Knowledge grows

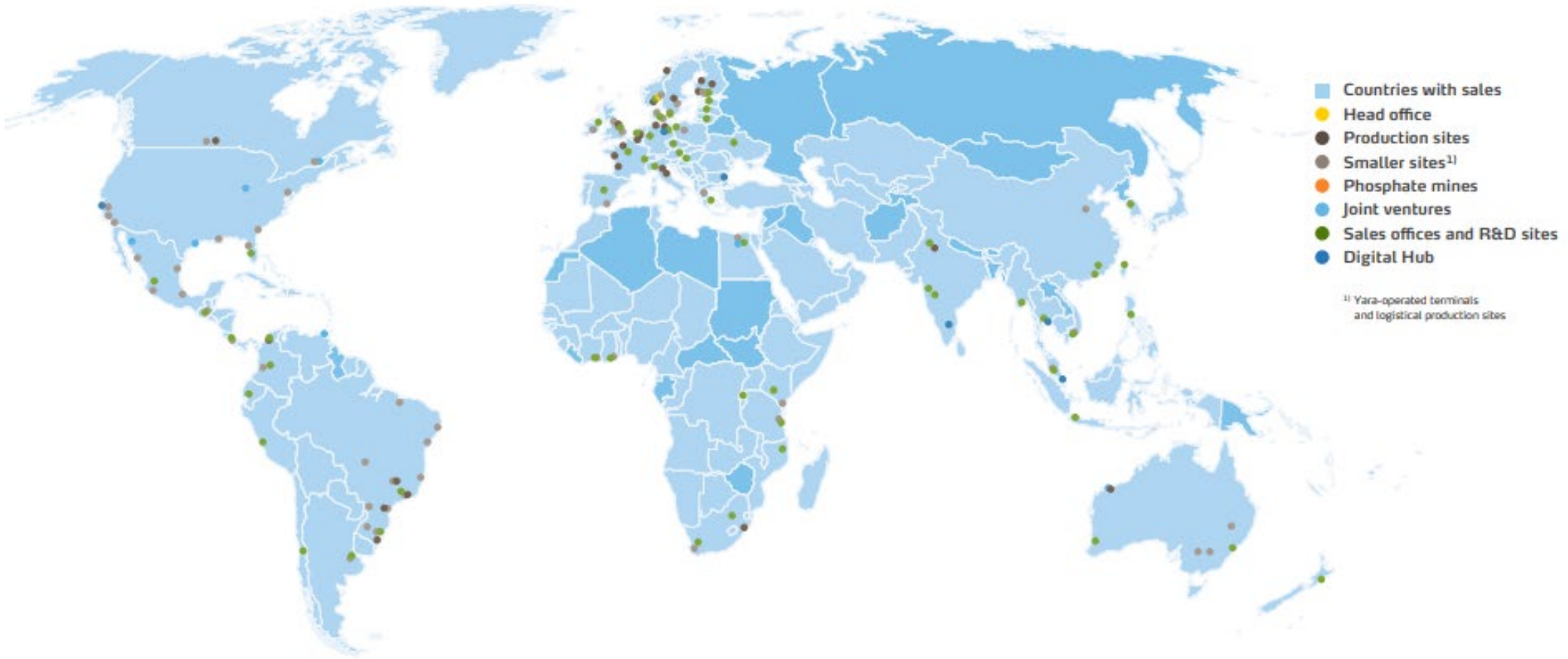
# Yara International ASA


***Thor Giæver***

***EVP & CFO***


ABGSC Spotlight on Nordic Opportunities Conference
Frankfurt, 14 May 2024

# Global mission, global presence




| Yara-branded retail outlets around the world | Countries with operations | Countries with sales | Production sites | Terminals, warehouses, blending units and bagging facilities |
|---|---|---|---|---|
| 10,800+ | 60+ | 140 | 26 | 200 |

# Yara strategy focused on profitable decarbonization, strengthening ammonia and crop nutrition core

## Key global trends

**Climate emergency and decarbonization**

**Geopolitical shocks and challenging energy position in Europe**

**Global food system transformation**

## Strategic response

**Decarbonize and diversify energy position** through profitable growth in low-carbon ammonia and premium low-carbon fertilizers

**Improve future competitiveness of ammonia and crop nutrition production** through more favorable and diversified energy cost position

Establish **long-term growth platform within new business areas** through selective organic growth supported by strategic partnerships

