



Knowledge grows

Yara International ASA 2023 first-quarter results

28 April 2023



Cautionary note

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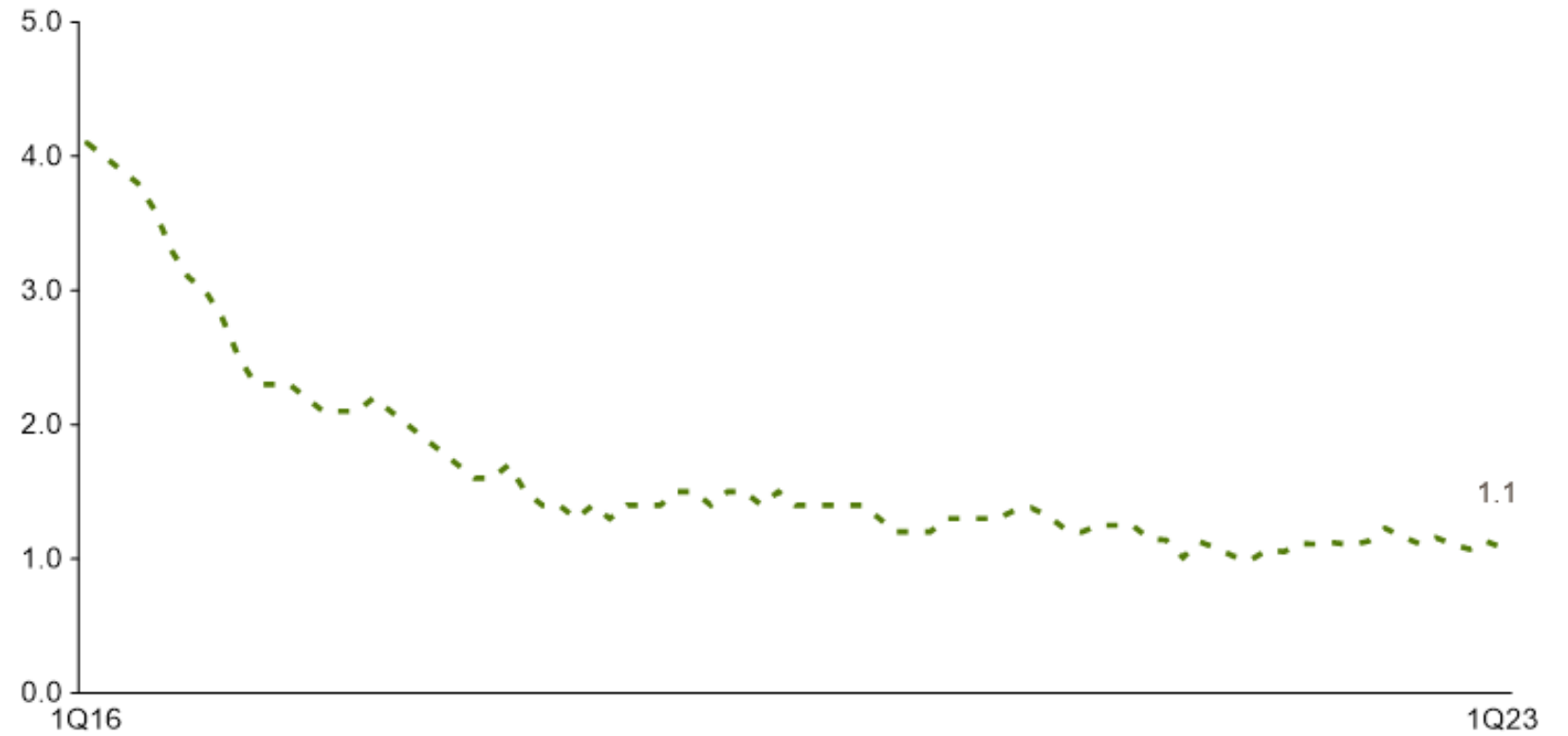


People



Our ambition is zero injuries

TRI¹ (12-month rolling)



1) Total Recordable Injuries per 1 million working hours

1Q impacted by falling prices, but tighter nitrogen market into 2Q

1Q 2023

Weaker results compared with strong 1Q 2022, with steep market price declines impacting both sales volumes and margins

Production curtailments of around 0.6 mt ammonia and 1.3 mt finished fertilizers for the quarter

Earnings impacted by ~370 MUSD negative volume effect and 190 MUSD inventory write-downs, more than offsetting lower natural gas cost

Improved operating cash flow including operating capital release

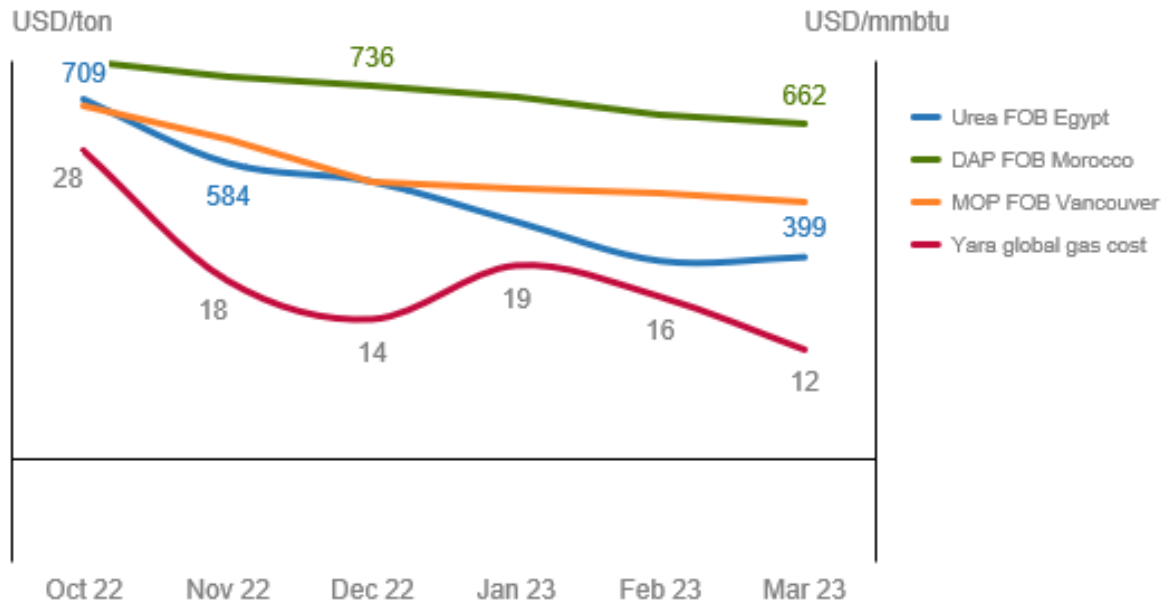
Tighter nitrogen market into second quarter, with strong European demand at new season nitrate prices

1) Yara's natural position as a producer with a net position exposure between production and sales



Negative commodity price development led to significant position losses¹ and inventory write-downs in 1Q 23

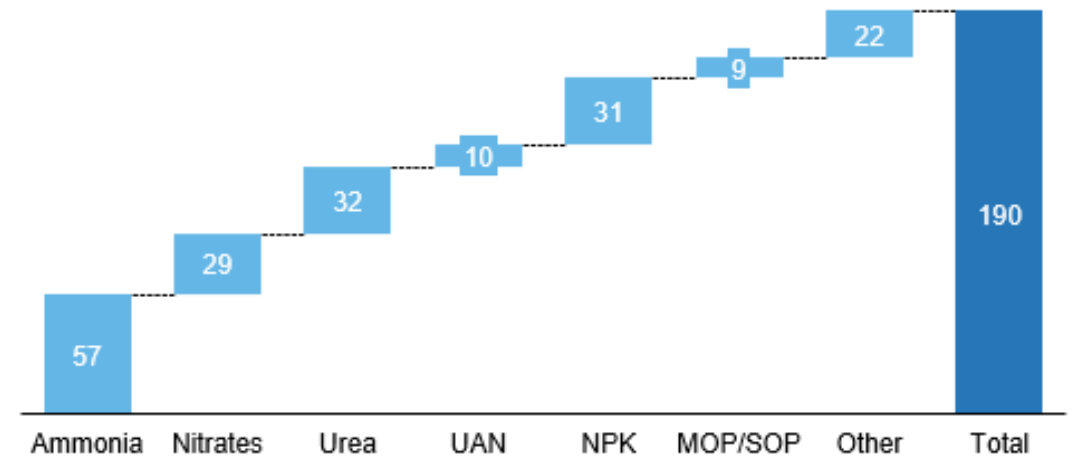
Falling commodity prices for last 2 quarters^{2,3}



Steep price declines resulted in low demand in 1Q 23

Higher inventories and lower order book increased net position exposure (between production and sales) to ~2 months

190 MUSD inventory write-downs in 1Q 23, driven by declining prices



In addition to write-downs, there are position effects that reduce sales margins but not trigger inventory write-downs. Such position effects are directionally estimated to represent a further 50% compared with the total write-down value

