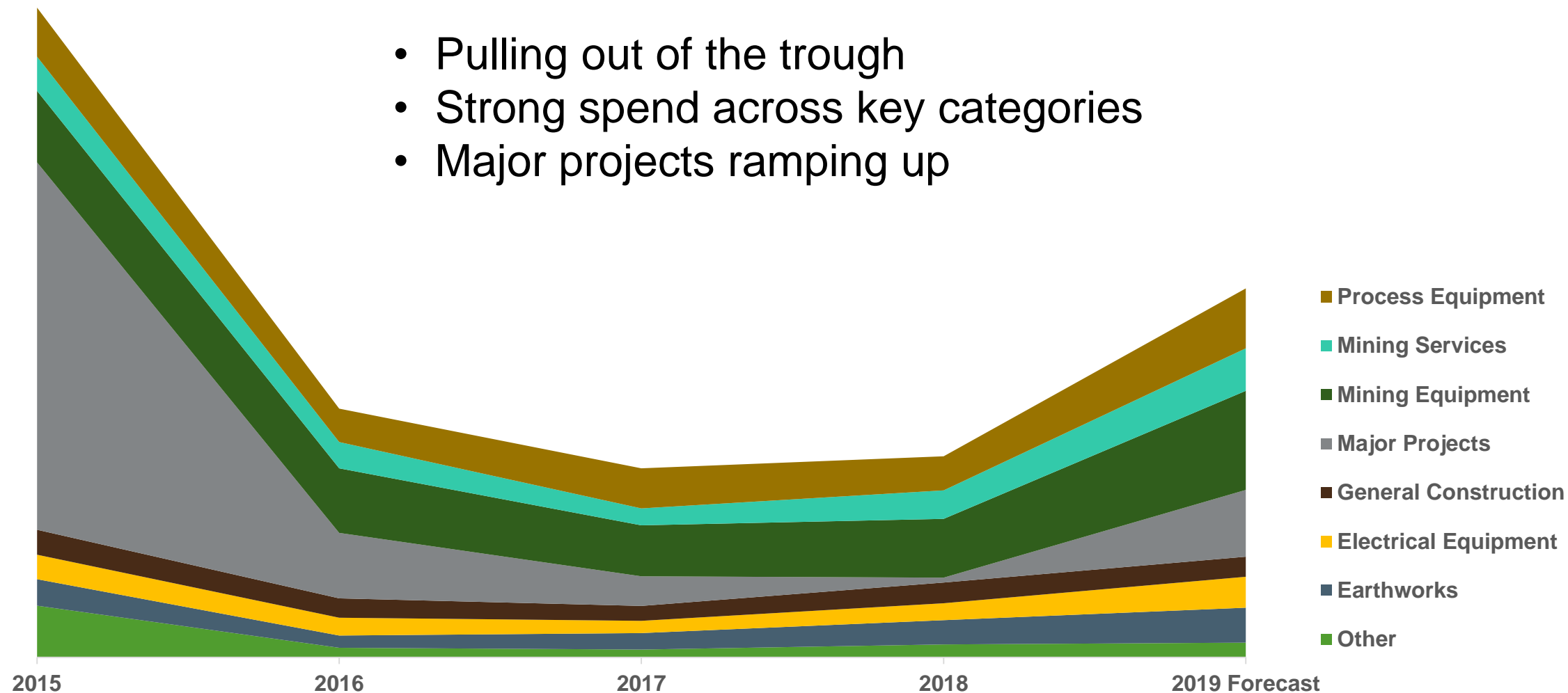
Annual sustaining capital in excess of \$1 billion across Nutrien

## 2019 Guidance and 2018 Actual Capital Expenditures

\$US Billions



- Pulling out of the trough
- Strong spend across key categories
- Major projects ramping up