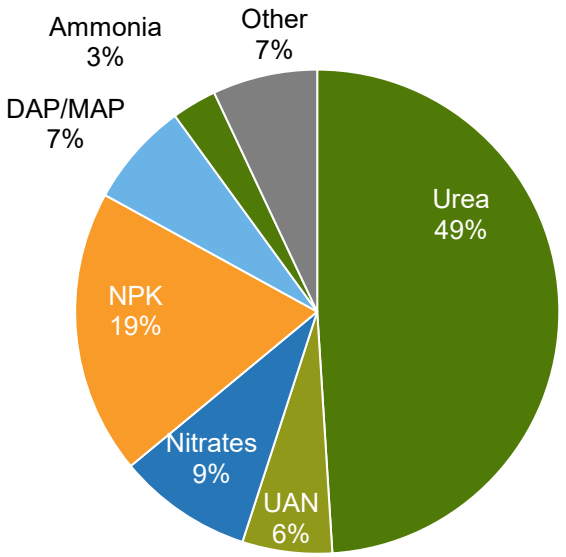
## Key projects and priorities

- **Sluiskil CCS:** FID confirmed, estimated start-up 2026
- 2024 roll-out of fertilizers produced in **Porsgrunn with green ammonia**
- Assessment of **asset footprint**
- **New commercial offerings**, including expanding organic and biostimulant portfolio
- **Blue ammonia projects in US:** continue to mature towards targeted FID 2H2025

# Yara premium product portfolio uniquely positioned for decarbonization through low-carbon ammonia

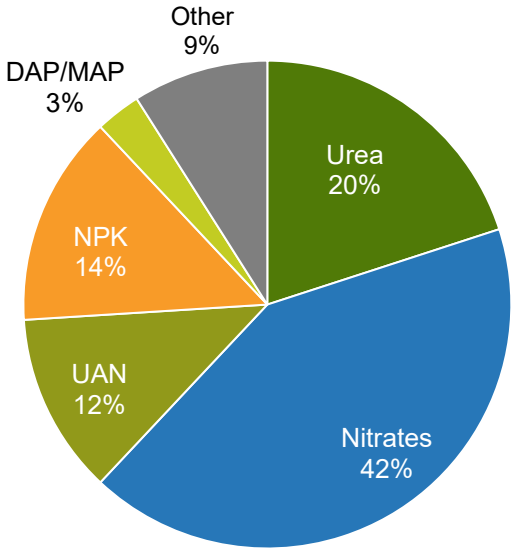
## Nitrogen market[1]

### Global N-market dominated by commodities




Global market: 109 mt

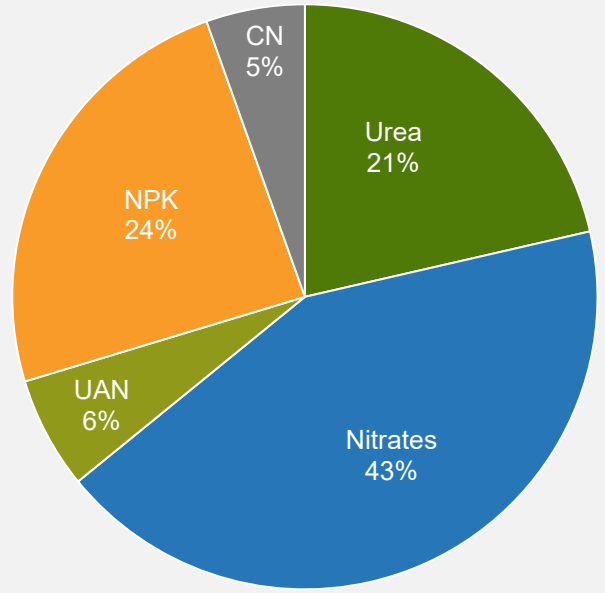
### Nitrates and NPK more than 50% of W/C Europe market