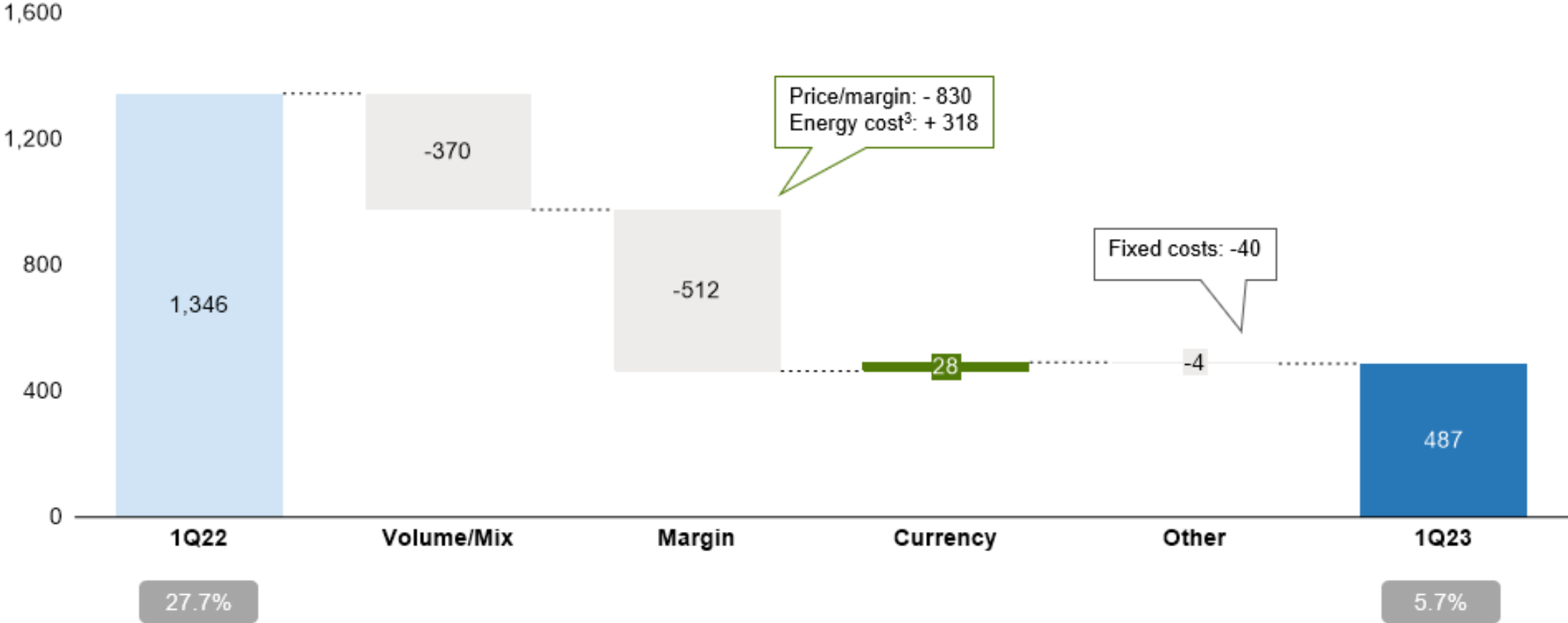


1) Yara's natural position as a producer with a net position exposure between production and sales
 2) Urea, MOP, DAP reference spot price (no lag). Yara global gas cost based on production to delivery lag per plant
 3) Urea and gas scale matched as per urea production cost. Urea = 22*Gas cost

Lower gas cost more than offset by lower prices and deliveries

EBITDA ex. special items (MUSD)¹

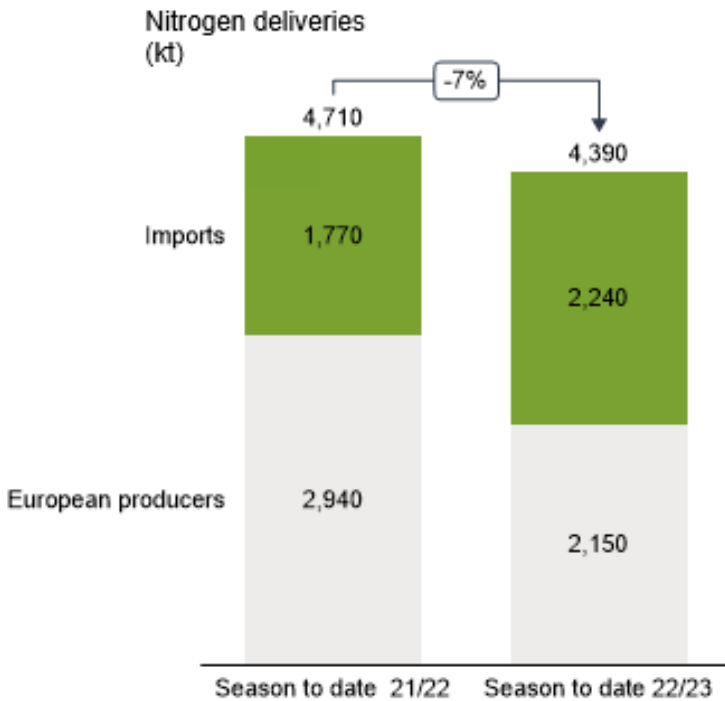
ROIC²



1) EBITDA ex. special items. For definition and reconciliation see Alternative performance measures (APM) section of 1Q report, page 30
 2) Quarterly ROIC, annualized. For definition and reconciliation see APM section of 1Q report, page 31
 3) Energy cost variance calculated by multiplying gas price differential with last year's gas consumption

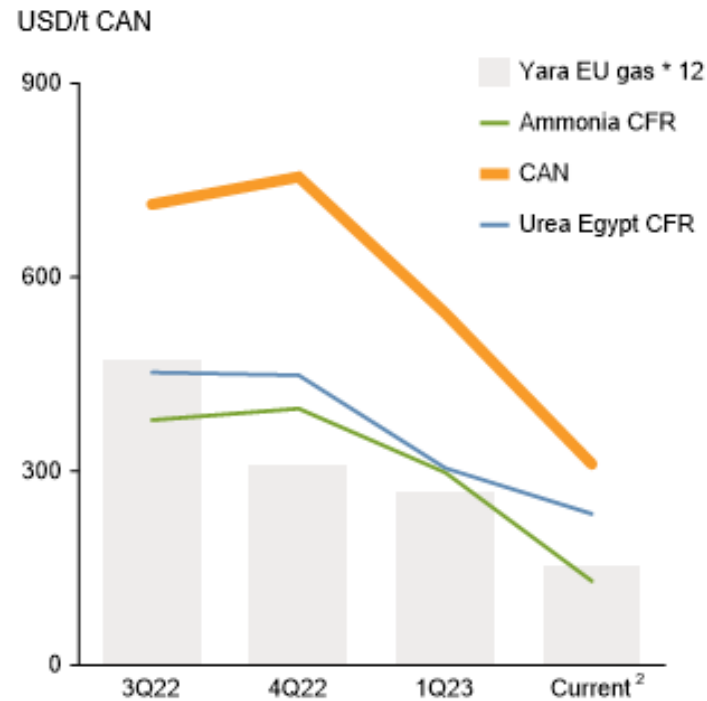
Delayed purchasing in Europe, with imports partly replacing curtailed capacity; improved European competitiveness into 2Q

Delayed purchasing, with imports partly replacing curtailed capacity¹



1) Source: Yara estimates

Increased European competitiveness with normalization of gas and nitrate premium¹



1. Urea CFR: Urea Granular FOB Egypt + 50 USD/t, in 27% N (USD/t); All prices in CAN27 equivalents, and lagged with 1 month (except current)

2. Average publication prices week ending 21 April 2023. Yara EU gas is based on TTF.

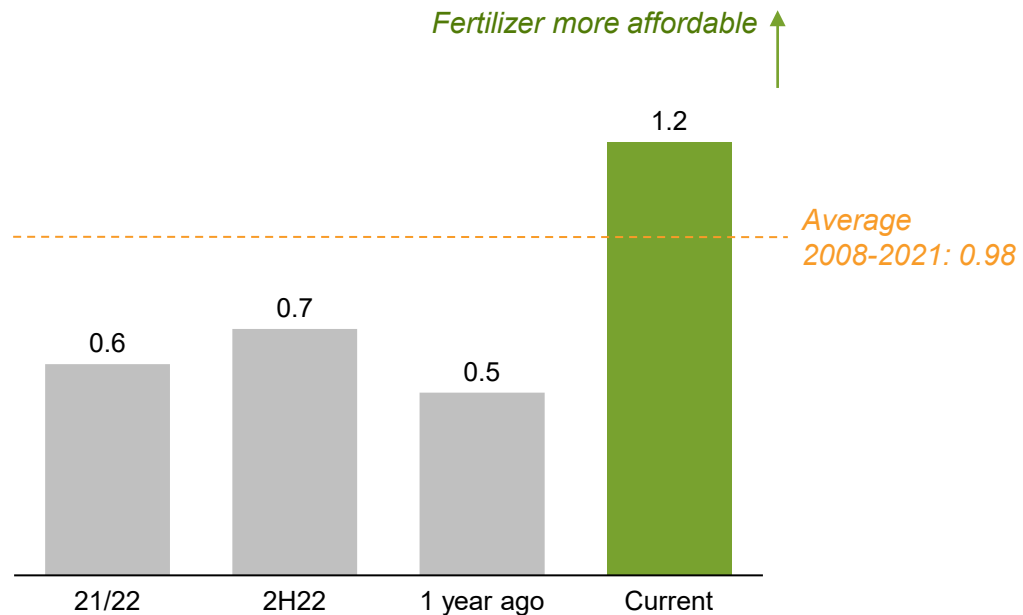
Comments

- Lower season-to-date deliveries for the European nitrogen industry, reflecting both delayed purchases by farmers and an estimated 1/3 of European production curtailed, only partly replaced in the market by urea imports
- Tighter nitrogen market at the start of second quarter, with strong European demand at new season prices and improved farmer affordability metrics indicating higher nitrogen application rates
- Nitrates are a more direct source of nitrogen for crops, and offer superior performance in terms of yield, crop quality and environmental footprint

