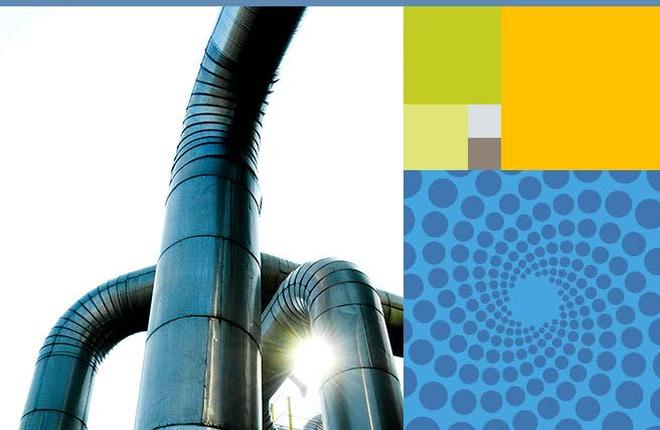




Knowledge grows

Yara International ASA Annual General Meeting

7 May 2020



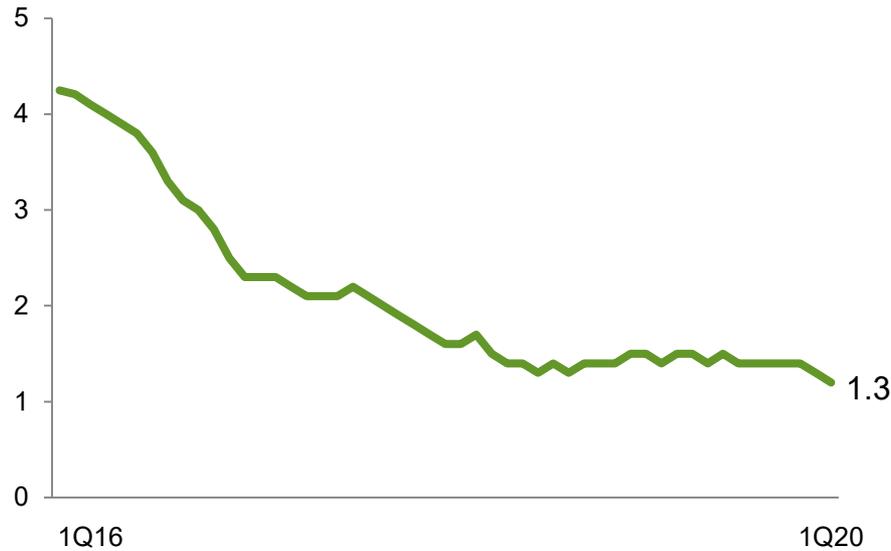
Safety is our first priority

Ensuring a safe workplace for employees and partners with zero as our ambition



Total Recordable Injuries

TRI¹ (12-month rolling)



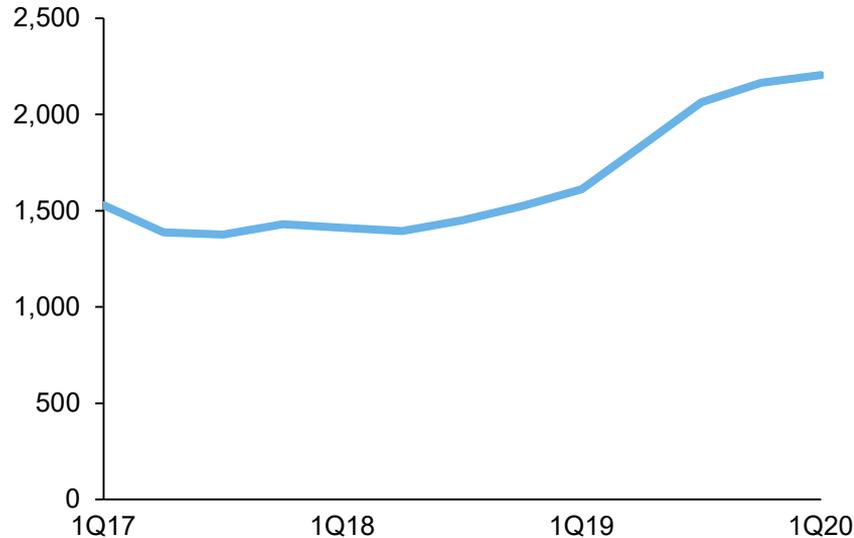
Covid-19 priorities

- Safeguard our employees, contractors, partners, neighbors and society at large
- Be a responsible company and act in accordance with government guidelines
- Keep our operations running, to help support the supply of food and other essential products to society