West /central Europe: 10.2 mt

## Yara in Europe

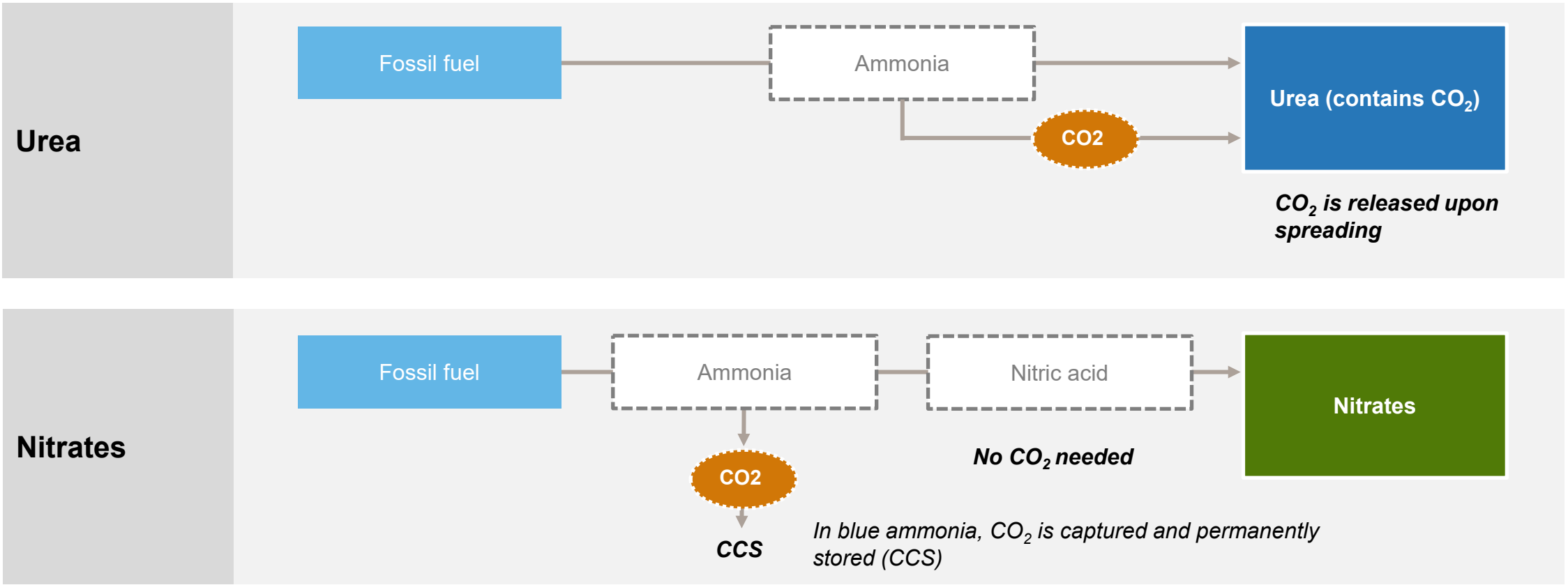
### Yara is the global leading nitrate & NPK producer




Yara's European[2] fertilizer production capacity (~4 mt nitrogen)