Increased farmer affordability and optimal application rate

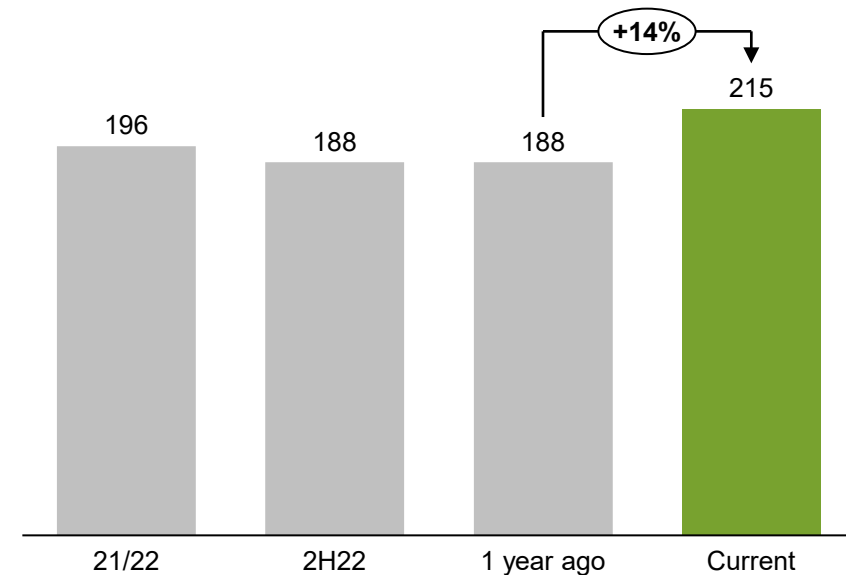
Cereal index / urea index¹

2014-2016 = 1, ratio



Optimal application rate² (wheat example, using CAN)

kg nitrogen per hectare

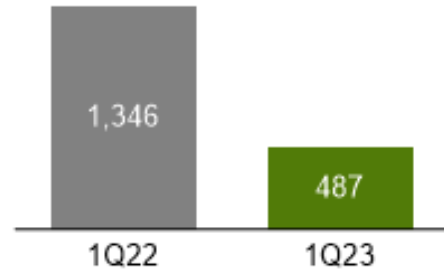




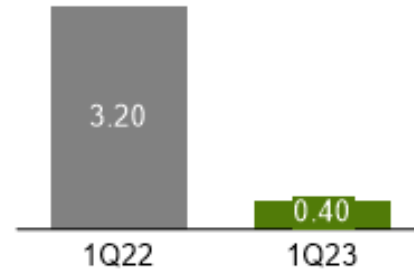
Prosperity

Financial performance

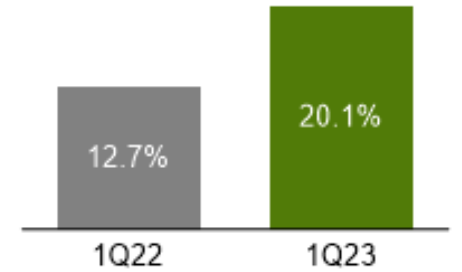
EBITDA ex. special items¹
(MUSD)



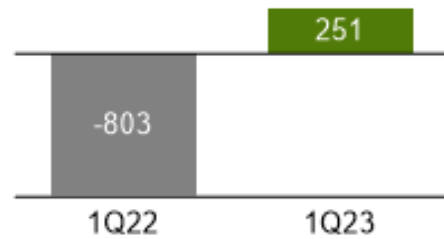
EPS ex. currency and special items¹
(USD per share)



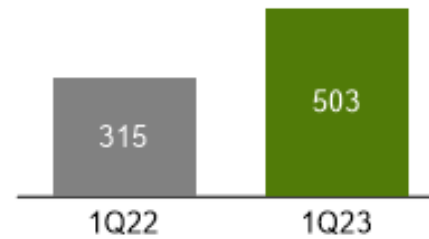
ROIC¹
(12-month rolling, %)



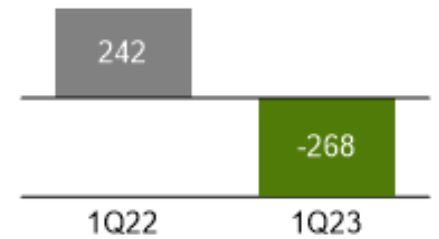
Change in net operating capital²
(MUSD)



Cash from operations
(MUSD)



Investments (net)³
(MUSD)

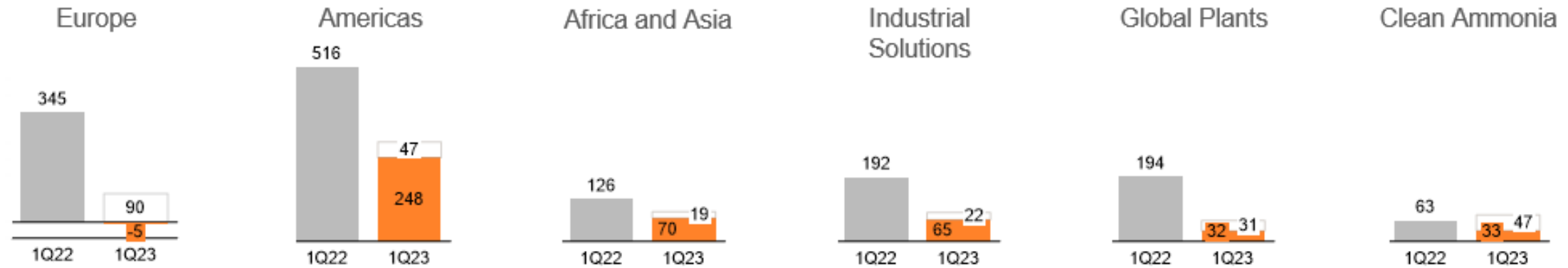


- 1) Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the 1Q report on pages 30-35
- 2) Change in net operating capital as presented in the cash flow statement, page 14 of 1Q report
- 3) Positive net investments in 1Q22 driven by the Salitre divestment proceeds. Net cash used in investing activities as presented in the cash flow statement, page 14 of 1Q report

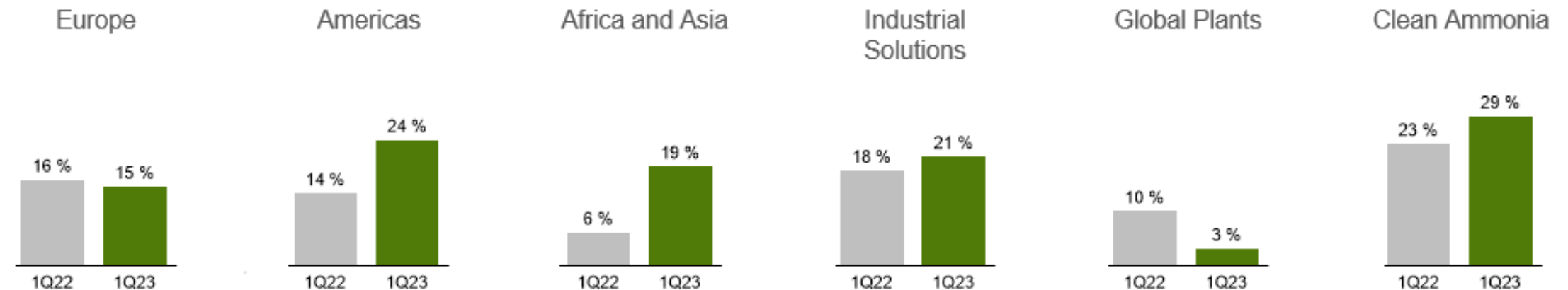
Results by segment

EBITDA ex. special items¹ (MUSD)

Inventory write-downs



ROIC 12M rolling² (%)

