



Knowledge grows

Yara International ASA 2023 second-quarter results

19 July 2023



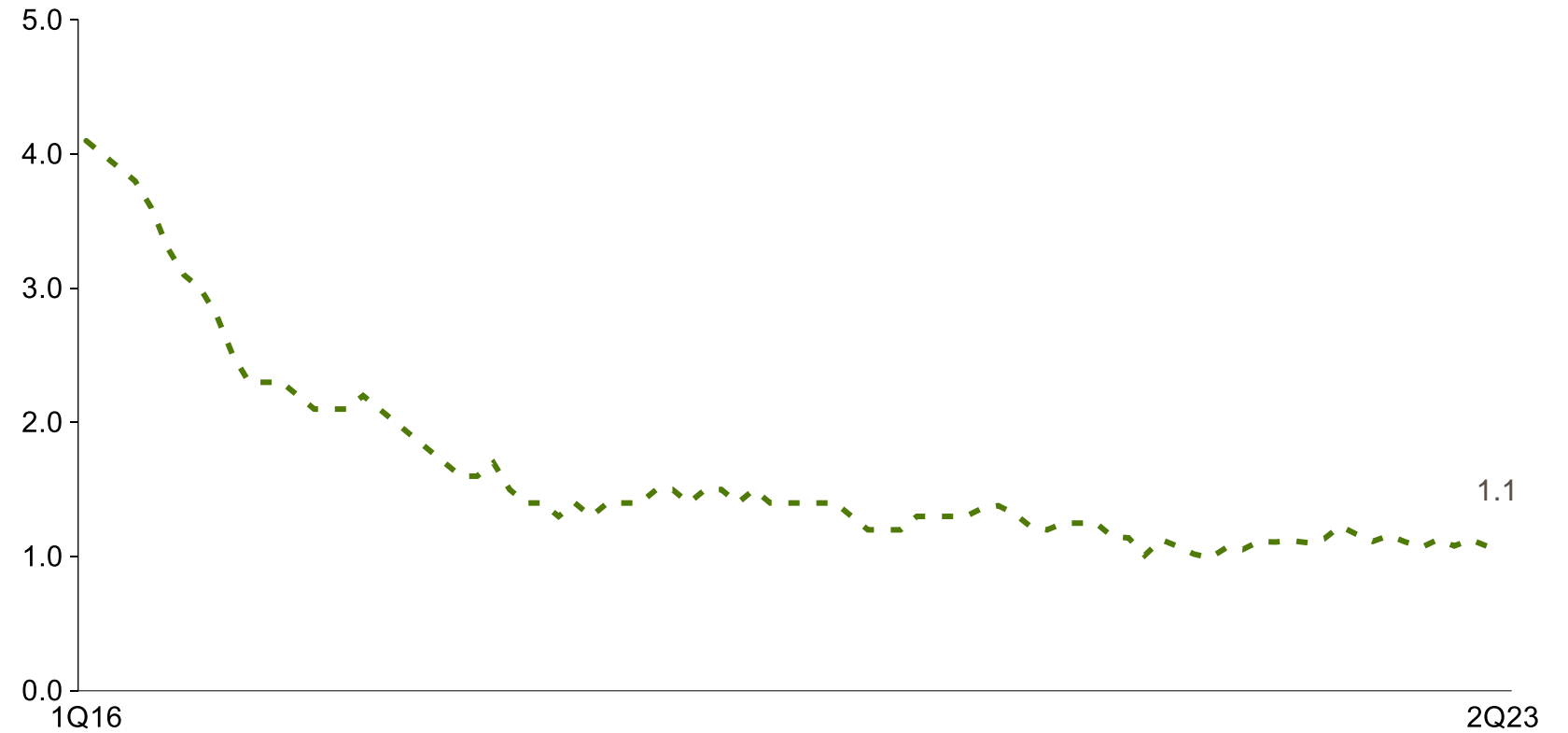
Cautionary note

This presentation contains forward-looking information and statements relating to the business, financial performance and results of Yara and/or industry and markets in which it operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "aims", "anticipates", "believes", "estimates", "expects", "foresees", "intends", "plans", "predicts", "projects", "targets", and similar expressions. Such forward-looking statements are based on current expectations, estimates and projections, reflect current views with respect to future events, and are subject to risks, uncertainties and assumptions. Forward-looking statements are not guarantees of future performance, and risks, uncertainties and other important factors could cause the actual business, financial performance, results or the industry and markets in which Yara operates to differ materially from the statements expressed or implied in this presentation by such forward-looking statements. No representation is made that any of these forward-looking statements or forecasts will come to pass or that any forecasted results will be achieved, and you are cautioned not to place any undue reliance on any forward-looking statements.



Our ambition is zero injuries

TRI¹ (12-month rolling)



1) Total Recordable Injuries per 1 million working hours





2Q impacted by falling prices, but improved demand outlook for new season

2Q 2023

Strong cash conversion in a low-margin environment

Falling prices generated further position losses, recovery is likely in 3Q based on the latest price developments

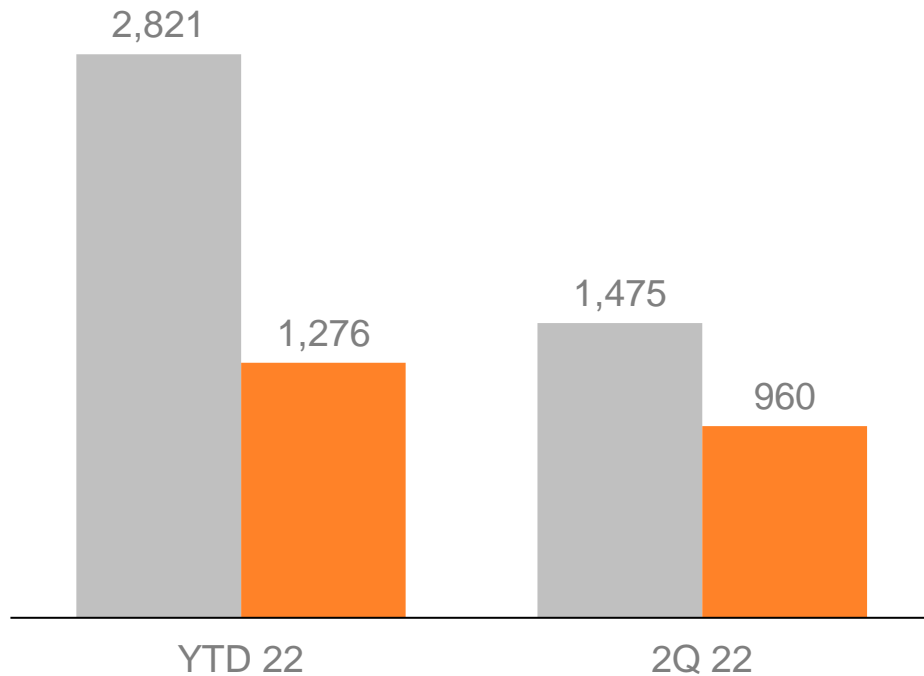
Positive volume effect from higher premium product deliveries

Improved demand and tighter nitrogen market outlook for the new season

Strong cash conversion in a low-margin environment

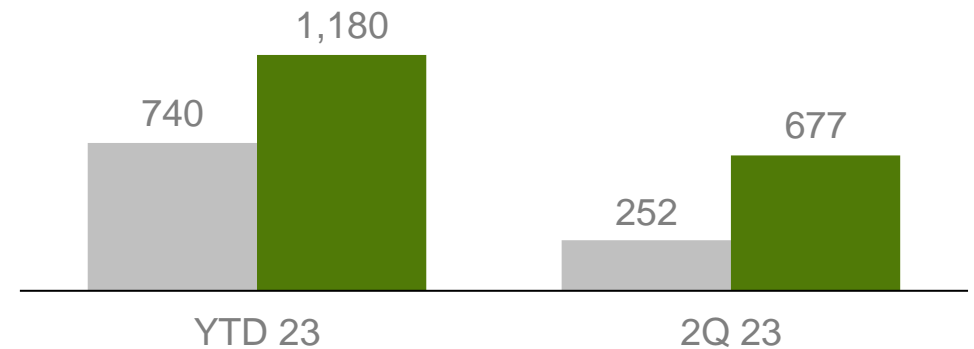
Strong earnings in 2022, but cash conversion impacted by operating capital build-up

■ EBITDA ex. SI¹ ■ Cash from operations² MUSD



Weaker earnings in 2023, but strong cash conversion due to operating capital release

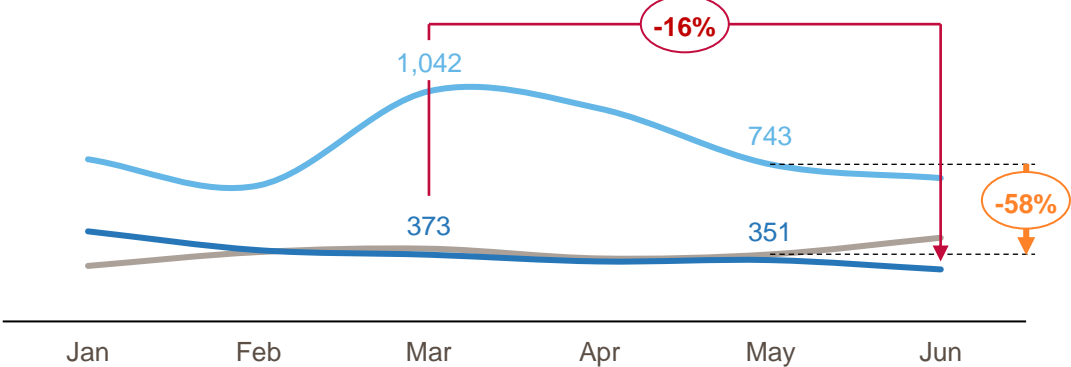
■ EBITDA ex. SI¹ ■ Cash from operations² MUSD