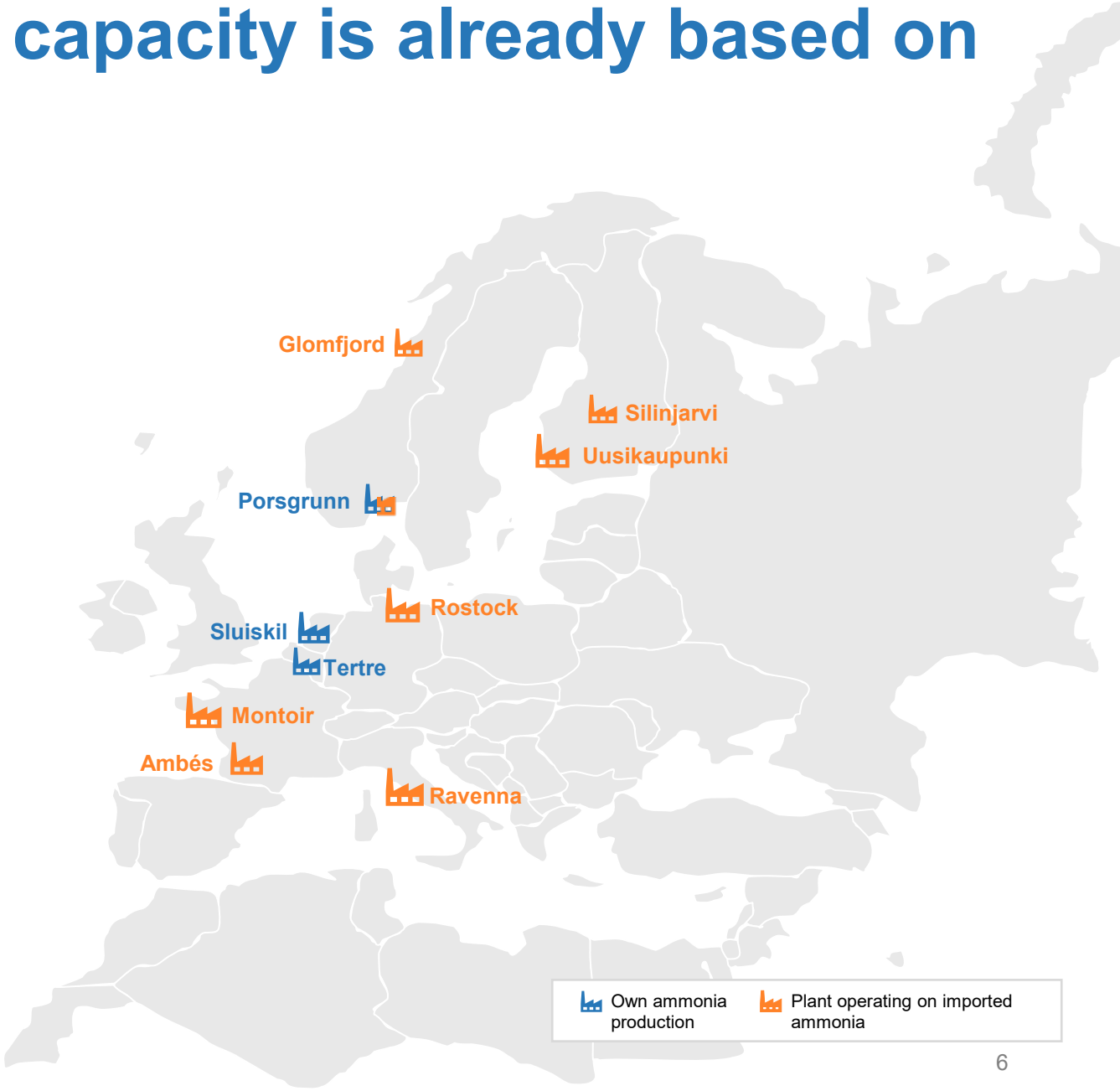
1) Source: IFA 2021. Nitrogen volumes in nutrient tonnes
2) Yara Europe and Global Plants & Operational Excellence production capacity converted to tones of nitrogen