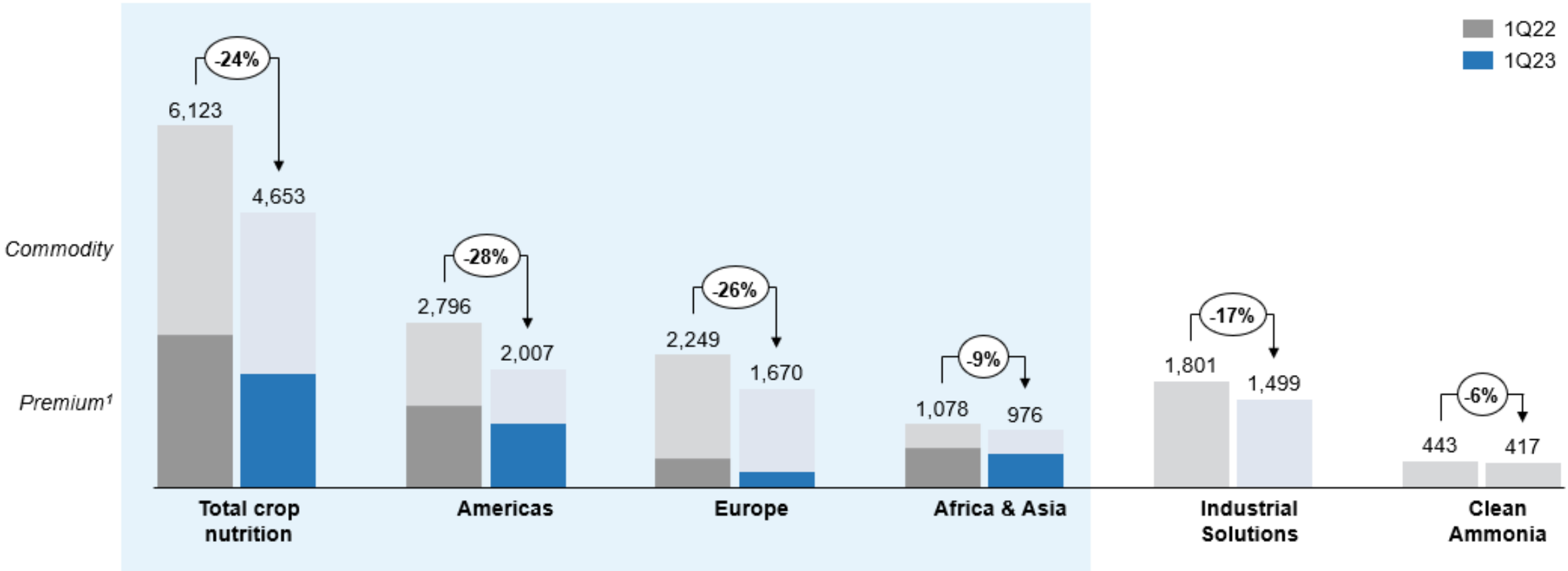


1) For definition and reconciliation of EBITDA ex. special items see APM section of 1Q report, page 31

2) For definition and reconciliation of ROIC, see APM section in 1Q report, page 32

Deliveries by segment

External deliveries 1Q 2022 vs 1Q 2023, in kt

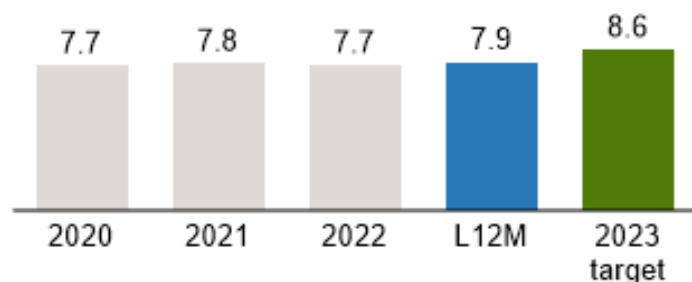


1) Premium defined as Differentiated N, NPK, CN, fertigation products and YaraVita

Yara Improvement Program (YIP)

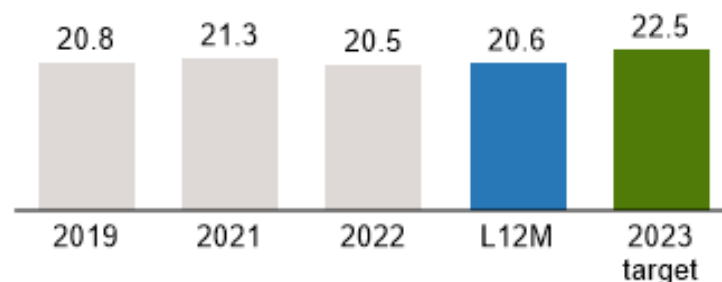
Ammonia production¹ (mt)

Reduced reliability losses, significant share of European capacity curtailed



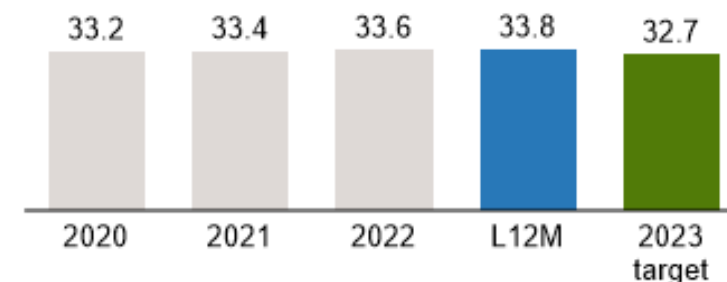
Finished product production¹ (mt)

Overall stable operation, significant share of European nitrates and urea capacity curtailed



Ammonia energy consumption (GJ/ton)

Performance impacted by curtailments and unproductive energy use for start-up

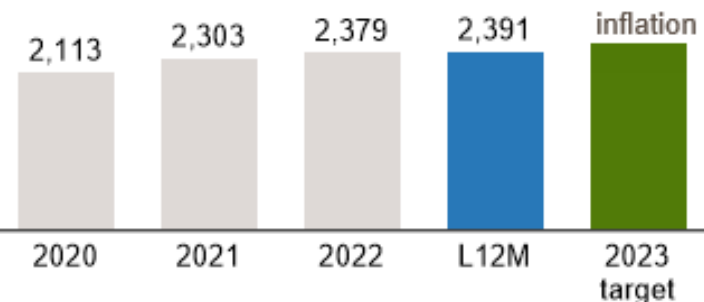


Fixed costs² and capex³ guidance (MUSD)

Continued strong cost discipline with a target to beat inflation in existing business

YTD increase driven by inflationary pressure and ramp-up in growth business areas like Yara Clean Ammonia and digital areas

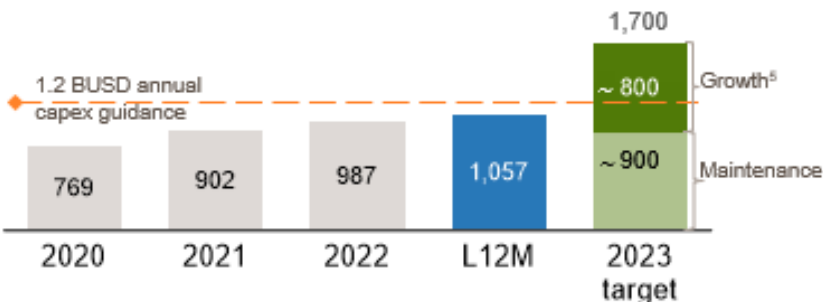
Fixed costs, MUSD



Capex guidance is unchanged at max 1.2 BUSD annual average, 2023 capex guidance includes phasing from 2022

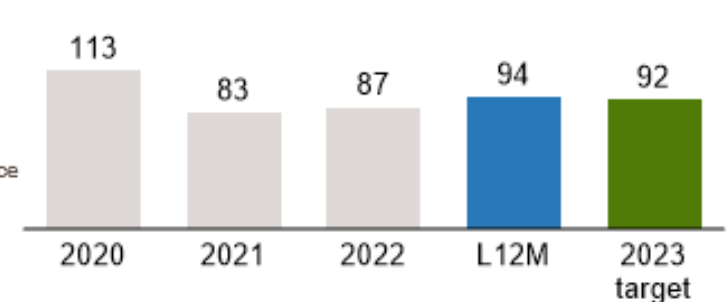
YTD capex within the 2023 frame; increase vs 2022 mainly driven by turnaround preparation

Capex, MUSD



Operating capital⁴ (Days)

Operating capital days increase is mainly due to increased inventory days amid lower demand across regions



1) Targets and actual volumes adjusted for portfolio changes

2) For a reconciliation of Fixed costs to Operating costs and expenses, see the APM section of the 1Q report, page 33