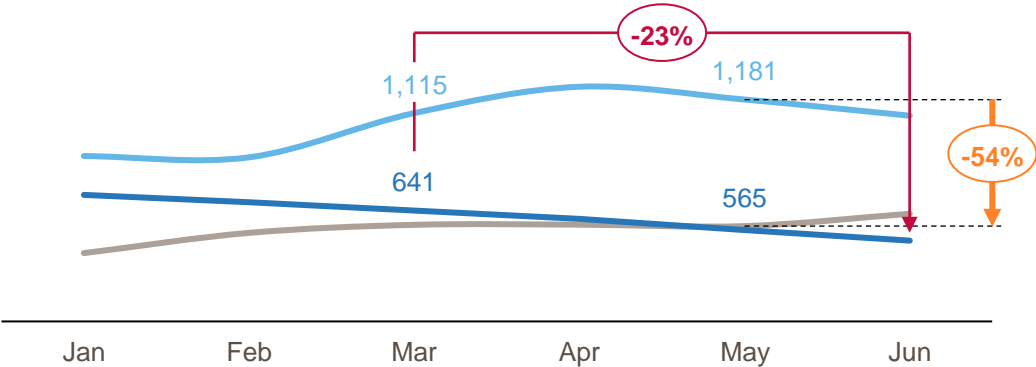
2Q 2023 impacted by falling commodity prices

— 2021 — 2022 — 2023 — % price change Mar23 vs Jun23 — % price change 2Q'22 vs 2Q'23

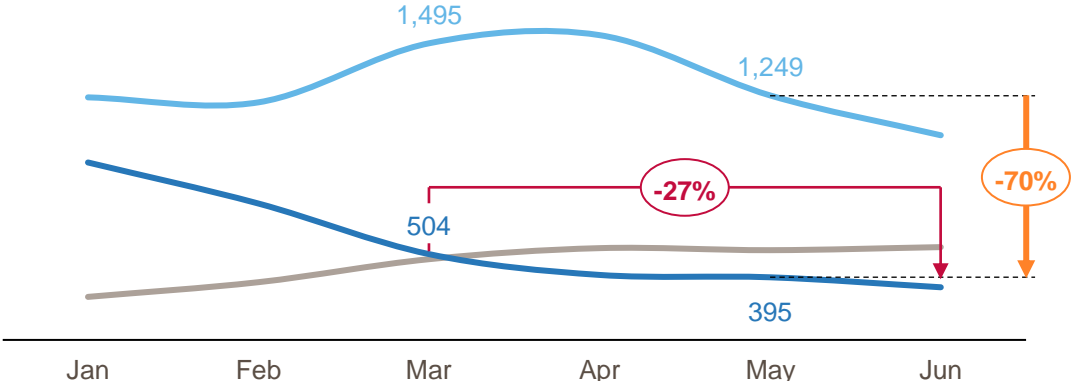
Urea FOB Egypt, USD/t



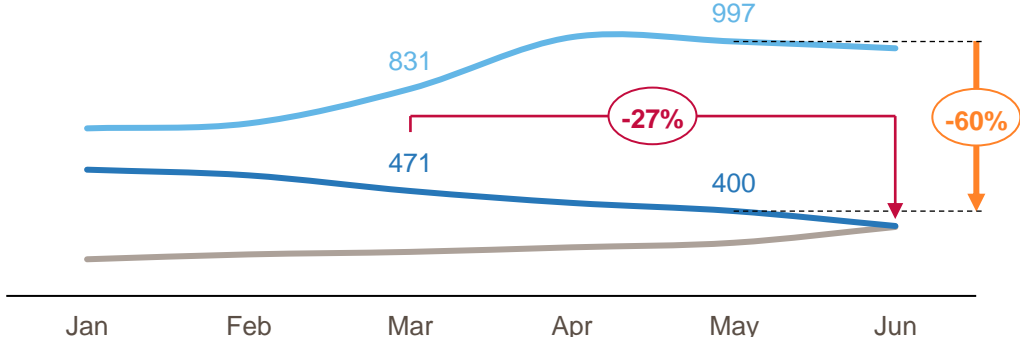
DAP FOB Morocco, USD/t



Ammonia CFR North West Europe, USD/t



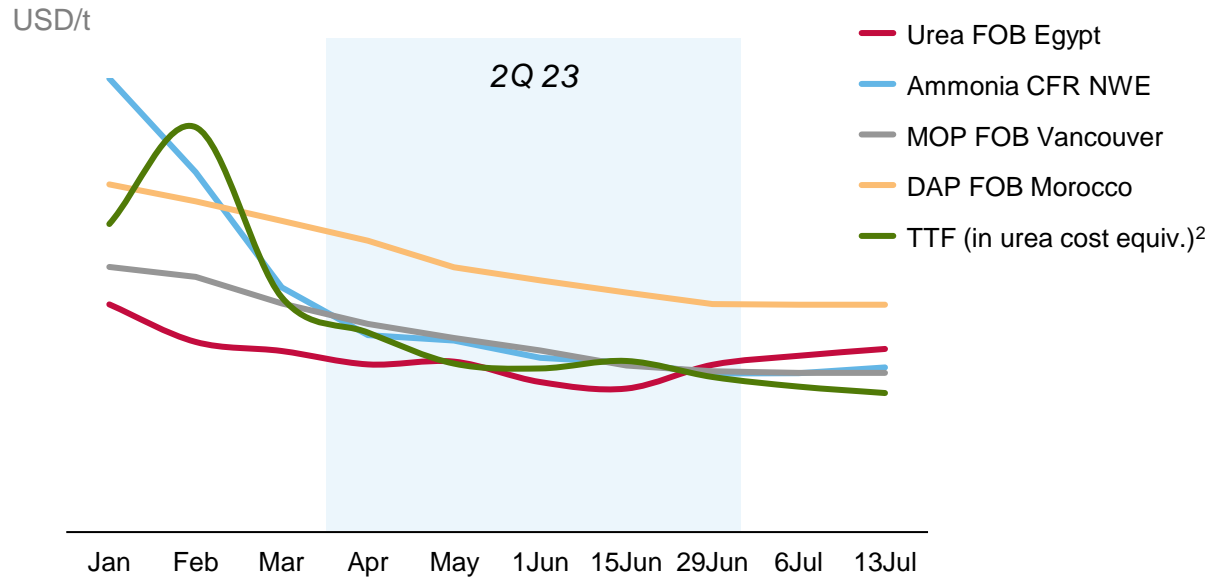
MOP FOB Vancouver, USD/t



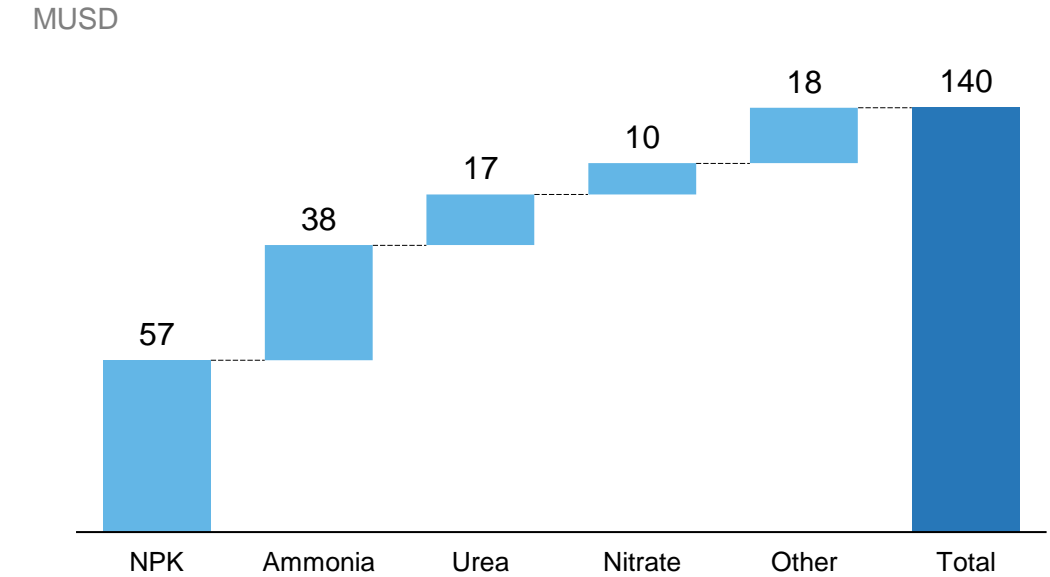
1) Market price no lag, average of month figures used

Falling prices generated further position losses, recovery likely in 3Q based on latest price developments

Fertilizer commodity prices¹ falling for six straight months; but urea showing recovery since mid - June



140 MUSD new inventory write-downs in 2Q 23, driven by declining prices; biggest hit in NPK and ammonia



- Steep price declines resulted in low demand in overseas markets which increased net position exposure³
- Strong orderbook growth in Europe since new season price announcement reduced net exposure on nitrates/NPK.