2019; Continued profitability improvement - strong capital discipline and cash flow

Earnings improvement continuing

L12M EBITDA ex. special items (MUSD)¹



Key points

Strategy execution drives improved commercial margins and bottom line

- EBITDA¹ ex. special items at USD 2,165 million, up 42%
- ROIC at 6.6%, up from 3.8% in 2018
- NPK premium up 22%

Strong capital discipline and cash flow

- Focus on executing committed investments; growth investments halved from 2018 to 2019
- USD 848 million free cash flow² improvement

Delivering on capital allocation policy

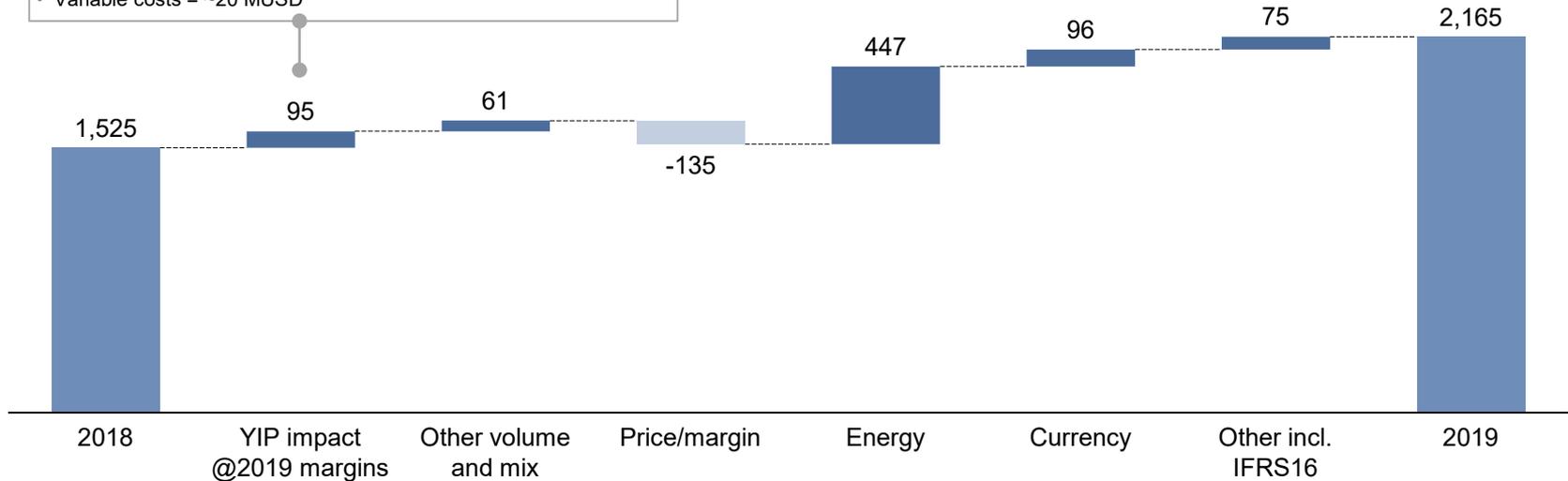
- NOK 15 per share dividend proposed

EBITDA variance including YIP

EBITDA ex. special items (MUSD)

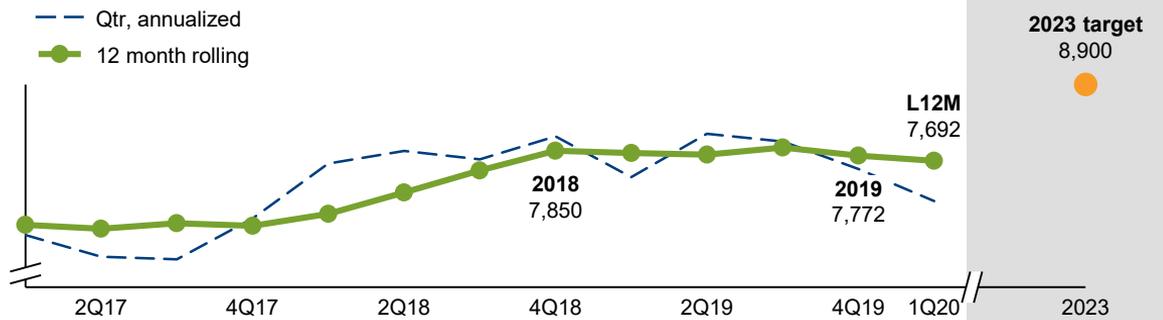
120 MUSD YIP impact - 95 MUSD EBITDA bottom line