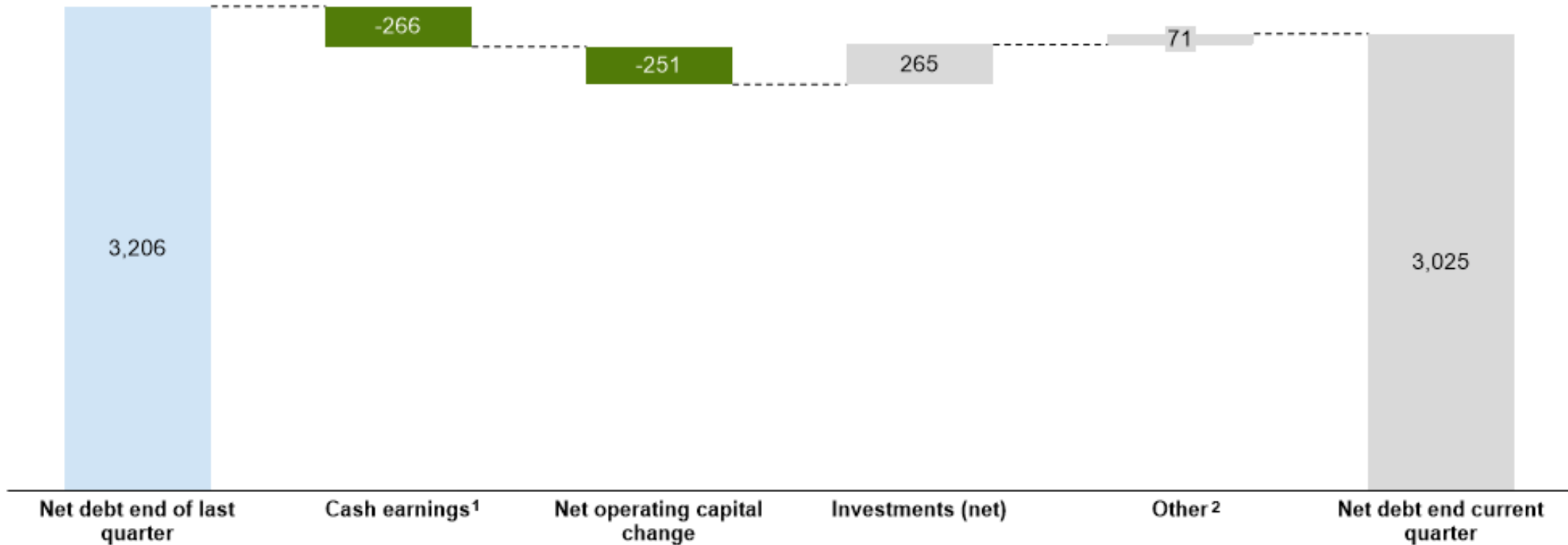
3) Capex is defined as a cash outflow from investing activities as presented in the cash flow statement, page 14 of 1Q report

4) Operating capital excluding prepayments from customers. For a reconciliation of Operating capital days, see the APM section of the 1Q report, page 34

5) Includes improvement and growth projects (both committed and uncommitted)

Cash earnings and release of operating capital more than funded investments

Net interest-bearing debt: 1Q development (MUSD)



Driving sustainable performance with an integrated scorecard

People

Yara KPI	2020	L12M	2025 Target	Measure
Strive towards zero accidents	1.3	1.1	<1.0	TRI
Engagement Index ¹	79%	n/a	Top quartile	Index
Diversity and inclusion index ¹	74%	n/a	Top quartile	Index
Female senior managers ²	24%	29%	40%	%



Planet

Yara KPI	2020	L12M	2025 Target	Measure
Energy efficiency ³	33.2	33.8	32.7	GJ/t NH ₃
GHG emissions, intensity	3.0	3.0	2.7	t CO ₂ e/t N
GHG emissions, scope 1+2 ⁴	-4%	-18%	-30%	CO ₂ e
Active hectares ⁵	8	16	150	MHa
Carbon marketplace ⁶			TBD	



Prosperity

Yara KPI	2020	L12M	2025 Target	Measure
Ammonia Production ⁷	7.7	7.9	8.6	Mt
Finished Fertiliser Production ⁷	20.8	20.6	22.5	Mt
Premium generated ⁸	1,036	2,145	N/A	MUSD
Revenues from new business models	6	23	1,500	MUSD
Revenues from online sales	0	19	1,200	MUSD
Working capital ^{7,9}	113	94	92	Days
Capital return (ROIC) ⁹	8.0 %	20.1 %	>10%	%
Fixed costs ^{9,10}	2,113	2,391	beat inflation	MUSD
Capex ¹¹	0.8	1.1	1.2	BUSD
Net debt / EBITDA ⁹	1.36	0.75	1.5-2.0	Ratio
MSCI rating	BBB	A	A	Score
Sustainalytics rating	Med	Med	Med	Score



- 1) Measured annually
- 2) Status per end of the quarter
- 3) Energy efficiency target is for 2023
- 4) GHG absolute emissions scope 1+2 target is for 2030 with a 2019 baseline
- 5) Cropland with digital farming user activity within defined frequency parameters
- 6) Reported upon updates
- 7) YIP target for 2023
- 8) Market reference used in the premium calculation is currently under review
- 9) Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the 1Q 23 Report on pages 30-35
- 10) Fixed cost target is annual
- 11) CAPEX max 1.2 BUSD (including maintenance) in 2022 real terms

Developing world-scale ammonia facility with >95% carbon capture in partnership with Enbridge

- **Attractive project attributes:** Low-cost natural gas, competitive CO₂ storage, strong incentives (45Q / IRA) and site allowing significant export scale benefits
- **Strong strategic fit** – increasing competitiveness of Yara’s nitrate and NPK position, contributing towards emission targets for 2030 and new clean ammonia markets for YCA
- **Strong complementary partnership:** Enbridge major pipeline and infrastructure player
- **Energy independence** – reducing European LNG requirement and contributing towards Fit-for-55

Project attributes

1.2 – 1.4 million tonnes
Annual capacity

2027 – 2028
Year placed in service

USD 2.6 – 2.9 billion
Total project investment in USD billion¹



Enbridge Ingleside Energy Center (EIEC) near Corpus Christi, Texas

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



Unique opportunities:

- Resource and environmental challenges require strong agri-productivity improvement
- Attractive Yara growth opportunities within sustainable food solutions and clean ammonia
- Improved market fundamentals



Focused strategy:

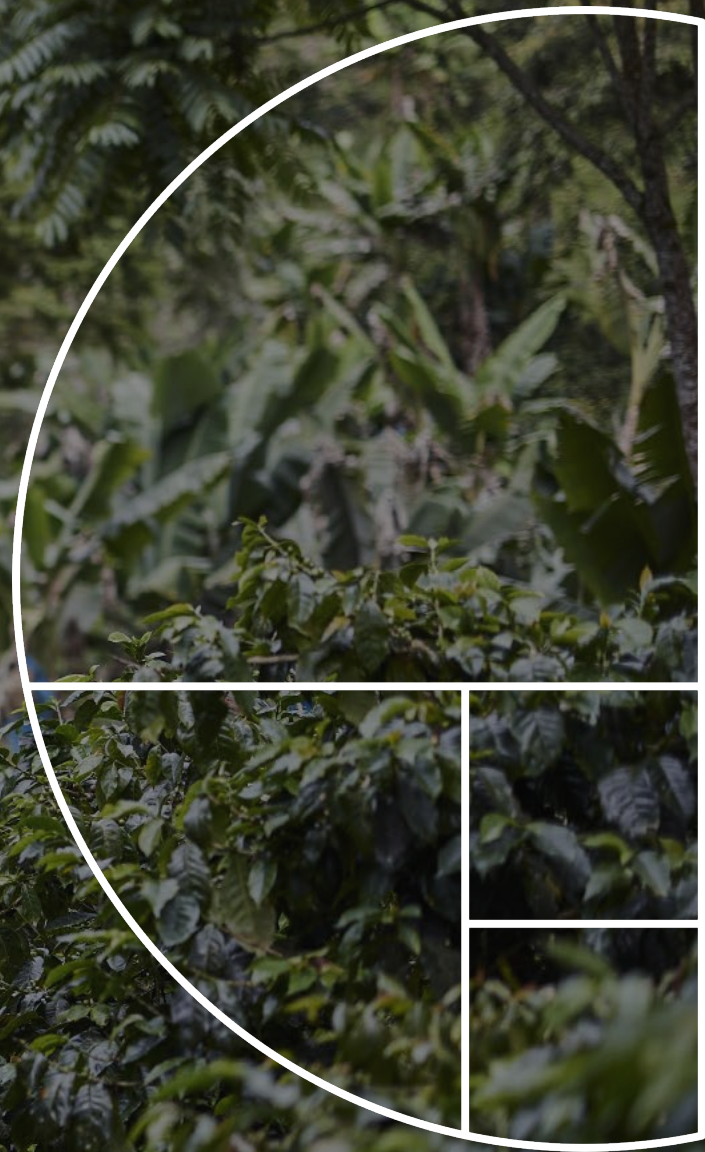
- Growing a nature-positive food future
- Crop nutrition leader; #1 premium product and market presence
- Transitioning towards sustainable solutions for the global food system
- Operational improvement and innovation focus



Strong shareholder returns:

- Strict capital discipline
- Clear capital allocation policy
- Improving underlying ROIC; 10% ROIC target through the cycle