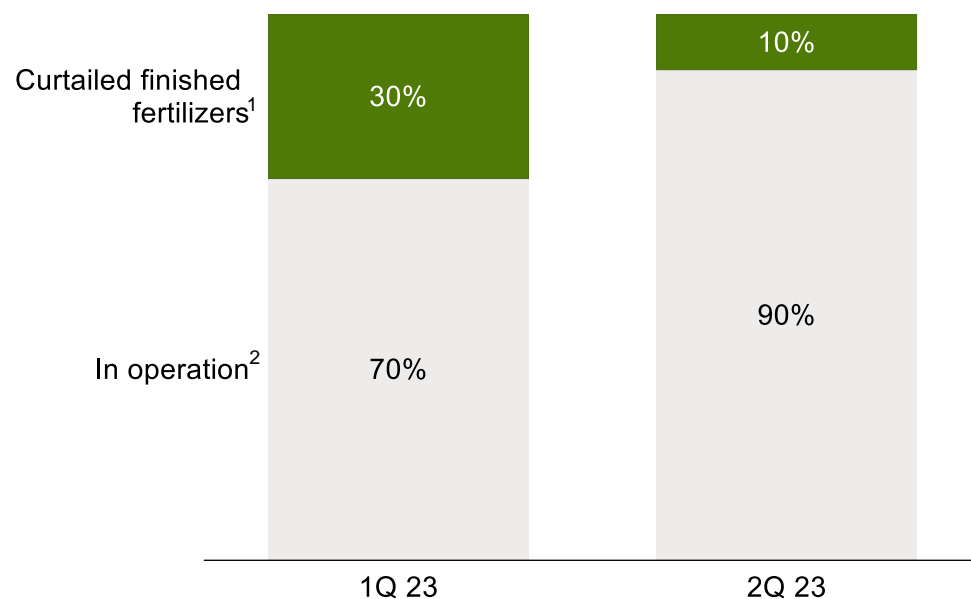
- In addition to write-downs, there are position effects that reduce sales margins but not trigger inventory write-downs.
- Such position effects are directionally estimated to represent a further ~60% in addition to the total write-down.



1) Urea, ammonia, MOP, DAP reference spot price (no lag).
 2) Urea production cost equivalent calculated as per 22*TTF + 40. TTF lagged by 2 months to reflect the increased lag in 1H 2023.
 3) Yara's natural position as a producer with a net position exposure between production and sales order

Curtailments discontinued as European industry deliveries picked up, ending in line with 21/22 season

Yara curtailments discontinued in 2Q with pick-up in demand



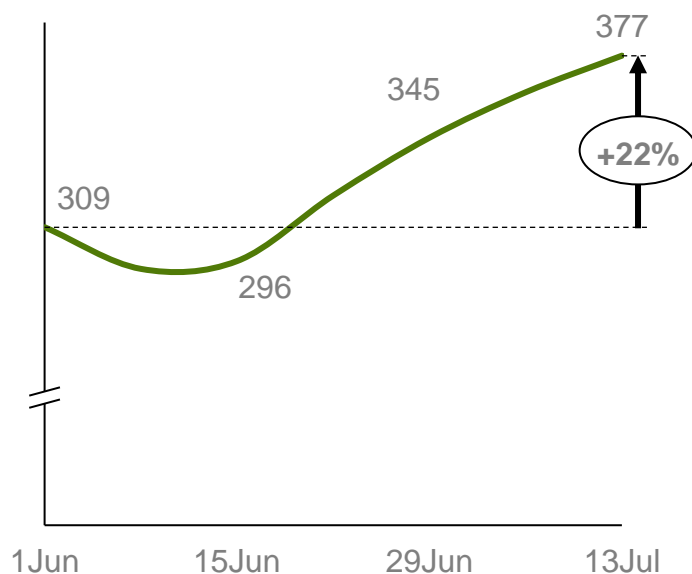
Comments

- Significant pick-up in deliveries in the second quarter, on the back of a tighter nitrogen market with increased European demand at new season prices and improved farmer affordability metrics.
- Given supply overhangs from last season, this indicates an increase in application rates this season.
- Yara finished fertilizer curtailments in European plants reduced from 30% in the first quarter to 10% of capacity in the second quarter.

Improved demand and tighter nitrogen market outlook for new season

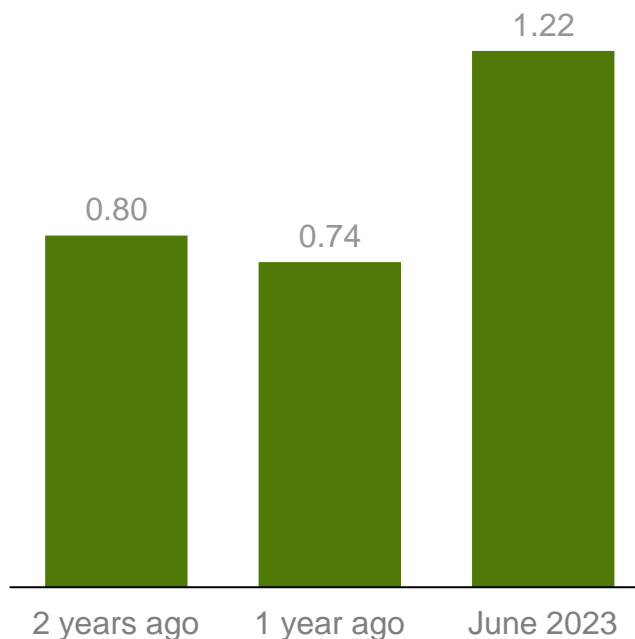
Urea price development June 2023

Granular FOB Egypt
USD per tonne, per week



Strong farmer incentives¹

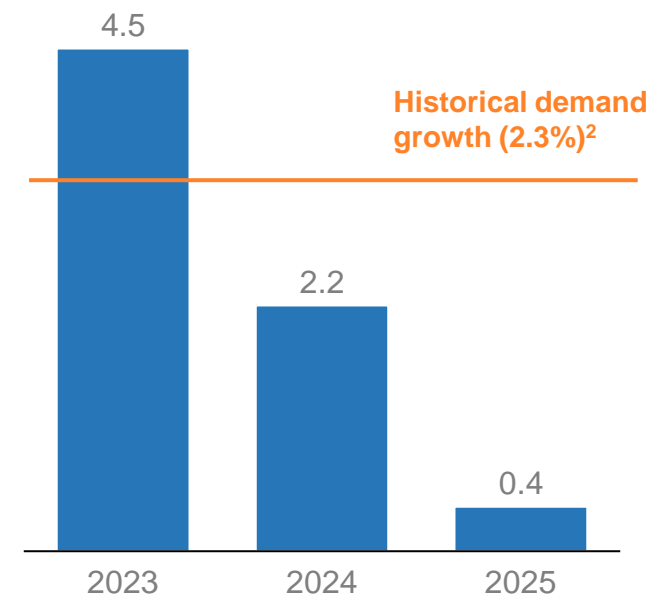
Cereal-to-urea price index, 2014-2016=100



Declining growth in global urea capacity

Million tonnes urea

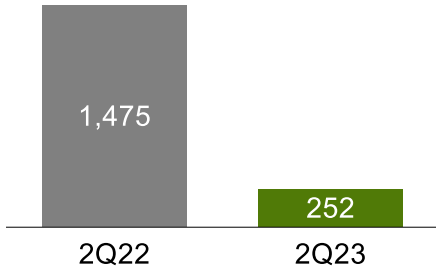
■ Supply



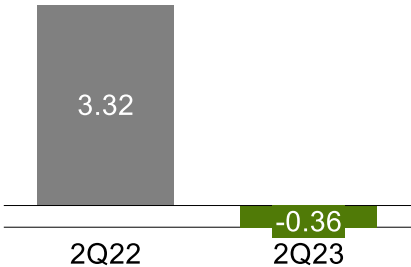
1) Index: urea price/ cereal price, with 2014-2016 = 1. Sources: International publications for urea fob Arab Gulf, FAO for cereal price
2) Growth calculated based on last 10 years up to 2021, equal to ~3.38 mt/year, from 2019 baseline (IFA) of 130.1 mt (global production + China trade)

Financial performance

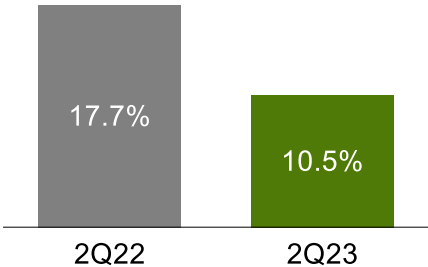
EBITDA ex. special items¹
(MUSD)



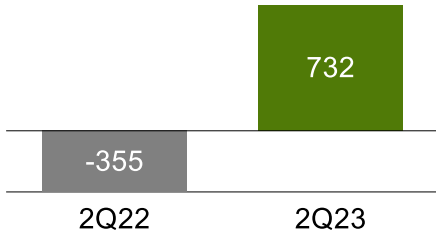
EPS ex. currency and special items¹
(USD per share)



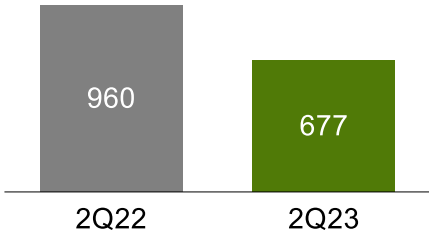
ROIC¹
(12-month rolling, %)



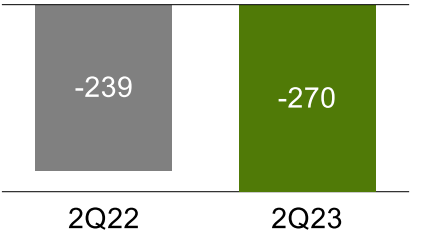
Change in net operating capital²
(MUSD)



Cash from operations
(MUSD)



Investments (net)³
(MUSD)