## New Product Development

- Several new products under development to increase market share

## Rocanville Mill 1 Refurbishment

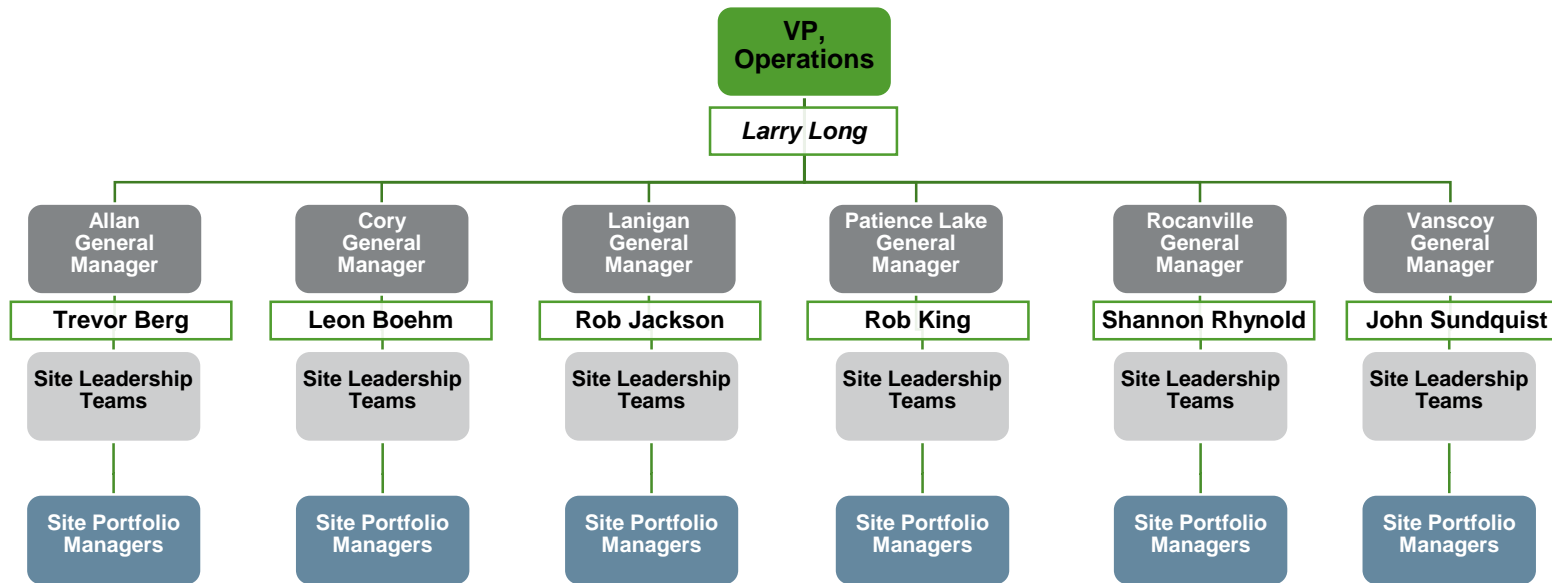
- Large scale capital program to address an aging asset and ensure the long term viability

## Potash Full Potential Program

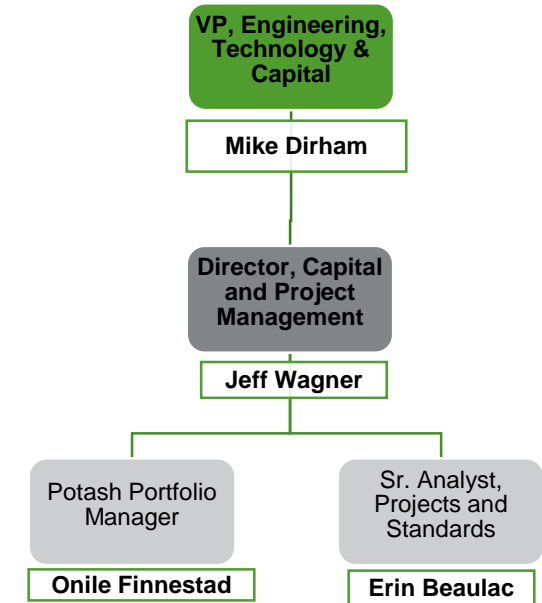
- Drive a step change in safety, productivity, lower cost, and increase flexibility.
- Establishes the digital operations strategy for Potash and will leverage new technologies to accelerate results.