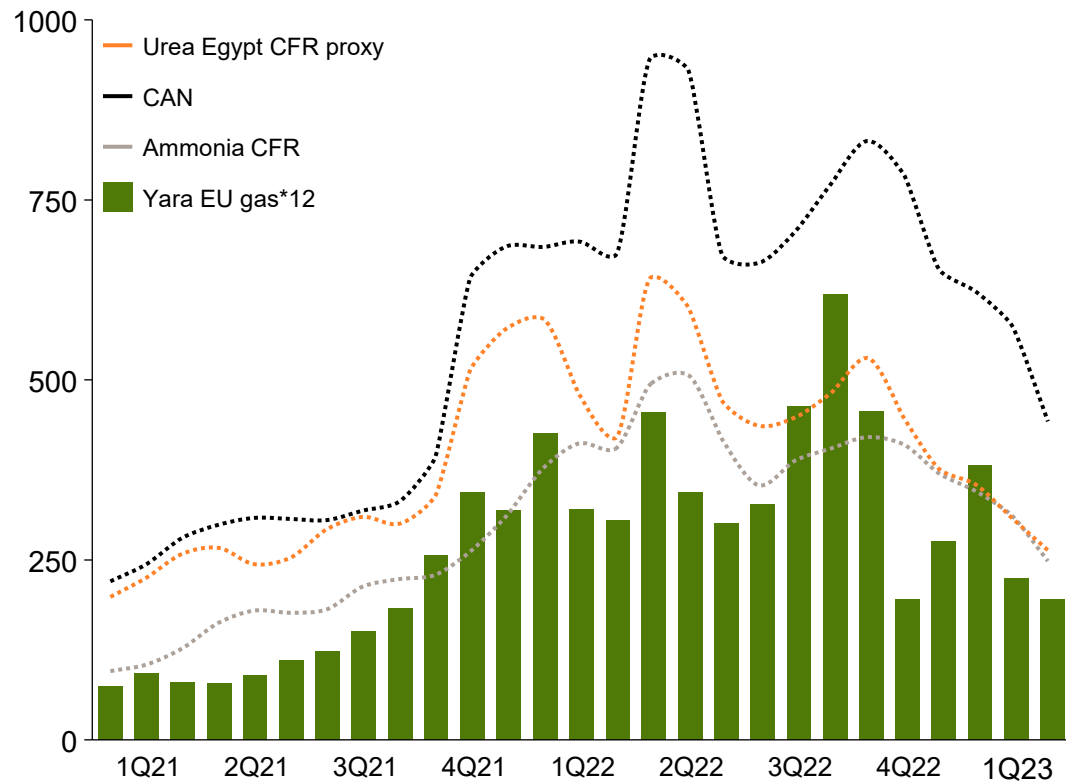
Appendix



Nitrate and NPK premiums

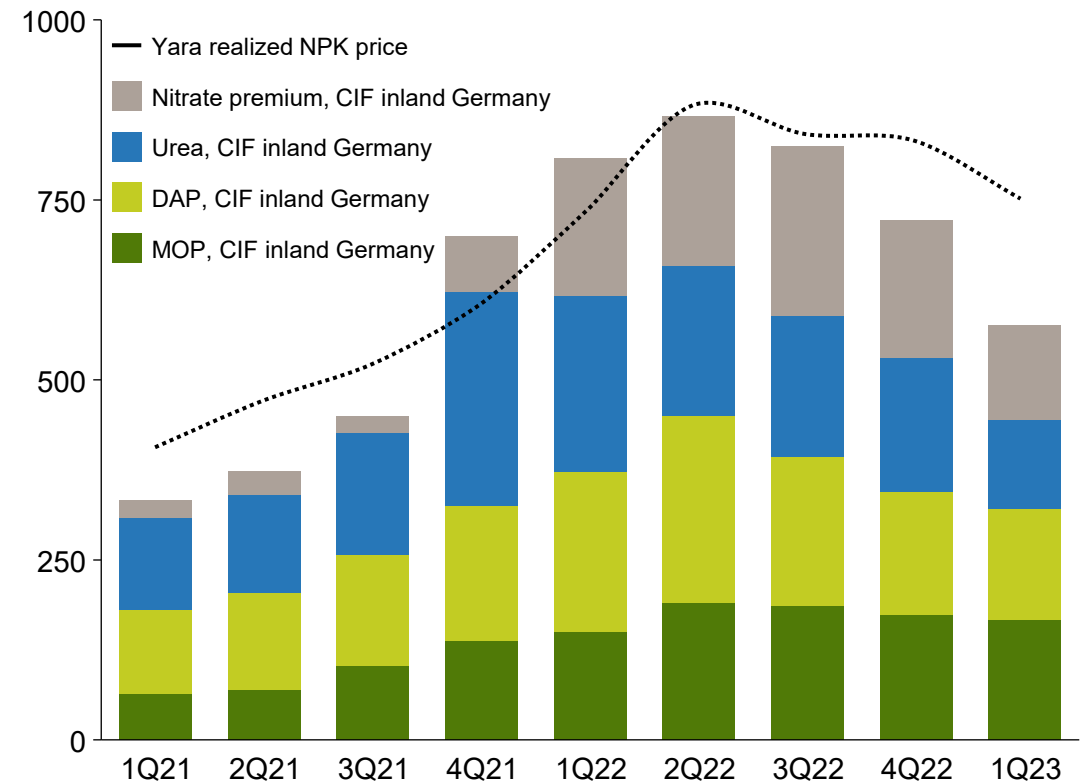
Nitrogen upgrading margins¹

USD/t CAN27 equivalents (weekly publication prices)



NPK premium over blend²

USD/t



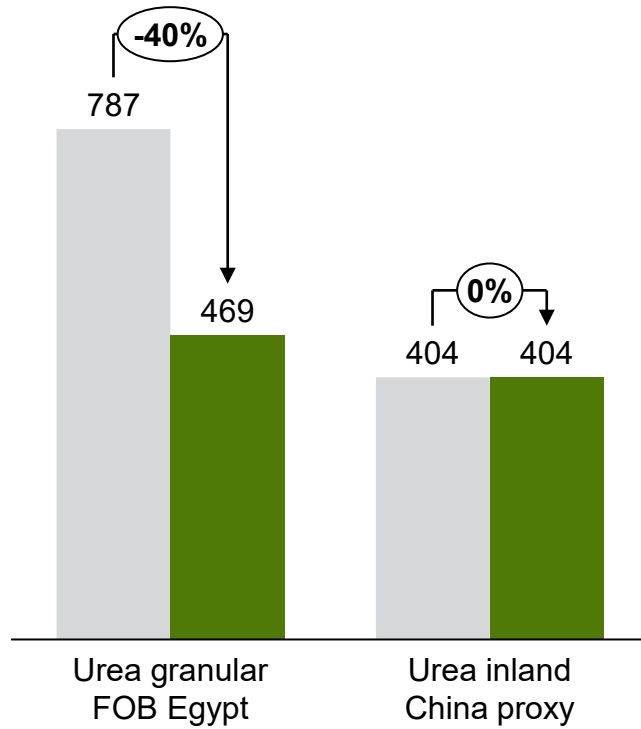
1) Nitrate premium in CIF Germany terms, above Urea Granular FOB Egypt, in 27% N (USD/t): All prices in CAN27 equivalents, with 1 month time lag
 2) Export NPK plants, average grade 19-10-13, net of transport and handling cost. Premium calculated above MOP, DAP and CAN CIF inland Germany. No time lag

Source: Fertilizer Market publications

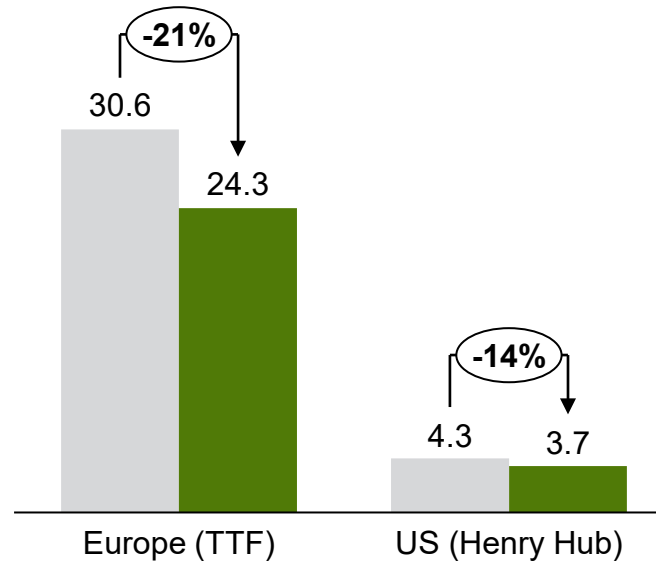
Key product price development

1Q22 1Q23

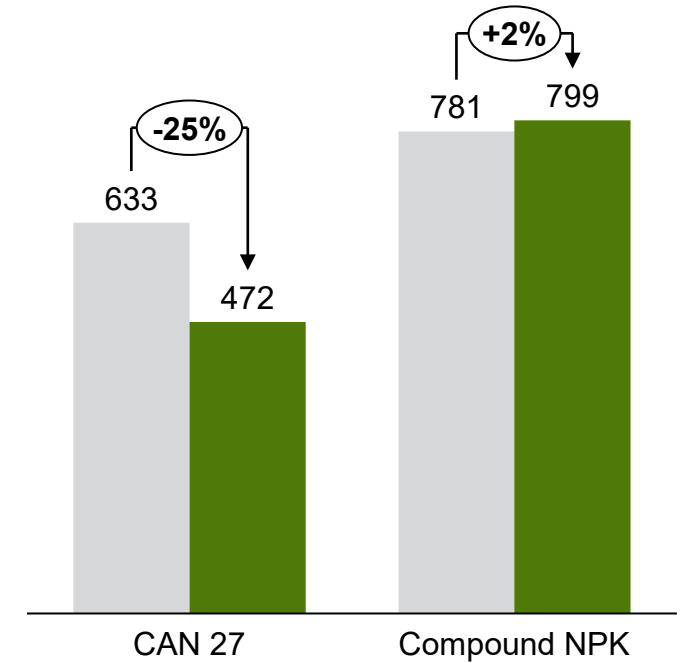
Urea price development¹ (USD/t)