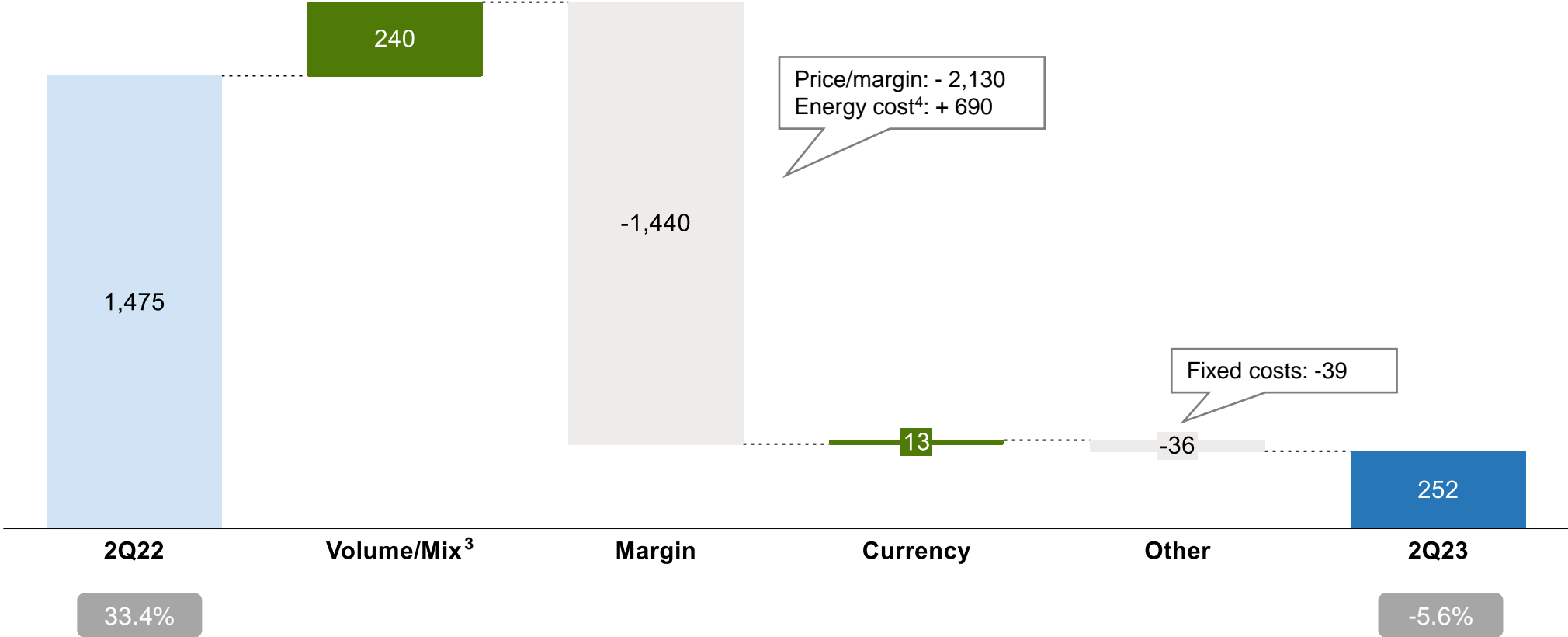
1) Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the 2Q report on pages 34-40
 2) Change in net operating capital as presented in the cash flow statement, page 16 of 2Q report
 3) Net cash used in investing activities as presented in the cash flow statement, page 16 of 2Q report



Major margin decline, partially offset by increased premium product deliveries

EBITDA ex. special items (MUSD)¹

ROIC²



Price/margin: - 2,130
Energy cost⁴: + 690

Fixed costs: -39

33.4%

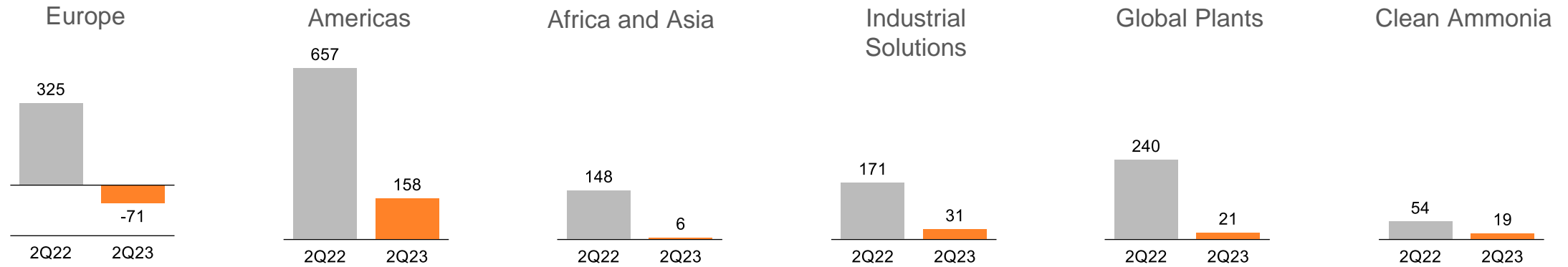
-5.6%



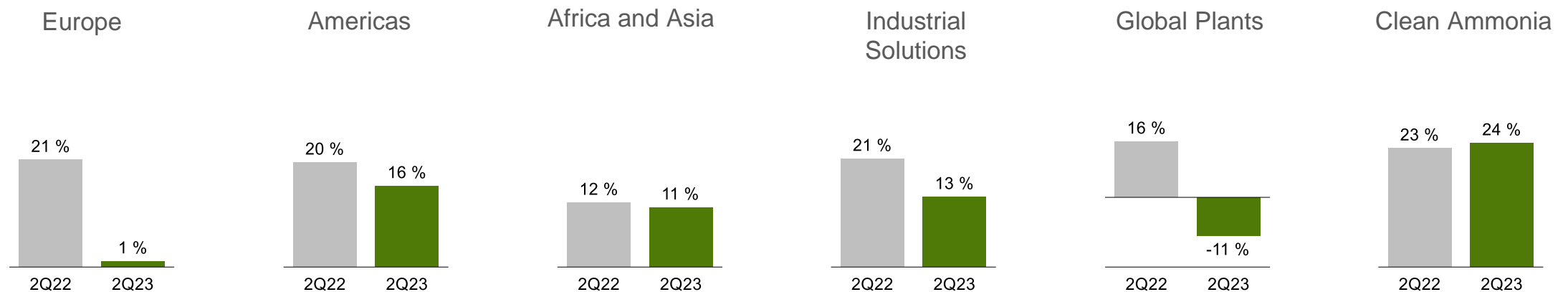
1) EBITDA ex. special items. For definition and reconciliation see Alternative performance measures (APM) section of 2Q report, page 34
 2) Quarterly ROIC, annualized. For definition and reconciliation see APM section of 2Q report, page 36
 3) Volume effect calculated as change in volume vs 2Q22 per product multiplied by margin per product in 2Q22. Margin calculated as residual.
 4) Energy cost variance calculated by multiplying gas price differential with last year's gas consumption

Results by segment

EBITDA ex. special items¹ (MUSD)



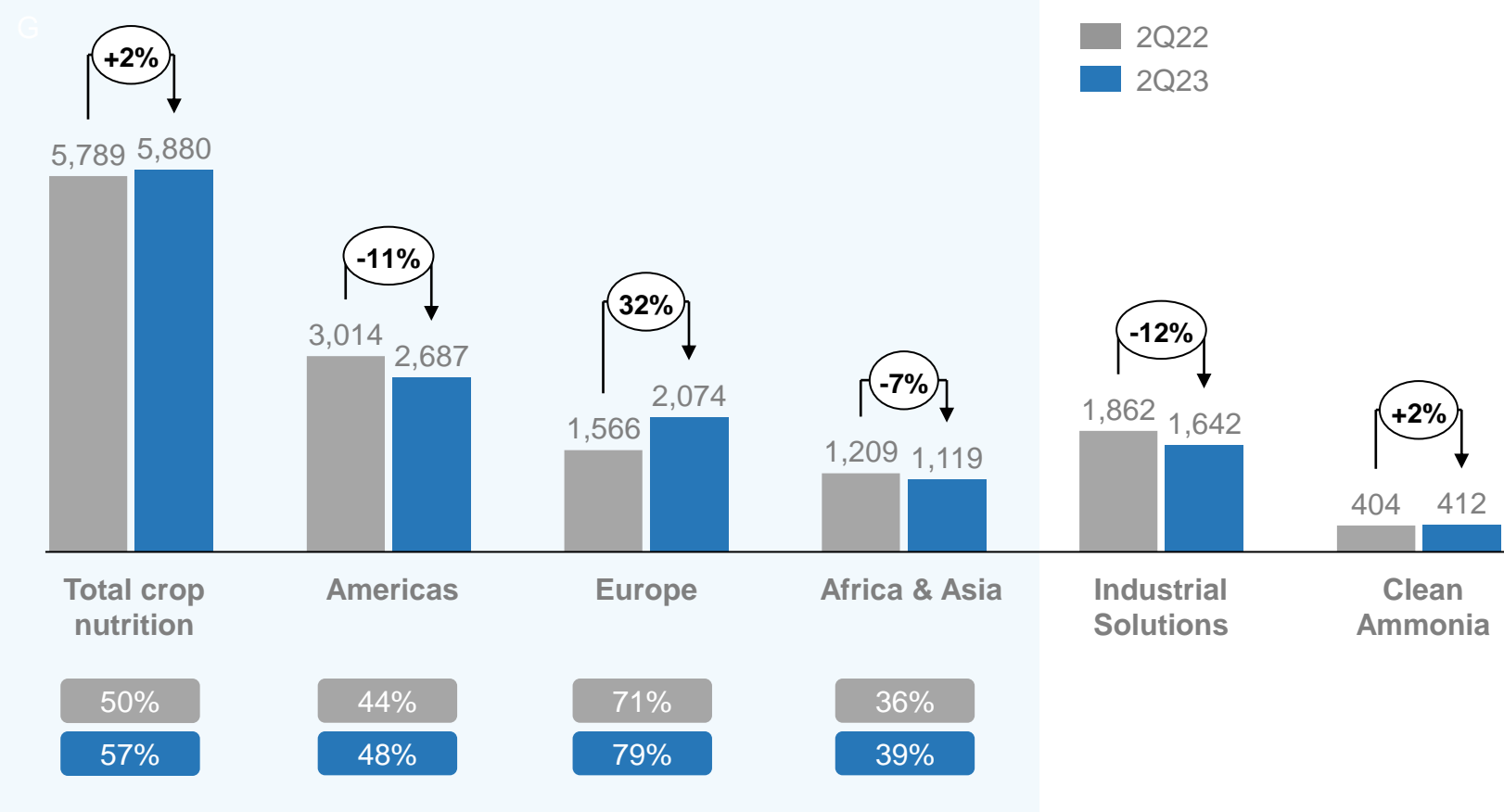
ROIC 12M rolling² (%)