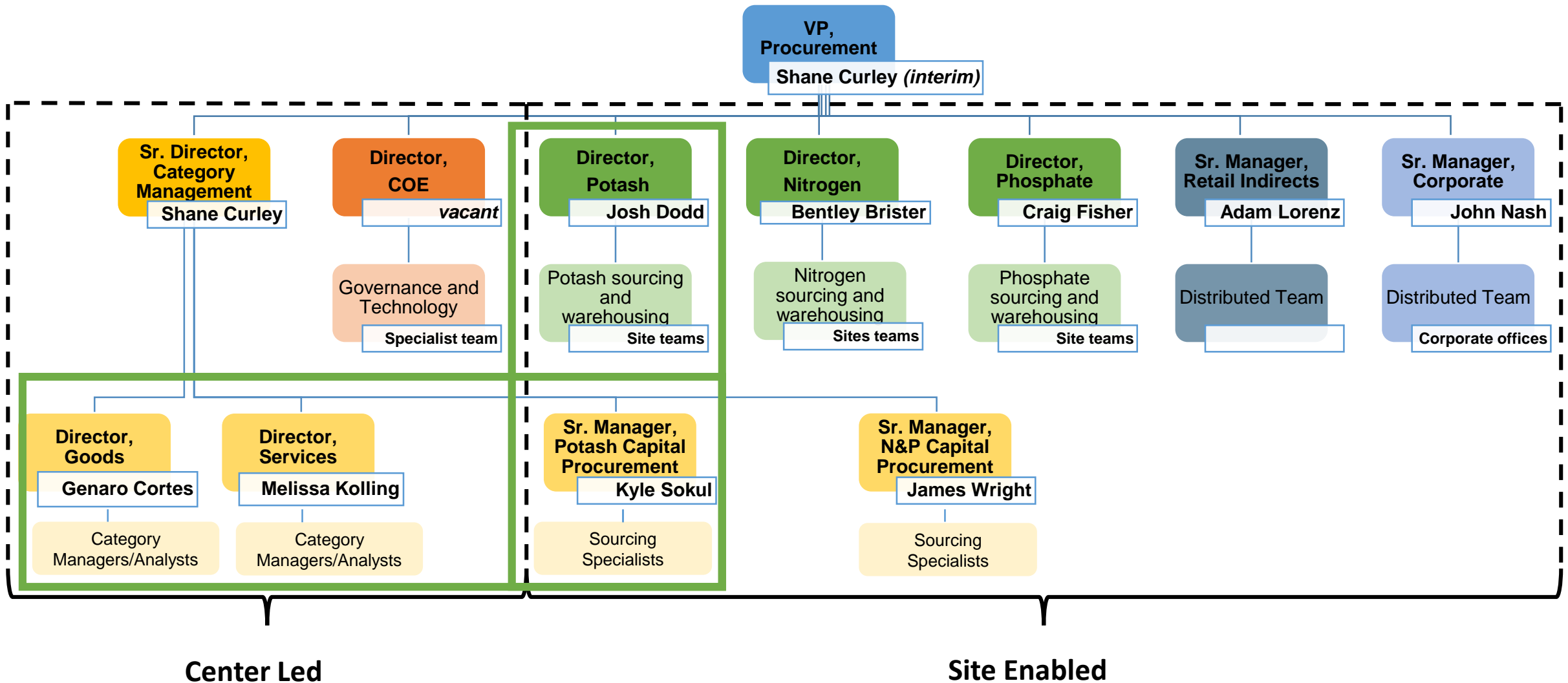


Site Portfolio Planning & Project Execution



Capital Oversight & Potash Portfolio Planning

- Standing up a **dedicated team**, working to improve our support of the Potash capital program – optimize and create flexibility through collaboration
- Continued **focus on key suppliers**, who know our business and can provide **innovation and value**
- Drive meaningful and impactful **Diversity and Inclusion engagement** in Saskatchewan, and across Nutrien
- **Implementing and refining Ariba** as our enabling technology for sourcing and governance standardization, data, analytics, and supplier metrics





Continuous **early and active** strategic engagement with stakeholders; **understand** their **priorities** of Safety, Quality, Schedule, and Cost



Identify and focus opportunities to key suppliers who are providing a **differentiator in the marketplace**