Spot gas prices¹ (USD/Mmbtu)



Yara realized CAN² and NPK price³ (USD/t)

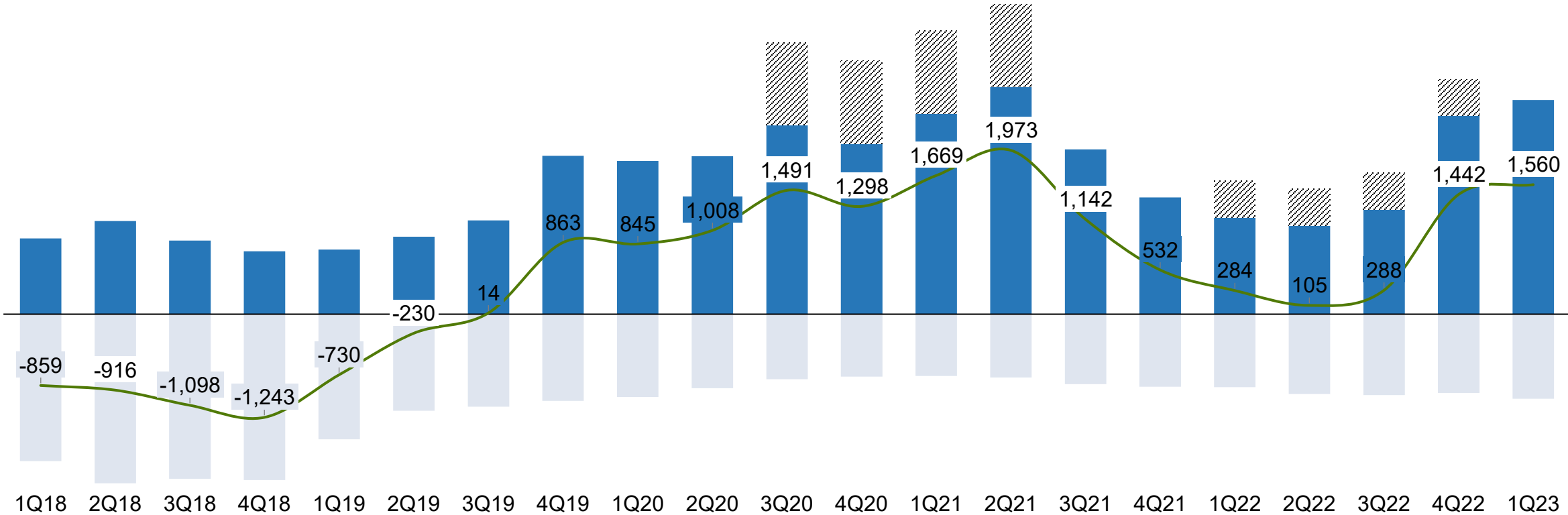


1) Source: BOABC, CFMW, Fertilizer publications, Argus. 1-month lag applied, as proxy for realized prices (delivery assumed 1 month after order)
 2) Yara's realized European nitrate price, CAN 27 CIF Germany equivalent ex. sulfur
 3) Yara's realized global compound NPK price (average grade)

Free cash flow

Free cash flow before financing activities^{1,2}

Divestment proceeds
 Operations
 Investments
 Free cash flow adjusted for divestment proceeds

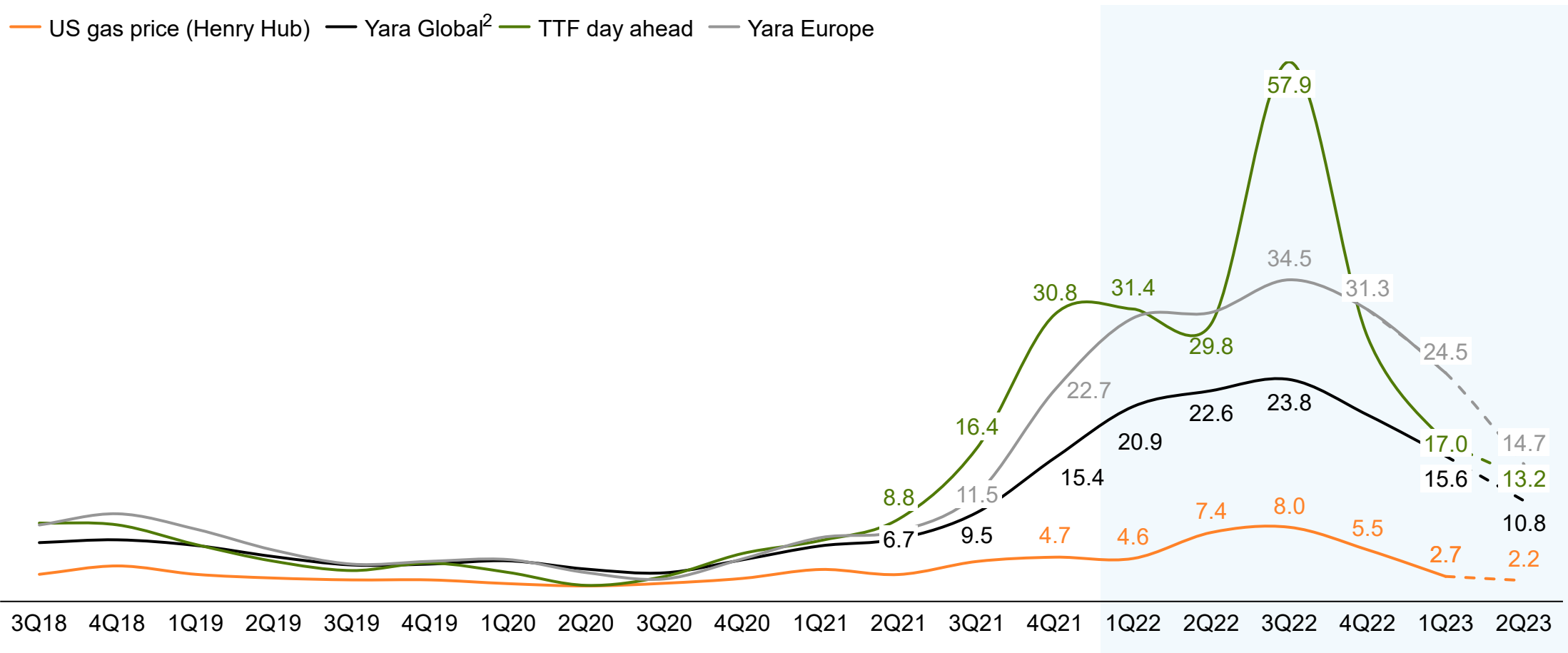


1) Net cash provided by operating activities minus net cash used in investment activities.
 2) L12M, MUSD

Energy cost

Quarterly averages for 2018 – 1Q 2023 with forward prices¹ for 2Q 2023

— US gas price (Henry Hub) — Yara Global² — TTF day ahead — Yara Europe



Source: Yara, Argus

1) Dotted lines denote forward prices as of 19 Apr 2023, market prices (HH and TTF) are not lagged.