# Nitrates and compound NPKs are the only nitrogen fertilizers that can be produced without $CO_2$



# Yara's premium production capacity is already based on ammonia imports

| Assets | Ammonia source | Nitrate and NPK capacity |
|---|---|---|
| Sluiskil | *Own production (flexible)* | |
| Porsgrunn | *Fully flexible on own production vs import* | |
| Tertre | *Own production (flexible)* | |
| Glomfjord | *Import* | |
| Ambes | *Import* | |
| Uusikapunki | *Import* | |
| Ravenna | *Import* | |
| Montoir | *Import* | |
| Siilinjarvi | *Import* | |
| Rostock | *Import* | |

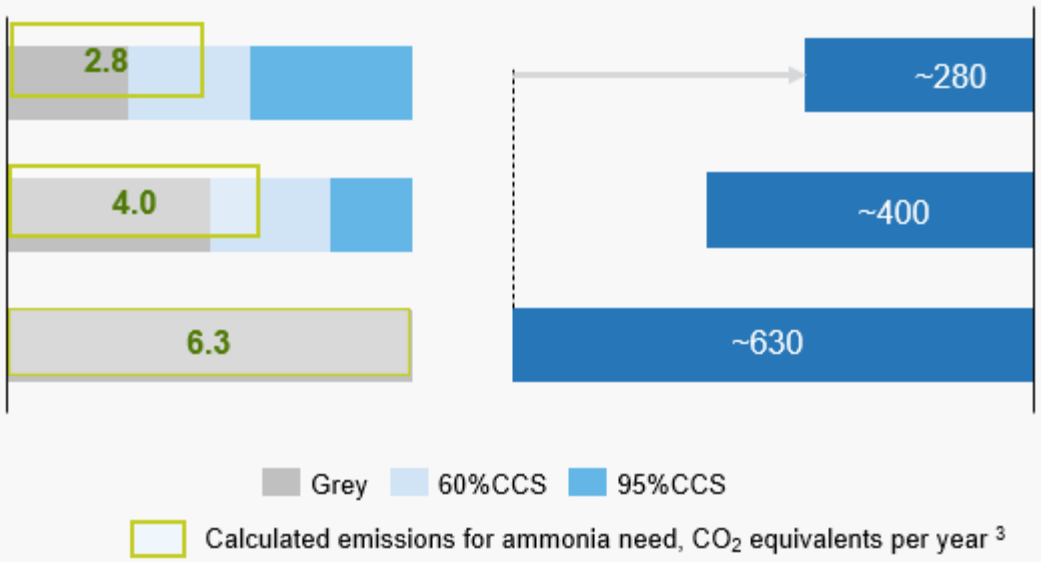


# Low-carbon ammonia will strengthen Yara's core nitrate upgrading margin

## Yara can utilize its flexible ammonia position to reduce carbon emissions and reduce carbon tax exposure

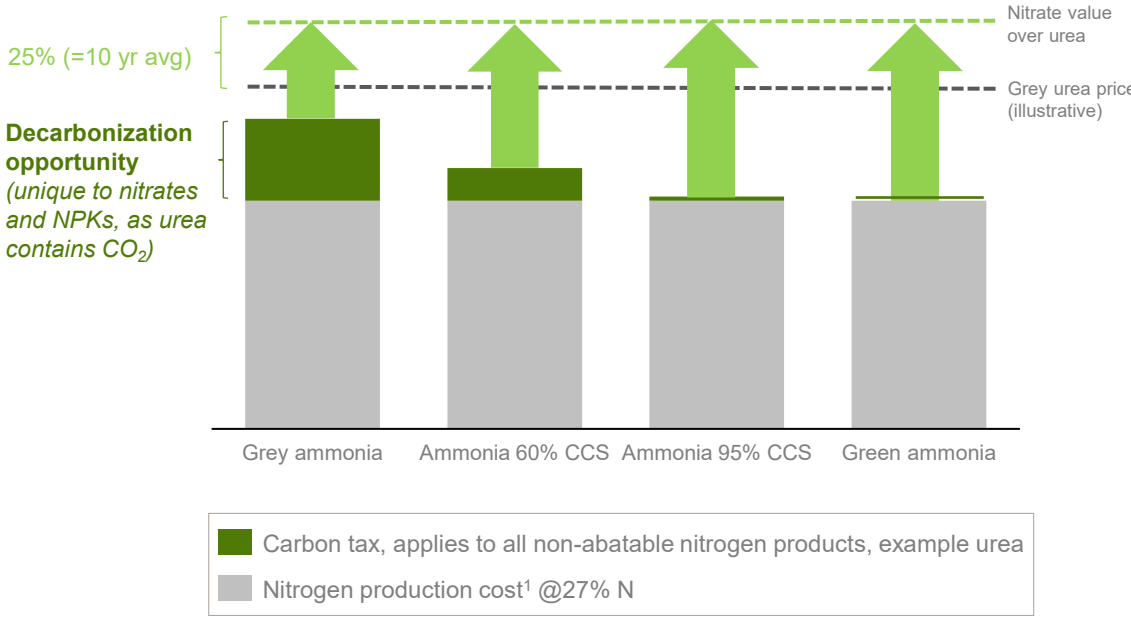
Scenarios assuming 3.5 mt total ammonia needed (for illustration)[2]

Yara's Europe annual carbon tax in 2034[4] @$CO_2$ cost of 100USD/t, in MUSD




## Yara will strengthen its core nitrate upgrading margin through decarbonization opportunity unique to nitrates

Nitrate upgrading margin scenarios in 2034[4] assuming ammonia@500/t and $CO_2$@100USD/t