- Actual production = ~40 MUSD (~10 MUSD in YIP terms)
- NH3 efficiency = ~10 MUSD
- Nominal Fixed costs = ~25 MUSD (~80 MUSD inflation adjustment)
- Variable costs = ~20 MUSD



Improvement Program status: production volume KPIs¹

Ammonia production volumes, kt annualized



Comments

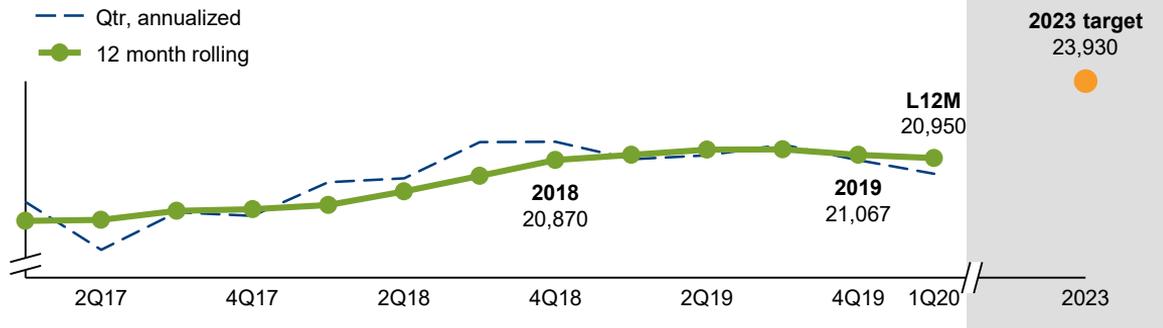
- Operations running without significant disruption
 - Q1 decline driven by portfolio effects
 - Several 4Q outages also impacted 1Q

- Sustaining operations through Covid-19 is a top priority

- Turnarounds, improvement and project activity will be optimized to reduce risk

- Unplanned outages require longer resolution time due to Covid-19

Finished products production volumes, kt annualized

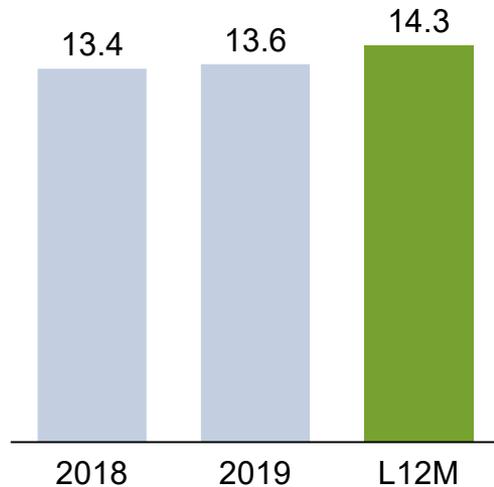


As presented at CMD, includes volumes from both growth and improvement projects. Numbers are adjusted for turnarounds and market optimization

Our long term targets: increased premium product deliveries and higher margins

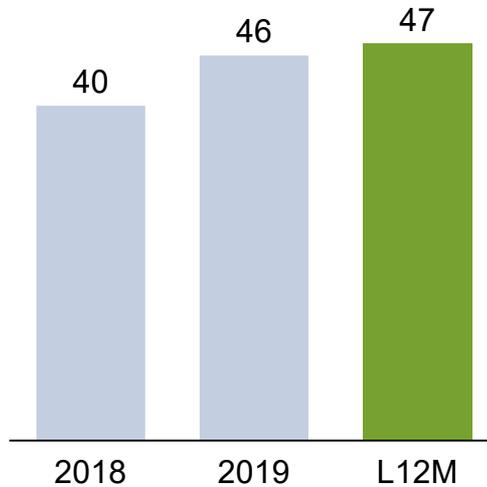
Increase premium product deliveries by > 3.5 mill tonnes