1) For definition and reconciliation of EBITDA ex. special items see APM section of 2Q report, page 34
 2) For definition and reconciliation of ROIC, see APM section in 2Q report, page 36

Strong volume recovery in Europe as expected and increased share of premium products in all regions

External deliveries 2Q 2022 vs 2Q 2023, in kt



Comments

- Total crop nutrition deliveries in line with a year earlier
- Share of premium product deliveries increased across all crop nutrition segments
- Pick-up of demand in Europe offset by lower deliveries elsewhere

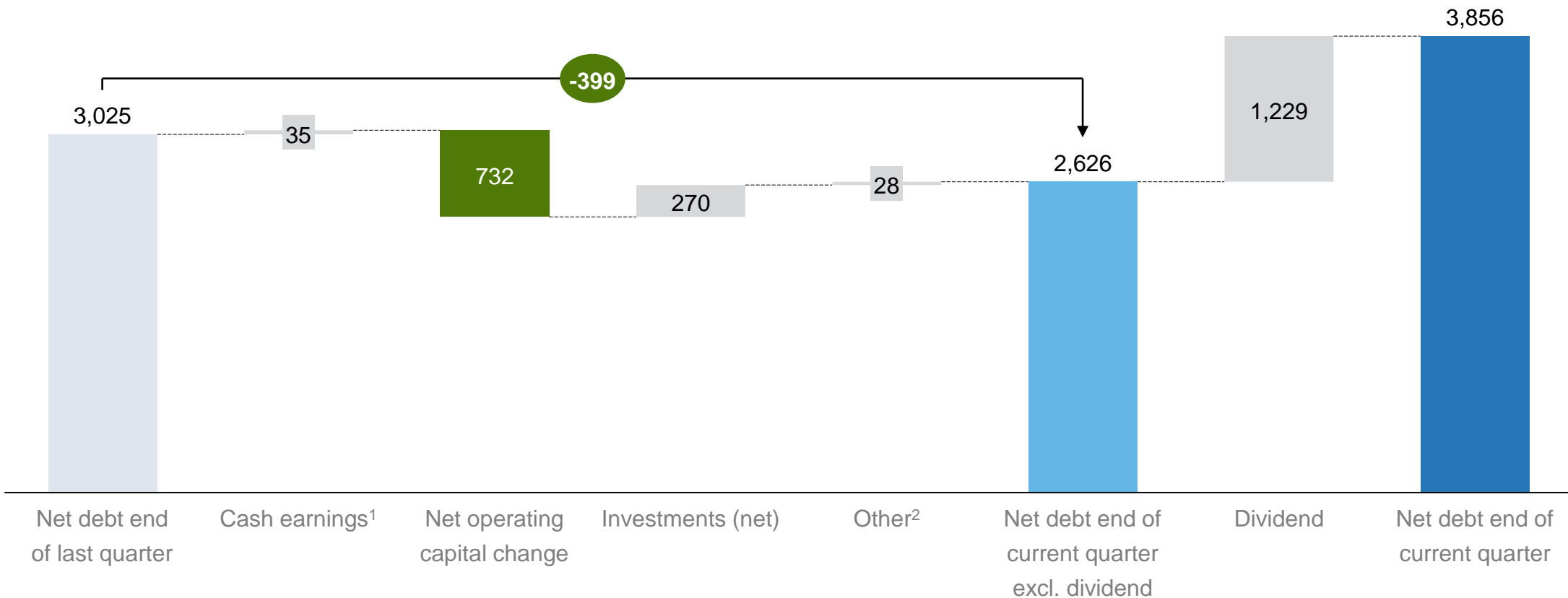
Premium fertilizer Share



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

Substantial operating capital release partially funded record dividend payment

Net interest-bearing debt: 2Q development (MUSD)

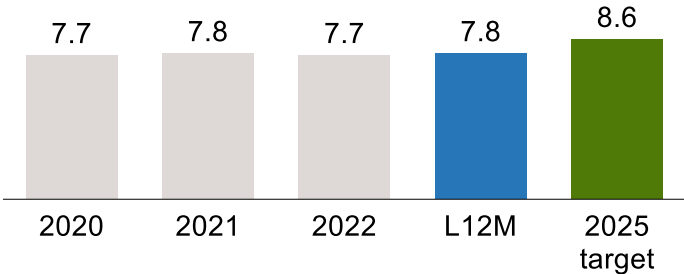


1) Operating income plus depreciation and amortization, minus tax paid, net gain/(loss) on disposals, net interest expense and bank charges
 2) Other mainly related to STIP pay-out and collateral deposits

Continued strong focus on operational improvement and capital discipline

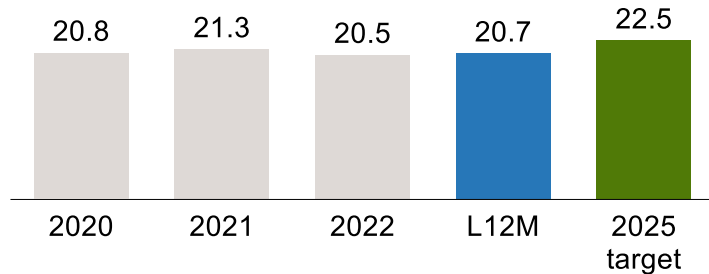
Ammonia production¹ (mt)

Some setbacks in the quarter due to turnaround performance and a few large outages.



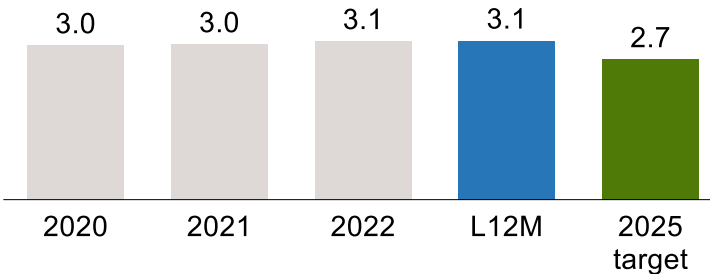
Finished product production¹ (mt)

Overall flat development during the quarter



GHG emission intensity (t CO2e/tN)

Negative impact from curtailments and internal losses overshadowing substantial improvements from GHG projects

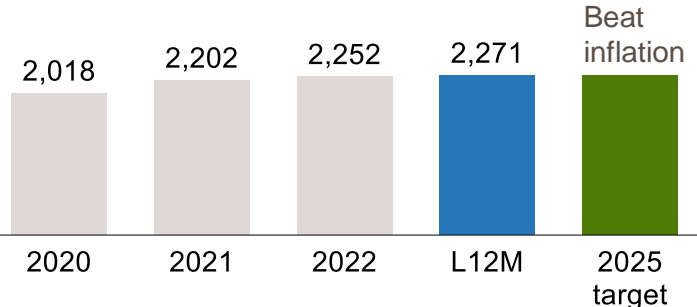


Fixed costs² and capex³ guidance (MUSD)

Continued strong cost and capital discipline with a target to beat cost inflation in core business, and capex guidance at max 1.2 BUSD annual average in real terms⁴. 2023 capex guidance includes phasing from 2022

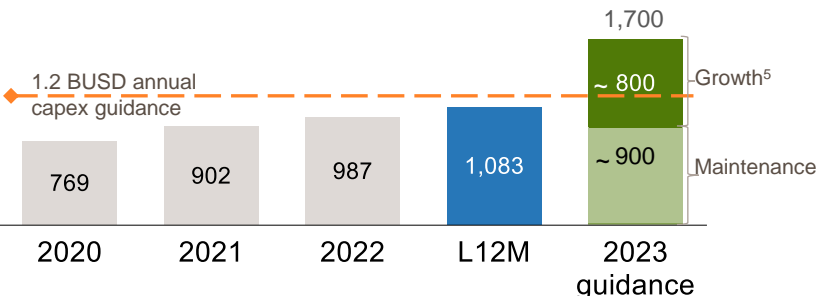
YTD 2023 increase below inflation

Fixed costs in core business, MUSD



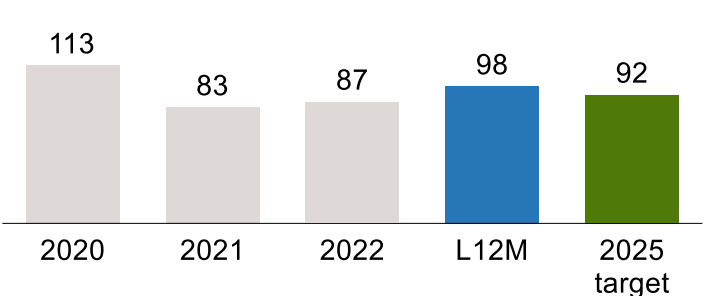
YTD capex within the 2023 frame; increase vs 2022 mainly driven by turnaround execution

