

CF Industries Evaluating New \$2 Billion Low-Carbon Ammonia Production Facility in Ascension Parish

MODESTE, La. – CF Industries Holdings, Inc., the world's largest producer of ammonia, announced it is evaluating the feasibility of constructing a low-carbon clean ammonia production plant at its Blue Point Complex in Ascension Parish. The proposed new facility is expected to cost over \$2 billion and would be developed jointly by CF Industries and POSCO Holdings, South Korea's largest steelmaker.

If the project moves forward as outlined, CF Industries expects to create 50 direct new jobs with average annual salaries of more than \$106,000, while retaining 541 current positions. Louisiana Economic Development estimates the project would result in an additional 177 new indirect jobs, for a total of 227 potential new jobs in the Capital Region.

"CF Industries is a global leader in the decarbonization of industrial processes and we are excited that they are considering additional investments in Louisiana to support these efforts," Gov. John Bel Edwards said. "I thank CF Industries for continuing to recognize Louisiana's unique advantages for energy and manufacturing innovation, and look forward to supporting the creation of quality, high-paying jobs for our state's skilled workforce if the project moves forward."

The companies are exploring the use of autothermal reforming (ATR) ammonia production technology for the proposed facility. ATR technology, when combined with carbon capture and sequestration (CCS), is expected to reduce carbon dioxide

emissions from the ammonia production process by more than 90% compared to conventional plants without CCS.

“We believe that low-carbon ammonia will play a critical role in accelerating the world’s transition to clean energy, and this proposed new project confirms the global impact we can have in decarbonizing hard-to-abate industries,” CF Industries President and CEO Tony Will said. “We appreciate the partnership we have had with the state of Louisiana and Ascension Parish over the years as we have expanded our operations, taken industry-leading steps to decarbonize our existing assets and now as we explore new, low-carbon ammonia production capacity. We look forward to working with them further as we evaluate this proposed facility that could further the growth of decarbonized industry in the state.”

CF Industries and POSCO expect to complete an initial front-end engineering design (FEED) study on the proposed site in the second half of 2024 and make a final investment decision for the project shortly thereafter. Construction and commissioning of a new world-scale capacity ammonia plant typically takes approximately four years from that point.

“The potential location of CF Industries’ low-carbon ammonia manufacturing plant marks another significant milestone in our journey toward a sustainable future,” Ascension Parish President Clint Cointment said. “A future will offer new job opportunities and skill development that will enhance the employability of our community members and an increased tax revenue stream that will improve public services, infrastructure, safety and healthcare. Together, we’re sowing the seeds of a cleaner, greener tomorrow.”

The project under consideration is part of CF Industries’ commitment to produce ammonia for clean energy applications while decarbonizing its ammonia production process. In 2022, it announced two major projects in Louisiana; a \$198.5 million plan to add carbon capture and sequestration capability to its

existing ammonia production facility in Donaldsonville and a proposed \$2 billion world-scale low-carbon ammonia production facility in Ascension Parish.

“In Ascension Parish, we embrace innovation and progress,” said Kate MacArthur, President and CEO, Ascension Economic Development Corporation. “We are thrilled that CF Industries and POSCO are considering this opportunity here. This project not only promises economic growth but also underscores our dedication to preserving our environment for generations to come.”

To support the project in Ascension, the state of Louisiana has prepared a competitive incentives package that would include the comprehensive workforce development solutions of LED FastStart and a \$3 million performance-based grant for infrastructure and project development contingent upon meeting capital investment and payroll targets. The company is also expected to participate in the state’s Quality Jobs and Industrial Tax Exemption programs if the project moves forward as planned.

“We are thrilled CF Industries is considering another major investment in Louisiana’s Capital Region with its proposed new low-carbon ammonia facility,” said Adam Knapp, Baton Rouge Area Chamber President and CEO. “Committed to accelerating the world’s transition to clean energy, CF Industries’ continued consideration showcases our region’s ability to lead on the future of energy.”

About CF Industries

CF Industries’ mission is to provide clean energy to feed and fuel the world sustainably. With employees focused on safe and reliable operations, environmental stewardship and disciplined capital and corporate management, it is on a path to decarbonize ammonia production network – the world’s largest – to enable green and blue hydrogen and nitrogen products for energy, fertilizer, emissions abatement and other industrial

activities. Manufacturing complexes in the United States, Canada and the United Kingdom, an unparalleled storage, transportation and distribution network in North America and logistics capabilities enabling a global reach underpin the company's strategy to leverage unique capabilities to accelerate the world's transition to clean energy. Learn more at CFIndustries.com.