Premium products in mill. tonnes



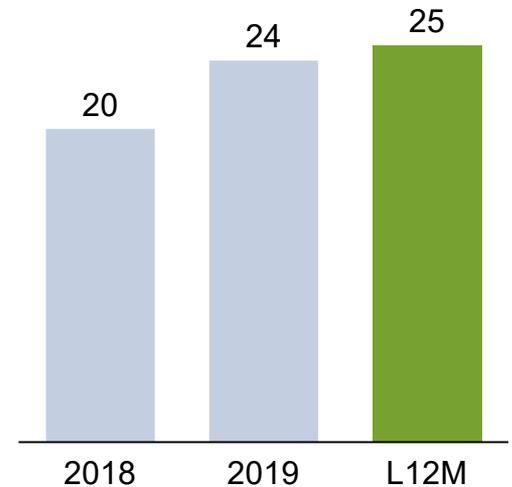
Increase YaraVita deliveries to > 100 million units

YaraVita in mill. units



Increase EBITDA margin¹

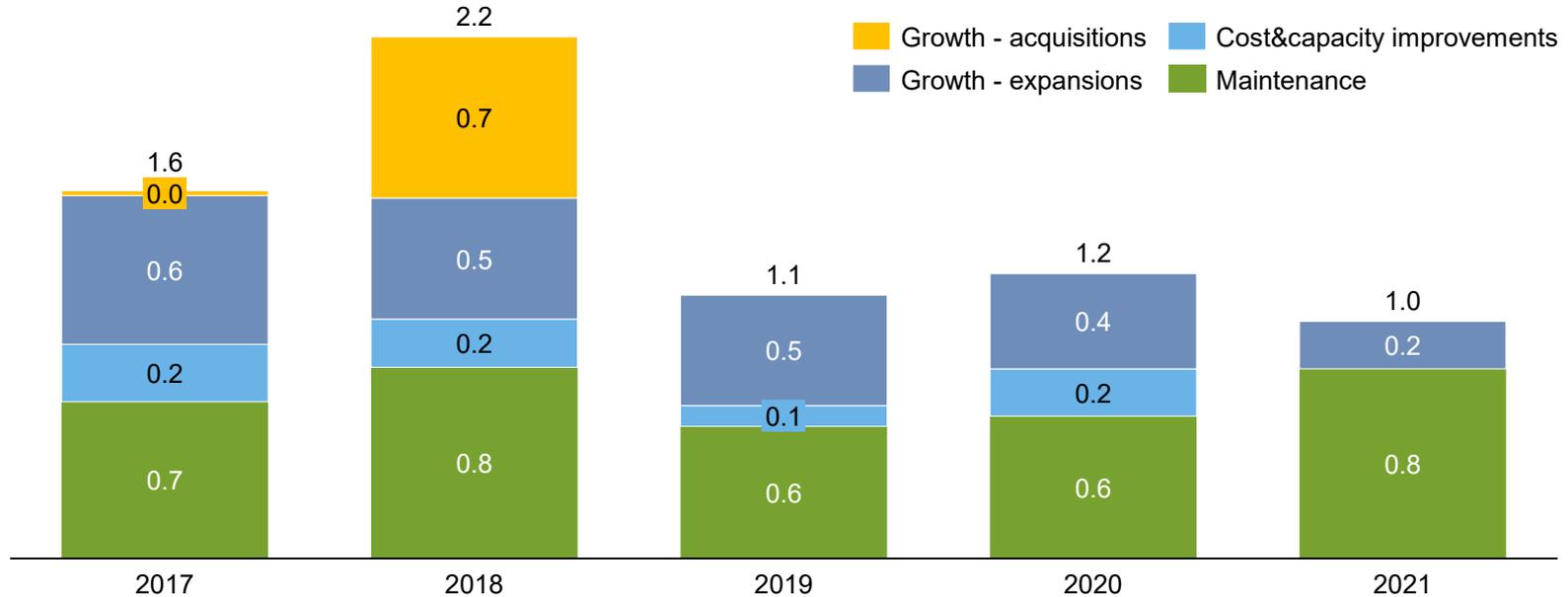
EBITDA margin in USD/tonne



Committed investments unchanged, but optimization due to Covid-19 may postpone some spending