Capex, MUSD



Operating capital⁶ (Days)

Operating capital days increase is mainly due to increased inventory days amid slower demand recovery overseas



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 2Q report, page 38
 3) Capex is defined as a cash outflow from investing activities as presented in the cash flow statement, page 16 of 2Q report

4) 2022 base year
 5) Includes improvement and growth projects (both committed and uncommitted)
 6) Operating capital excluding prepayments from customers. For a reconciliation of Operating capital days, see the APM section of the 2Q report, page 39



Driving sustainable performance with an integrated scorecard



People

Yara KPI	2021	L12M	2025 target	Measure
Strive towards zero accidents	1.0	1.1	<1.0	TRI
Engagement Index ¹	79%	n/a	Top quartile	Index
Diversity and inclusion index ¹	77%	n/a	Top quartile	Index
Female senior managers ²	29%	30%	40%	%

- 1) Measured annually
- 2) Status per end of the quarter



Planet

Yara KPI	2021	L12M	2025 target	Measure
GHG emissions, intensity	3.0	3.1	2.7	t CO2e/t N
GHG emissions, scope 1+2 ¹	-4%	-19%	-30%	CO2e
Digitized hectares ²	19 ³	22	150	MHa
MSCI rating	A	A	A	Score

- 1) GHG absolute emissions scope 1+2 target is for 2030 with a 2019 baseline
- 2) Cropland with digital farming user activity within defined frequency parameters
- 3) 2022 actual for Digitized hectares



Profit

Yara KPI	2021	L12M	2025 target	Measure
Ammonia Production ¹	7.8	7.8	8.6	Mt
Finished Fertiliser Production ¹	21.3	20.7	22.5	Mt
Premium generated ²	280	2,399	N/A	MUSD
Working capital ³	83	98	92	Days
Capital return (ROIC)	7.90 %	10.5 %	>10%	%
Fixed costs in core business ⁴	2,202	2,271	beat inflation	MUSD

- 1) YIP performance
- 2) Market reference used in the premium calculation is currently under review
- 3) Alternative performance measures are defined, explained and reconciled to the Financial statements in the APM section of the 2Q 23 Report on pages 34-40
- 4) Fixed cost target is annual

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

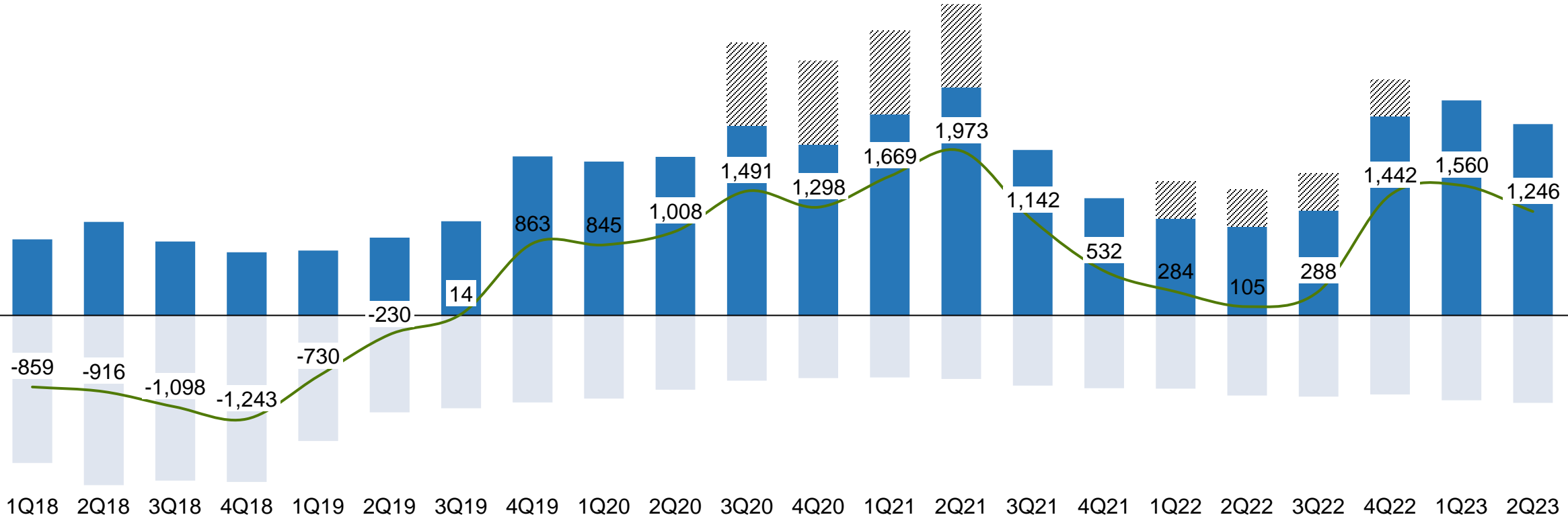
Appendix



Free cash flow

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

Divestment proceeds
 Operations
 Investments
 Free cash flow adjusted for divestment proceeds

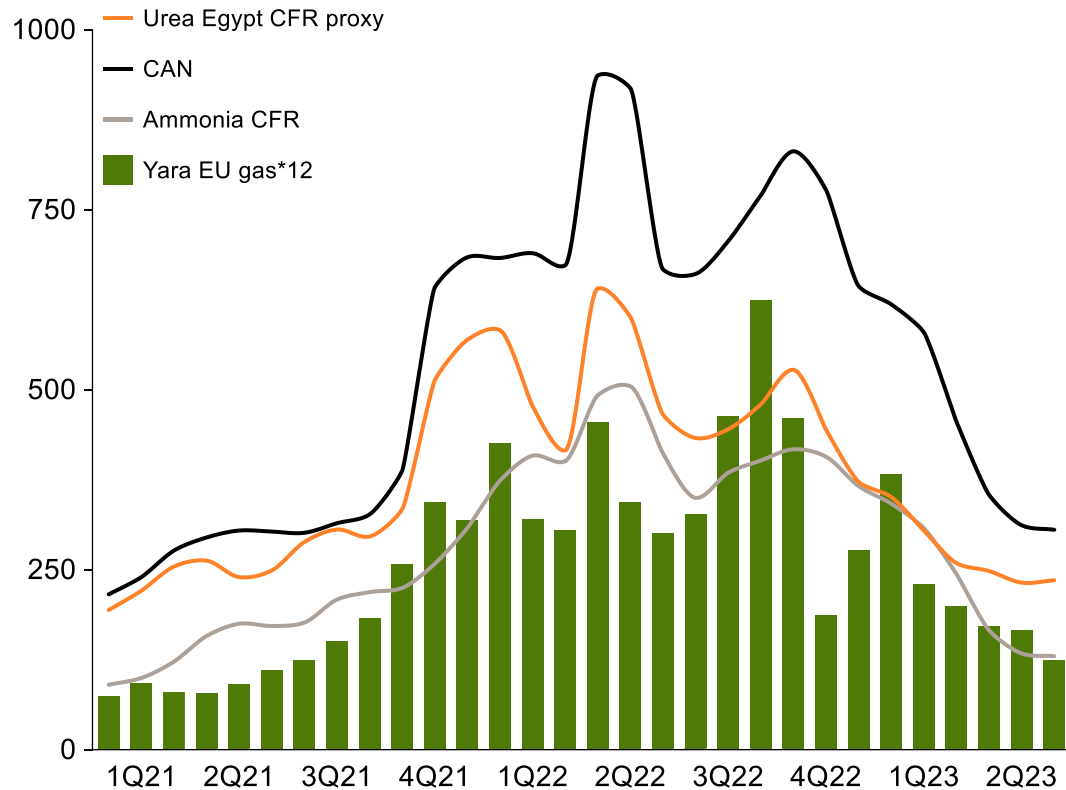


1) Net cash provided by operating activities minus net cash used in investment activities as presented in the cash flow statement, page 16 in the 2Q 2023 report.
 2) L12M, MUSD