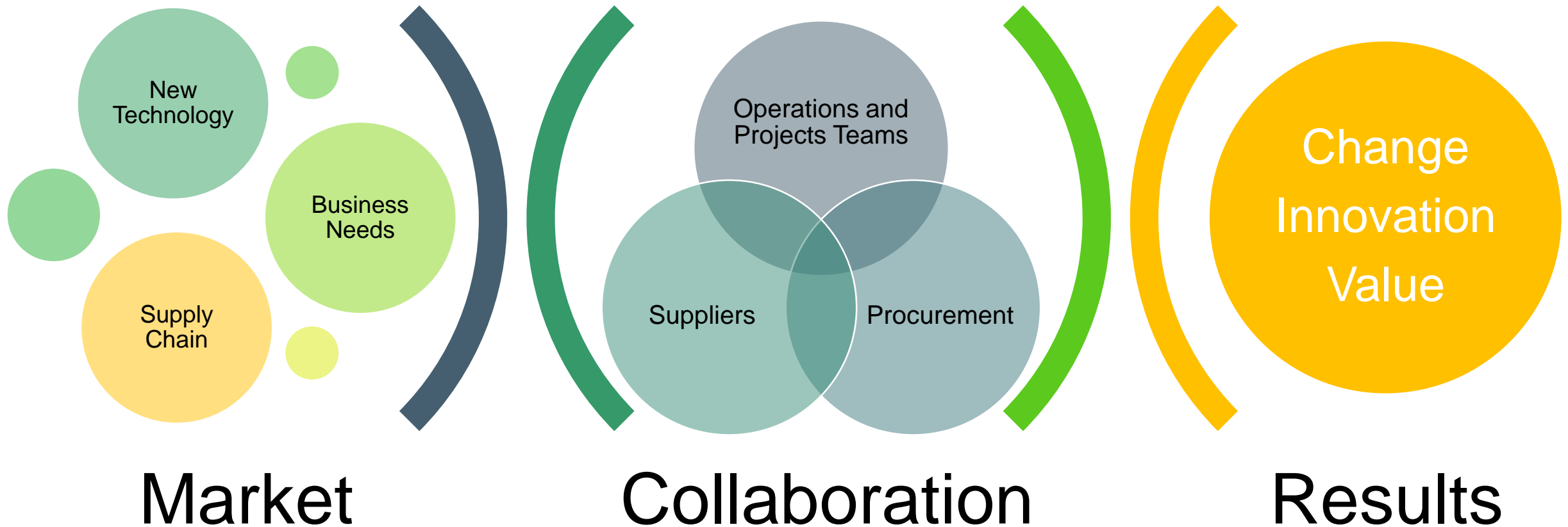


**Create space for different conversations** to occur between operations / projects teams and suppliers



Continue focusing on **Total Cost of Ownership** and **support collaboration** between internal and external stakeholders – drive value based discussions





Independent or partnered development for technology and process optimization



Technology:	Software and hardware development and sustainment
Resources:	Subject matter experts, technologists, and analysts
Business approach:	Transparent collaboration, quantifiable business value

To enable our full potential, we will be leaning on our suppliers to continue bringing value to our business.

### Upstream: Source-to-Contract (S2C)

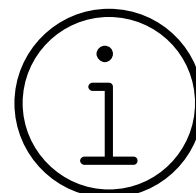
May 2018



Sourcing



Contract  
Management



Supplier Life  
Cycle &  
Performance

Manages the **sourcing activities** and **approvals**

Enables a central repository and **management** of both legacy and new **contracts**.

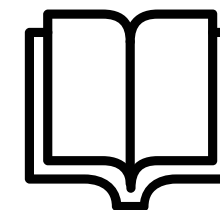
**Manages the Supplier lifecycle** of Nutrien's relationships, from discovery to on-boarding.

### Downstream: Procure-to-Pay (P2P)

Ramping up through 2019



Purchase Orders  
& Invoices



Catalogs

Purchase Orders and Invoices will be **enabled and transacted** through SAP Ariba.

Enables Nutrien to “**self-serve**” catalogued items from suppliers.

- We are **strongly committed** to and continuing to grow our Supply Chain **Aboriginal Content Development Strategy**
- **Aboriginal Content** will continue to be a **key requirement** of our supplier partnerships





- We will continue to seek out and **partner** with **innovative** and **collaborative** companies
- The **status quo will be challenged**, and new mutually beneficial opportunities will be realized across the Nitrogen, Phosphate, Potash and Retail Business Units
- We will continue to **change and adapt to the demands** of the business, and will partner with suppliers of a similar mindset
- Utilization of **SAP Ariba** for Source-to-Contract (today); Procure-to-Pay (in coming months)
- Continued focus and commitment to **local suppliers** and **Diversity & Inclusion**

An aerial photograph of a vast agricultural landscape, showing a complex pattern of green fields in various shades, separated by thin lines of brown earth or roads. A prominent road or path runs diagonally across the frame from the bottom left towards the top right. The top of the image is framed by a solid green bar, and the bottom by a solid yellow bar.

**Thank you**