Capex plan¹

USD Billions

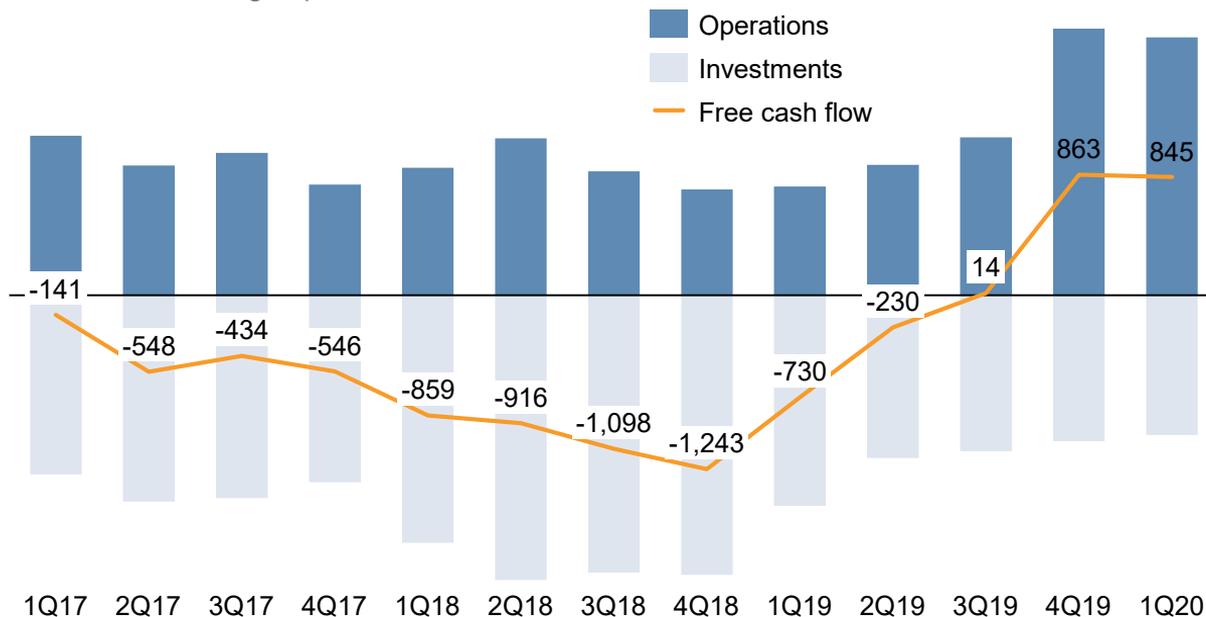


1) Committed investments as of end 1Q20

Improving cash flow trend

Free cash flow before financing activities¹

USD millions, rolling 4 quarters



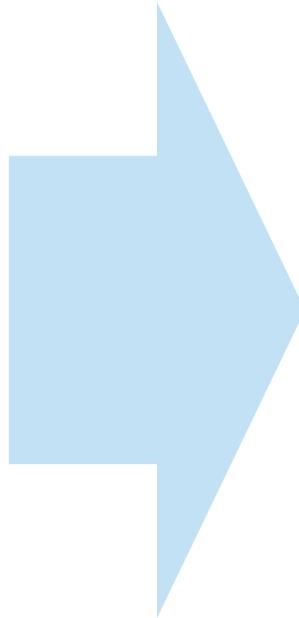
Comments

- Strategy execution driving improved free cash flow¹
- Strong deliveries in 1Q generated increase in receivables
- Negative one-off effects of USD 80 million in Q1 2020

Decision to develop “Industrial Holding” within Yara

Decision driven by value capture visibility amid Covid-19

- Sustaining operations is the top priority
- IPO evaluation has identified new value pockets and benefits of a more autonomous setup
- Value capture visibility stronger in Yara-owned model, driven by Covid-19 impact
- Executing on crop nutrition focused strategy with separate governance of industrial businesses



Separate governance and increased autonomy

- 100% Yara owned, minor carve-out dissynergies
- Preliminary scope: New Business segment + Brunsbüttel, Le Havre, Köping and Cubatão production plants
- Organic growth initiatives identified in IPO project
- Governed through operations Board headed by Yara CEO
- Operating model leveraging existing Yara processes and support functions