Nitrate and NPK premiums

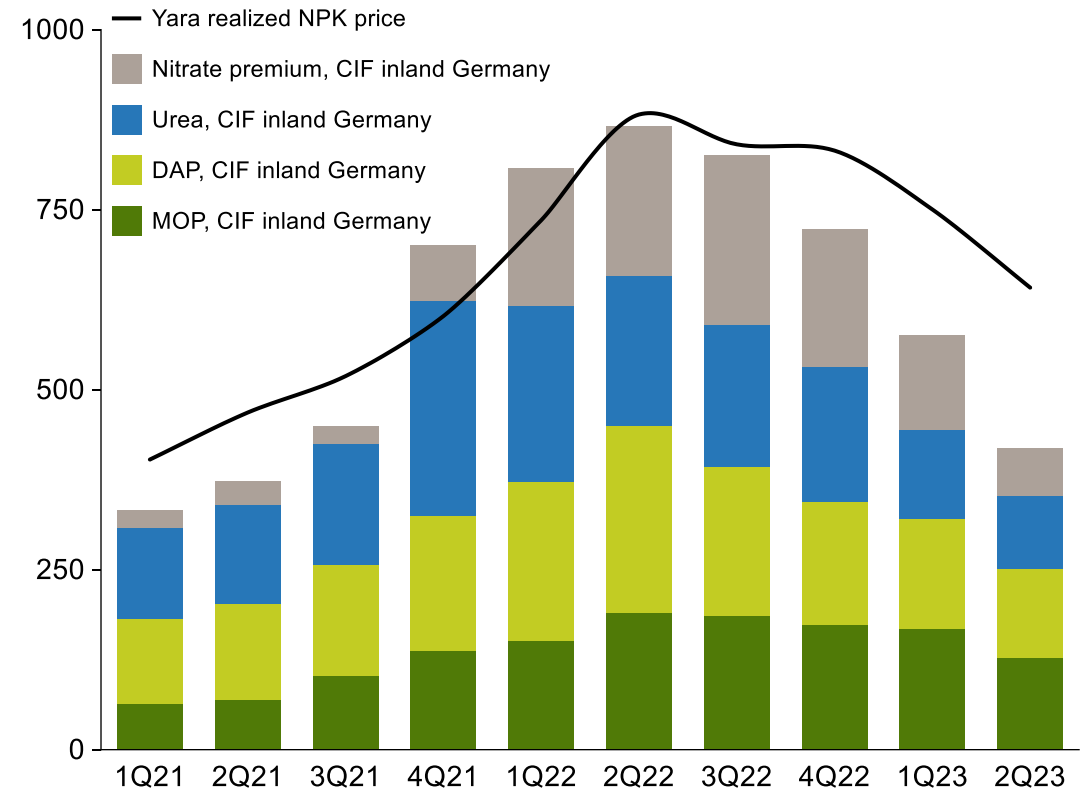
Nitrogen upgrading margins¹

USD/t CAN27 equivalents (weekly publication prices)



NPK premium over blend²

USD/t



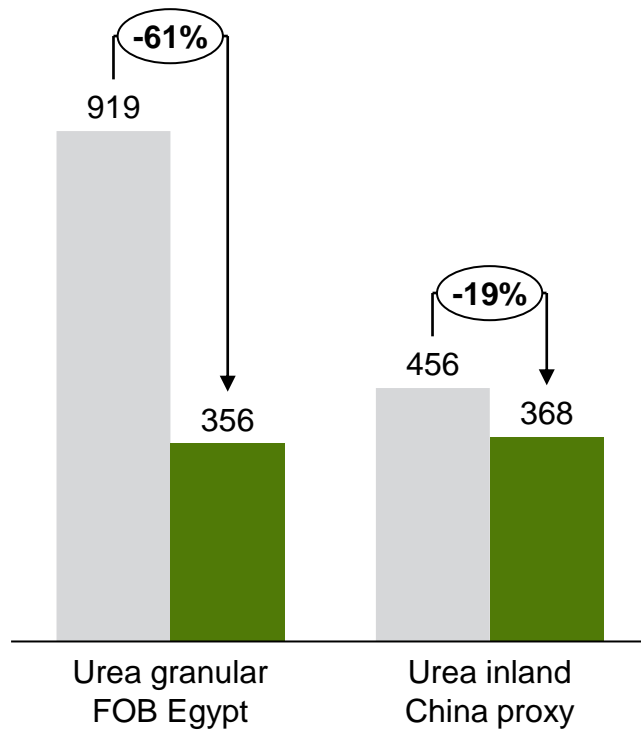
1) Nitrate premium in CIF Germany terms, above Urea Granular FOB Egypt, in 27% N (USD/t): All prices in CAN27 equivalents, with 1 month time lag
 2) Export NPK plants, average grade 19-10-13, net of transport and handling cost. Premium calculated above MOP, DAP and CAN CIF inland Germany. No time lag

Source: Fertilizer Market publications

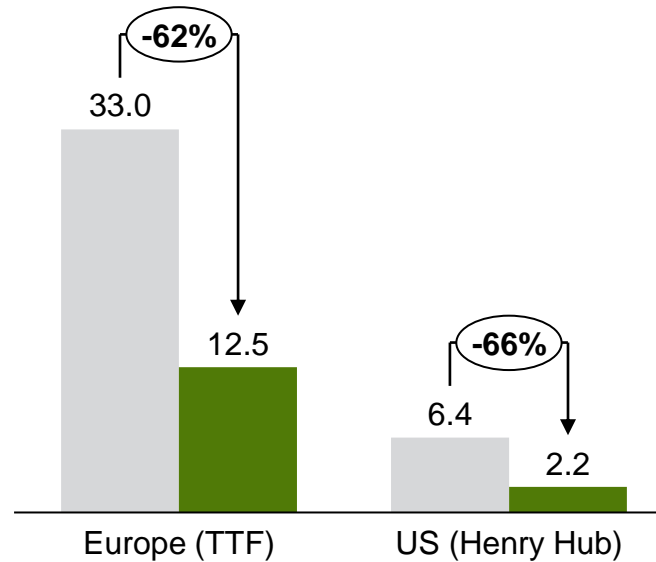
Key product price development

2Q22 2Q23

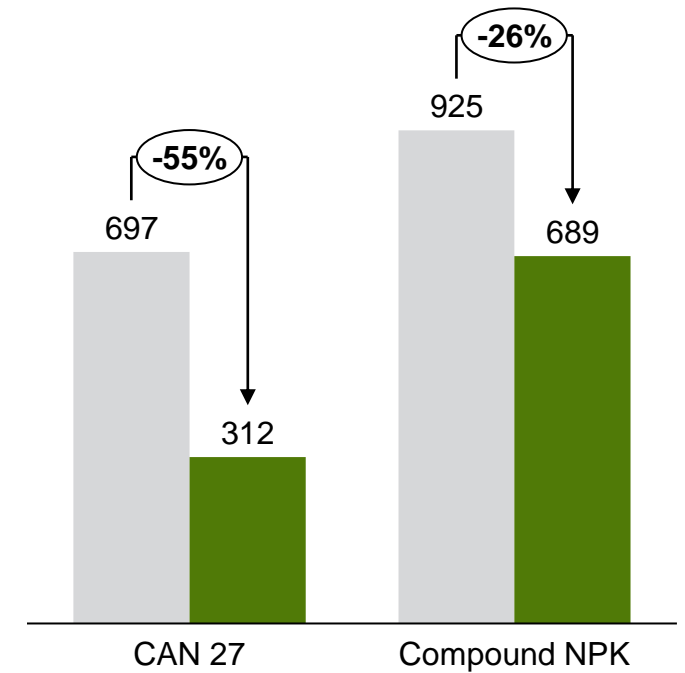
Urea price development¹ (USD/t)



Spot gas prices¹ (USD/Mmbtu)



Yara realized CAN² and NPK price³ (USD/t)

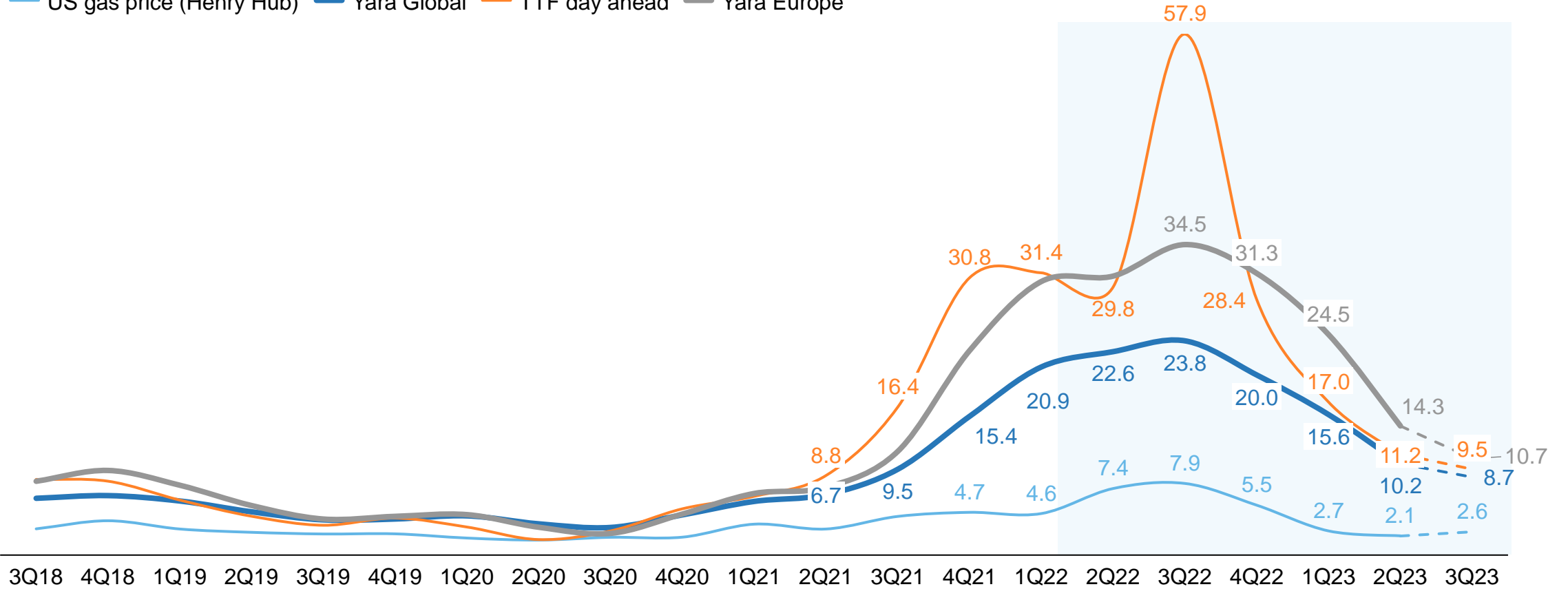


1) Source: BOABC, CFMW, Fertilizer publications, Argus. 1-month lag applied, as proxy for realized prices (delivery assumed 1 month after order)
 2) Yara's realized European nitrate price, CAN 27 CIF Germany equivalent ex. sulfur
 3) Yara's realized global compound NPK price (average grade)