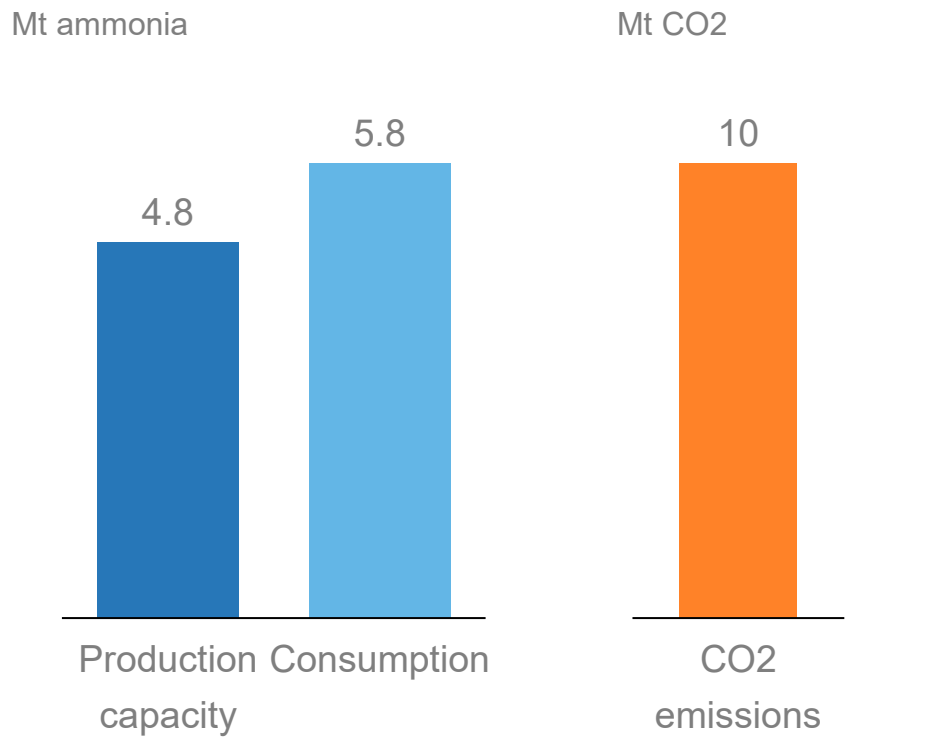



1) Other production cost and freight disregarded
2) Scenarios for illustration. European ammonia need for fertilizers appx 3.5mt in total (including captive) - 3 different possible scenarios; 100% Grey; 50%grey+ 30% CCS 60%+20% CCS 95%; 30% grey + 30% CCS 60% + 40% CCS 95%
3) In $CO_2$ equivalents per year. Carbon content assumptions for grey: 1.8t$CO_2$/t NH3, CCS 60%: 0,6$CO_2$/tNH3 and CCS 95%: 0,03 $CO_2$/t NH3
4) Assuming carbon cost of 100USD per tonne of $CO_2$ and CBAM fully phased in

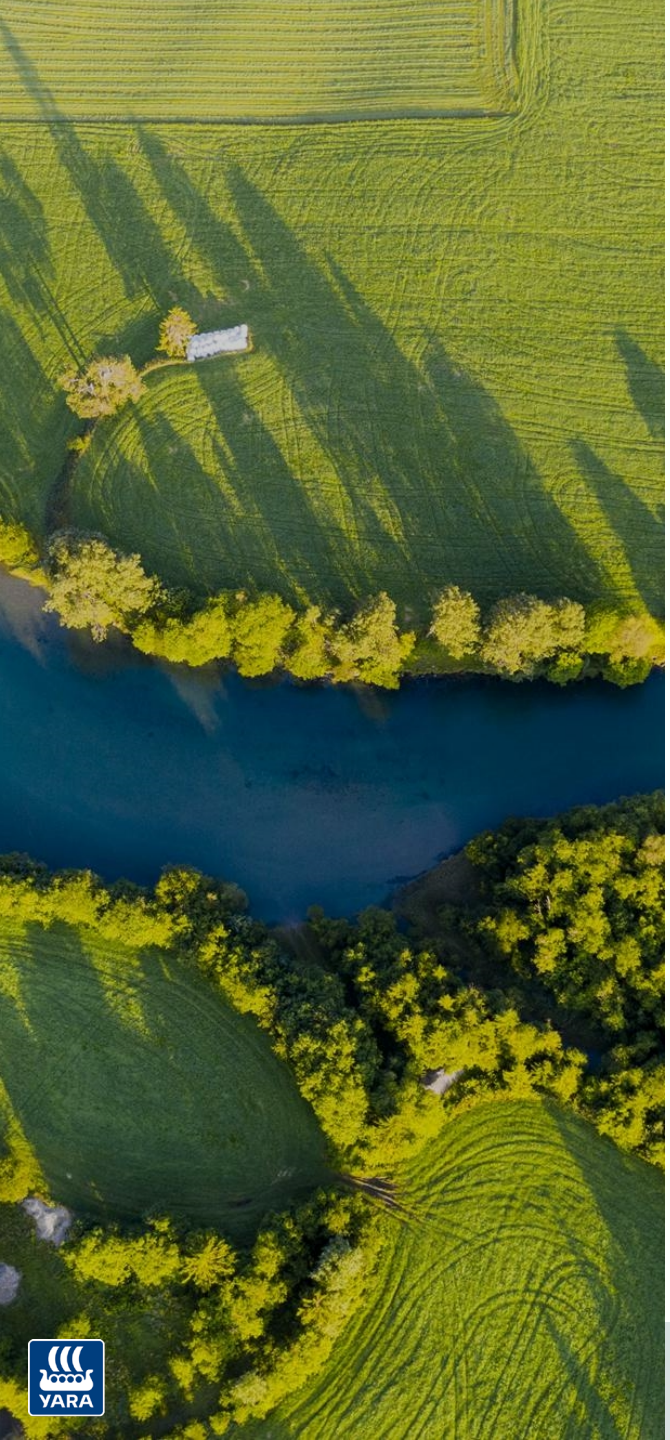
# Yara is actively assessing its portfolio to ensure a fit-for-future footprint

- Yara has a future optionality to consider closing some EU ammonia production capacity, with our terminal structure in Europe representing a strong competitive advantage
- Flexibility of ammonia position demonstrated in 2022
- Current value of ammonia assets in Europe is limited (0.5 bn USD[3])