2) Yara Global restated from 2Q 2018 to include Cubatão gas cost, Babrala excluded, and updated Yara gas cost methodology from 1Q20



Details of energy cost actuals and estimate 2Q 2023

Europe		2Q22	3Q22	4Q22	1Q23	2Q23 estimations based on forward prices
Average gas cost	USD/MMbtu	30.9	34.3	31.2	24.5	14.6
Gas consumption ¹	MMBtu	34.7	30.3	26.4	22.9	34.7
European gas cost	USD million	1,072	1041	823	562	507

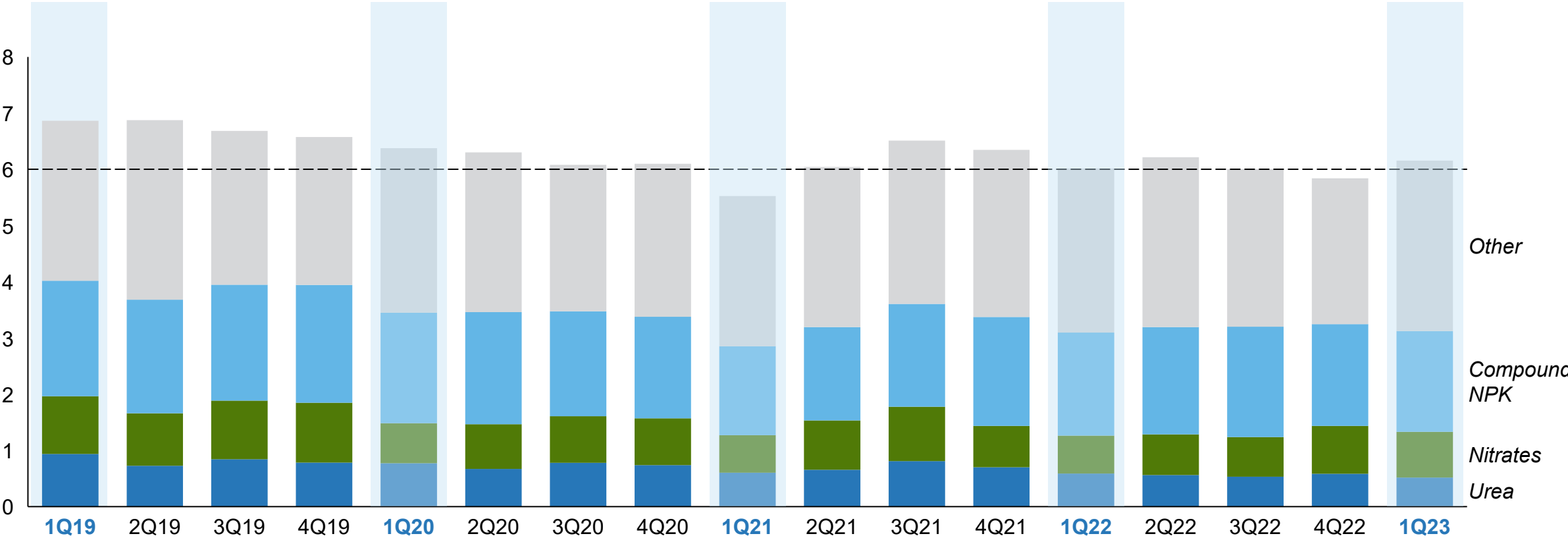
Yara Global ²		2Q22	3Q22	4Q22	1Q23	2Q23 estimations based on forward prices
Average gas cost	USD/MMbtu	22.6	23.8	20.0	15.6	10.8
Gas consumption ¹	MMBtu	55.1	52.7	51.4	47.6	55.1
Global gas cost	USD million	1,245	1,257	1,026	743	595



1) Gas consumption in 2Q 2023 estimate based on actual consumption and production volumes in 2Q 2022. Actual consumption could deviate from this due to curtailments or other factors.
 2) Excluding Babrala

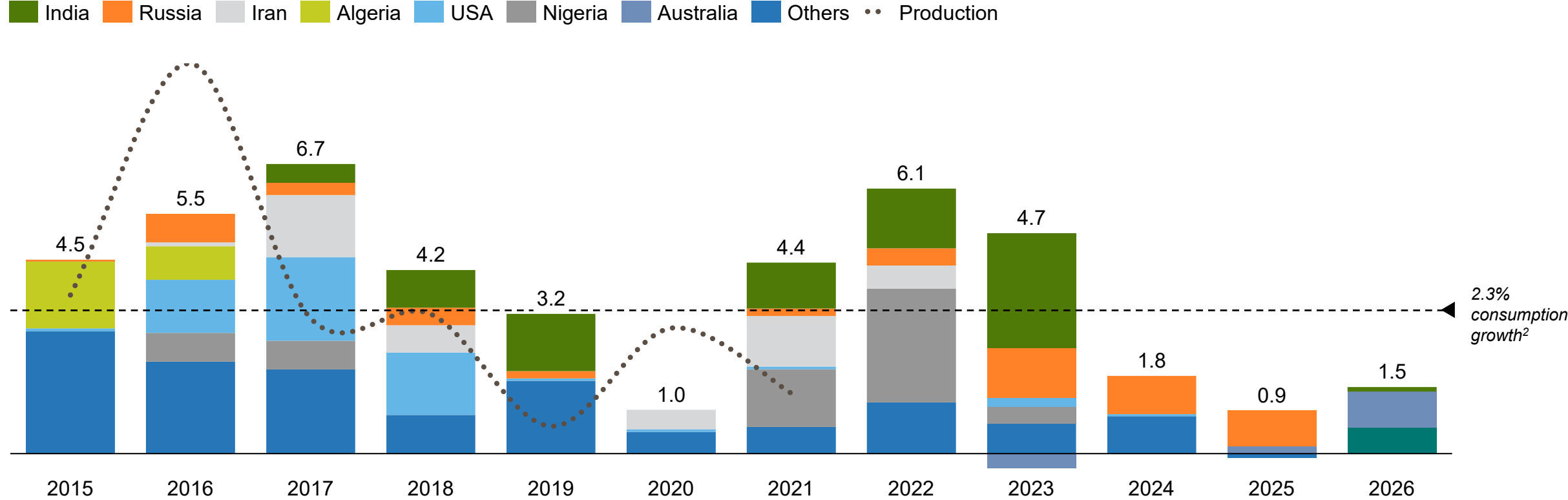
Yara inventories

Finished products inventory development in mt



Peak of capacity additions is now

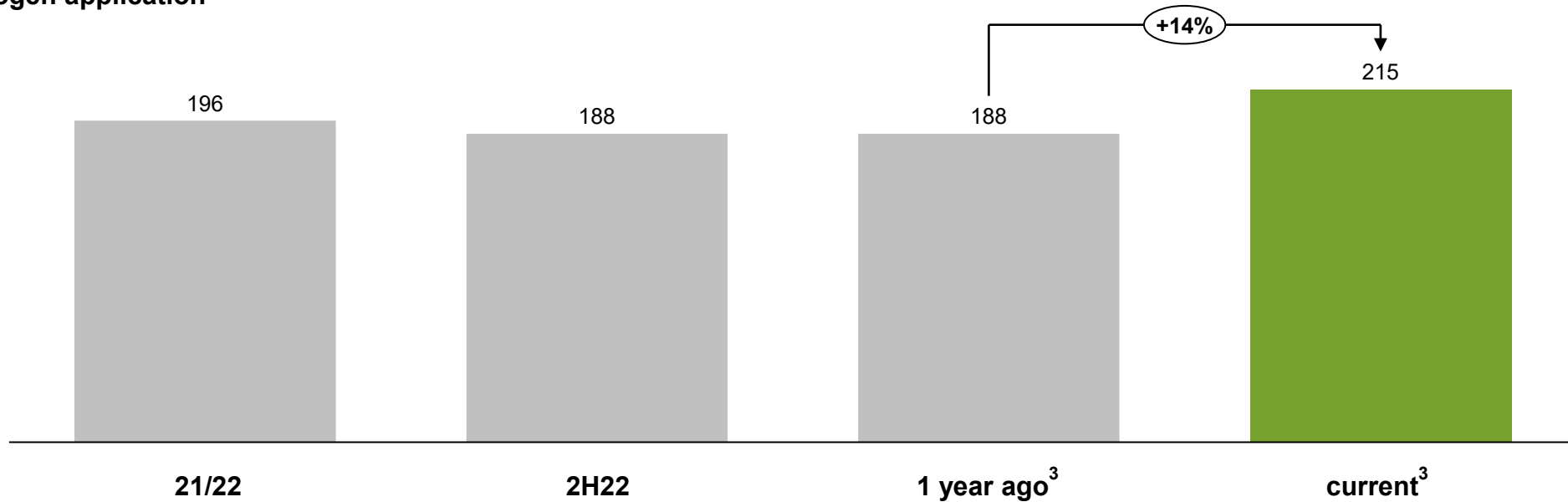
Global urea capacity additions ex. China ¹ (mt)



1) Urea projects assessed as "probable" by CRU.
Source: CRU March 2023

Farmer incentives: wheat example

Optimal nitrogen application
kg/ha



	21/22	2H22	1 year ago ³	current ³
Wheat price USD / mt	345	337	429	282
CAN27¹ price USD/ton	638	727	918	320
Grain yield² t/ha	9.49	9.43	9.43	9.59
Farmer revenue above nitrogen cost USD/ha	2,810	2,669	3,404	2,447



1) Fertilizer handbook page 68, <https://www.yara.com/siteassets/investors/057-reports-and-presentations/other/2022/fertilizer-industry-handbook-2022.pdf/>
 2) Company research based on field trials with winter wheat
 3) Per week 15 2022/2023

Alternative performance measures

Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the Quarterly report on pages 30-35