Energy cost

Quarterly averages for 2018 – 2Q 2023 with forward prices¹ for 3Q 2023

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



Source: Yara, Argus

1) Dotted lines denote forward prices as of 12 July 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 3Q 2023

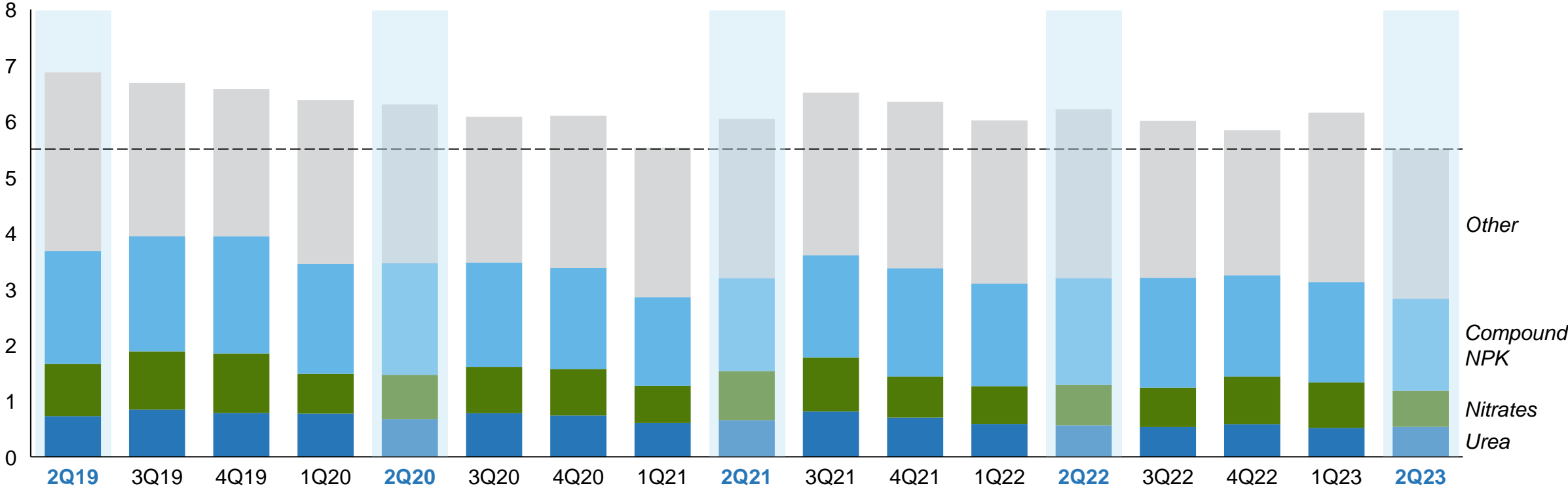
Europe		3Q22	4Q22	1Q23	2Q23	3Q23 estimations based on forward prices
Average gas cost	<i>USD/MMbtu</i>	34.5	31.4	24.6	14.3	10.7
Gas consumption ¹	<i>Million MMBtu</i>	30.3	26.4	23.1	24.0	30.3
European gas cost	<i>USD millon</i>	1,046	830	566	345	325

Yara Global ²		3Q22	4Q22	1Q23	2Q23	3Q23 estimations based on forward prices
Average gas cost	<i>USD/MMbtu</i>	23.8	20.0	15.6	10.2	8.7
Gas consumption ¹	<i>Million MMBtu</i>	52.9	51.5	47.8	46.8	52.9
Global gas cost	<i>USD millon</i>	1,262	1,031	747	475	460

1) Gas consumption in 3Q 2023 estimate based on actual consumption and production volumes in 3Q 2022. Actual consumption could deviate from this due to curtailments or other factors.
 2) Excluding Babrala

Yara inventories

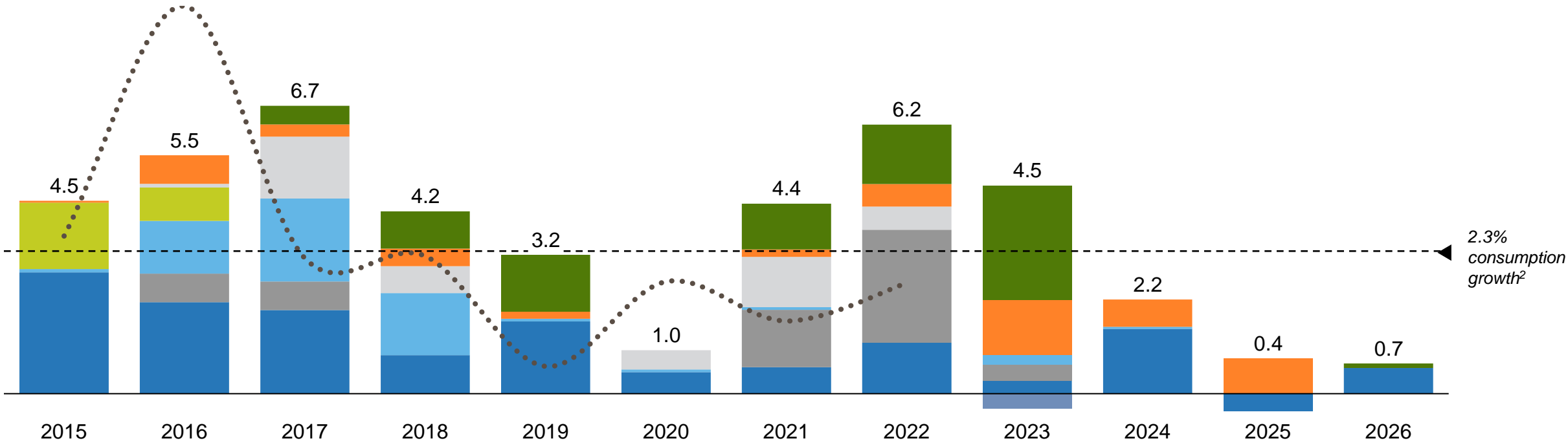
Finished products inventory development in mt



Peak of capacity additions is behind us

Global urea capacity additions ex. China ¹ (mt)

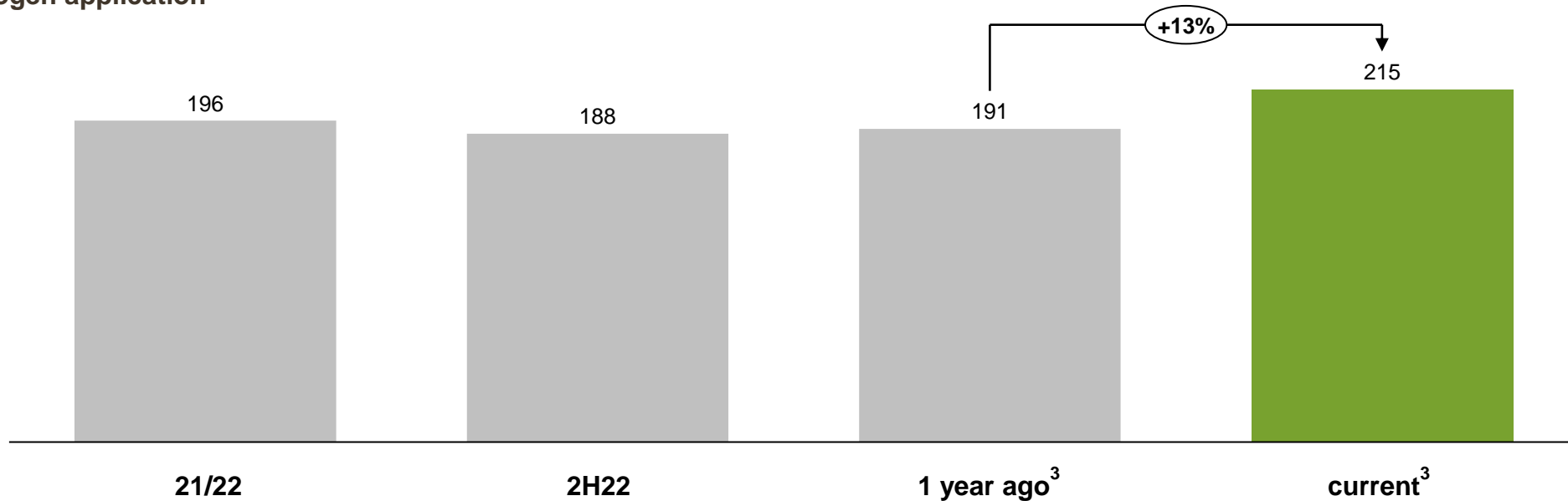
■ India
 ■ Russia
 ■ Iran
 ■ Algeria
 ■ USA
 ■ Nigeria
 ■ Australia
 ■ Others
 ⋯ Production



1) Urea projects assessed as "probable" by CRU.
 2) Growth calculated based on last 10 years up to 2021, equal to ~3.38 mt/year, from 2019 baseline (IFA) of 130.1 mt (global production + China trade)
 Source: CRU June 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	349	257
CAN27¹ price USD/ton	638	727	709	297
Grain yield² t/ha	9.49	9.43	9.45	9.59
Farmer revenue above nitrogen cost USD/ha	2,810	2,669	2,800	2,228

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 34-40