## Illustration: Yara's ammonia position in Europe[1,2]




1) Theoretical calculation of ammonia consumption based on finished product production capacities from Yara.com. Sales of ammonia as a product would come in addition.
2) Scope 1+2 CO2 emissions based on full capacity utilization and 2 t CO2/tonne ammonia
3) Carrying amount for Yara's ammonia production assets in Europe, page 149 of Yara's Integrated Report 2022



# 1Q EBITDA reflects increased deliveries and lower prices

## 1Q 2024

EBITDA[1] down 11% from 1Q23 mainly due to lower prices

Total deliveries up 12% and European deliveries up 37% from 1Q23

Reduced GHG emission intensity with implementation of key projects

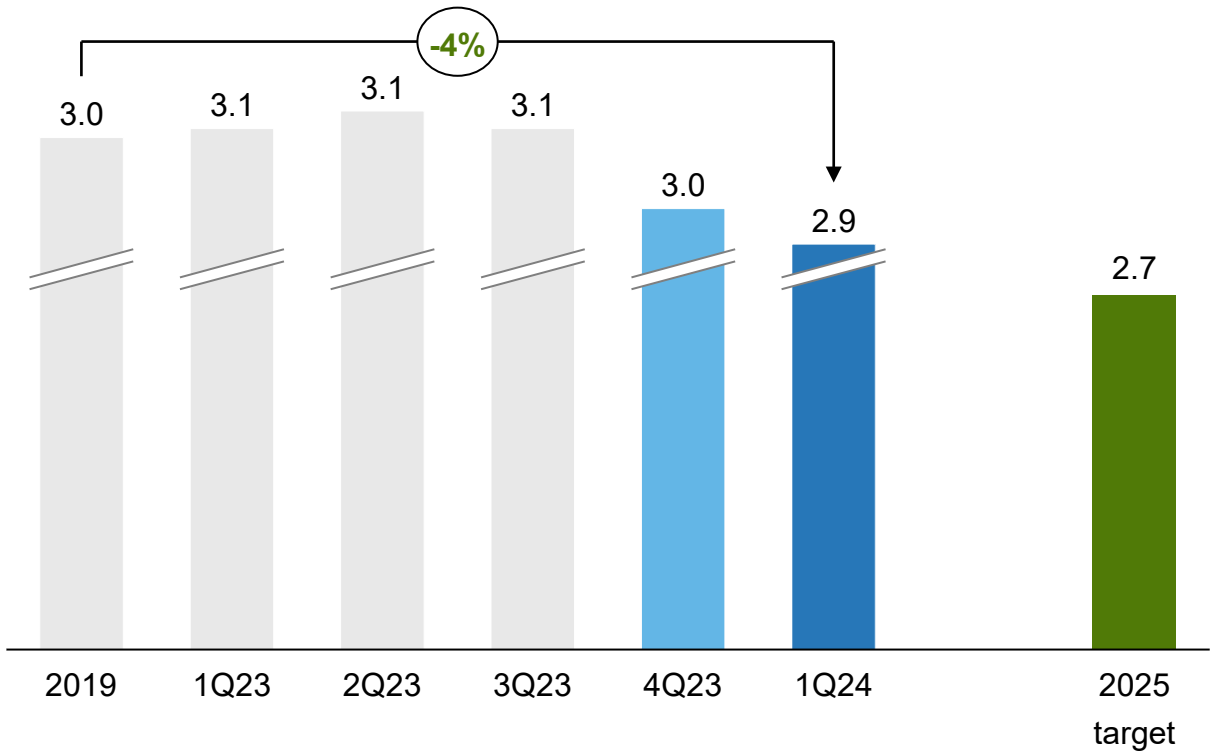
Healthy demand growth and limited capacity additions indicate tightening supply-demand balance longer term

1) For definition and reconciliation see Alternative Performance Measures (APM) section in the 1Q report on pages 22-29

# Reduced GHG emission intensity with successful implementation of key projects and continued focus on operational excellence

## GHG emission intensity improvement continued in the first quarter

*L12M, tCO2e/tN*




## On track to achieve the 2025 target

- Total project portfolio to reach the target: 90 projects with an estimated investment of 200 MUSD
- Majority of emission reductions and capex successfully executed; 65 projects implemented per end 1Q
- Remaining 25 minor projects in the execution phase
- Continued focus on operational excellence improving plant reliability and energy efficiency
- Increasing sourcing of lower-emission electricity and ammonia

# Healthy demand growth and limited capacity additions support tighter markets once new supply is absorbed

## Farmer incentives at healthy levels

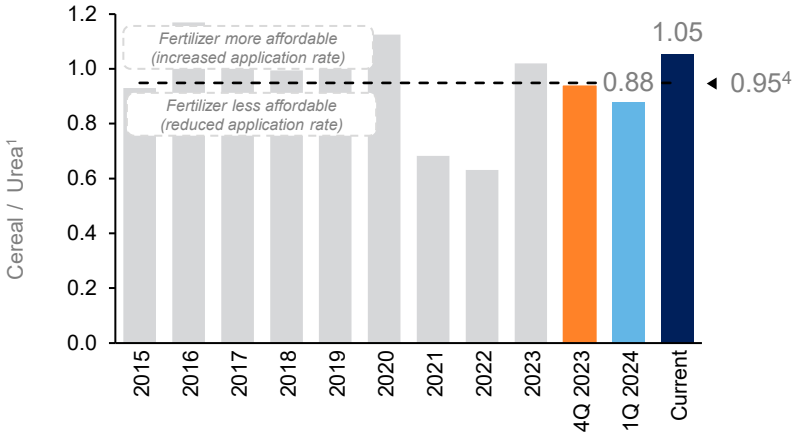
- Current farmer incentives at healthy levels
- Just-in-time-buying patterns in recent seasons result in low-value chain stocks

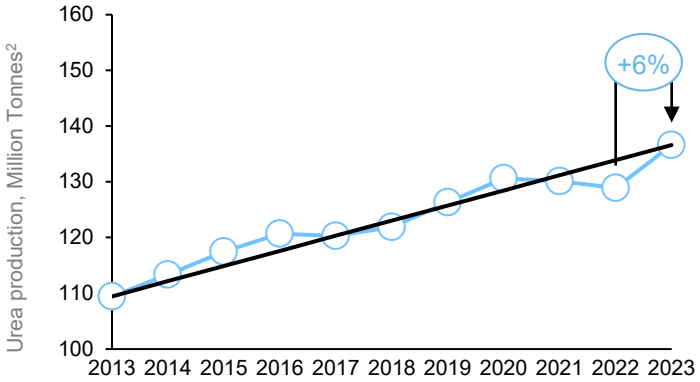
## Demand-driven pricing in 2023 despite strong supply growth

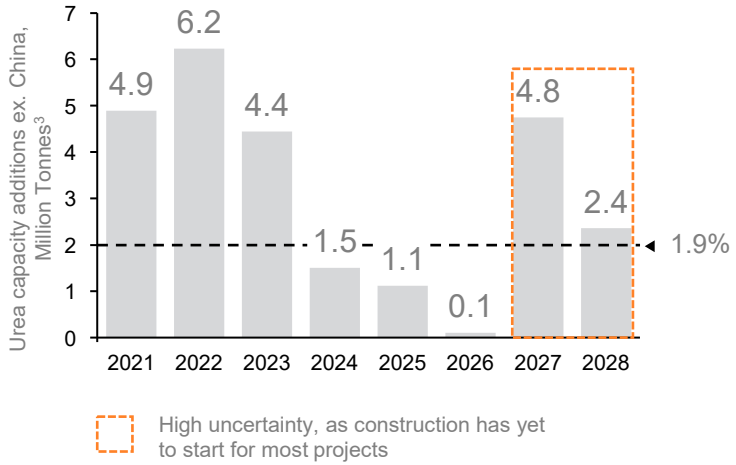
- Trend growth rate 2013-2023: 1.9% per year
- 7.7 mt (6%) urea supply growth in 2023, mainly from China and India
- Demand-driven pricing in 2023 with prices above swing cost

## Project pipeline historically thin

- Urea capacity additions below historical consumption trend
- 3-5 years construction time gives good visibility of project pipeline
- Projects in the pre-construction phase risk delays from the estimated start-up time




1) Source: IFA for cereal prices and Urea is the average of publications. Cereal / Urea prices index starts at 2014-2016
2) Source: IFA quarterly survey 1Q-4Q 2023
3) Source: CRU March 2024. Growth calculated based on last 10 years up to 2023, equal to ~2.6 mt/year, from 2023 baseline (IFA) of 136.6 mt (global production + China trade)
4) Average based on 2015-2023

# Yara is playing a leading role in tackling the food crisis and climate change while enabling the energy transition

**Focused strategy**

Resilient and flexible business model

Attractive prospects with clear link to value creation, through three strategic pillars:

- Climate Neutrality
- Regenerative Agriculture
- Prosperity

**Profitable growth**

Building on Yara's leading ammonia position to serve new market segments and profitably decarbonize own production

Attractive US ammonia investments, complementary to Yara's European footprint

**Strong shareholder returns**

Strong capital discipline maintained – focused capital allocation and further portfolio optimization