Supporting farmers and food value chain is a top priority

Supporting food value chain at all levels

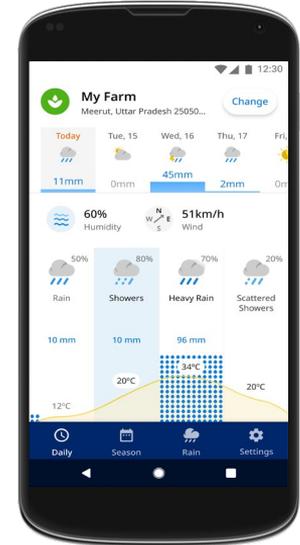
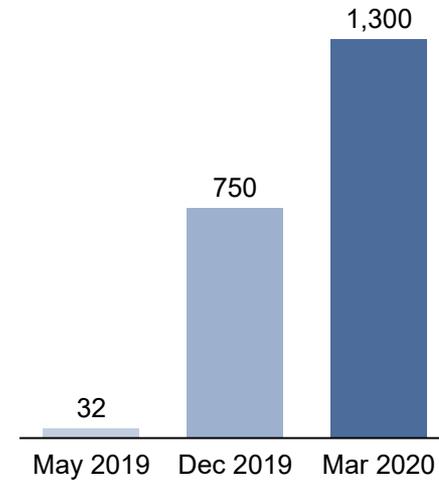
- Focus on continuity in supply of agricultural inputs
- Accelerated digital farming ramp-up as physical farmer interactions are reduced
- Global income security policy established
- Yara and other food chain players call to G-20 action



the Guardian, 9. april 2020

Strong demand growth for digital offerings

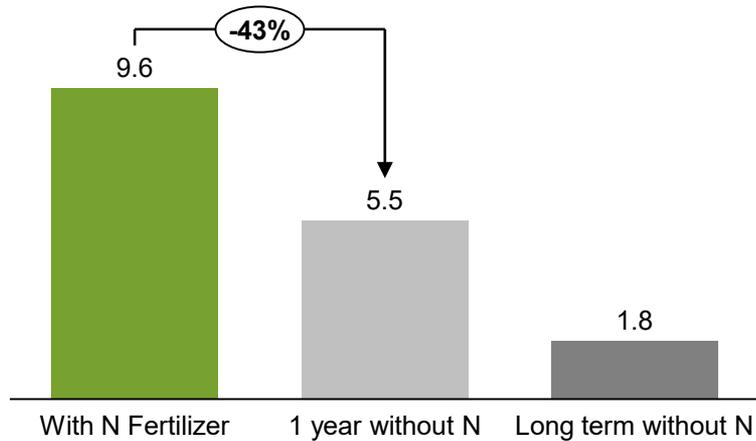
Thousand Farmweather active users



Nitrogen fertilizer demand shows strong resilience historically, as annual application is needed in order to maintain yields

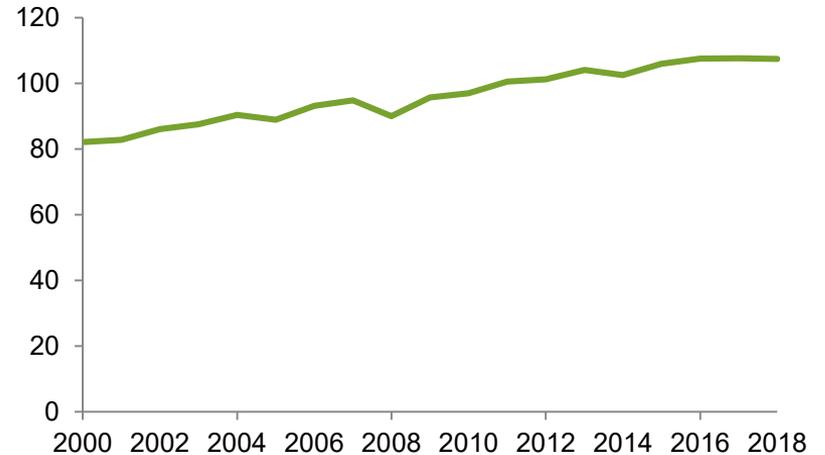
Annual N-application is critical for yield

Grain yield¹ from Nitrogen fertilizer
Ton per hectar



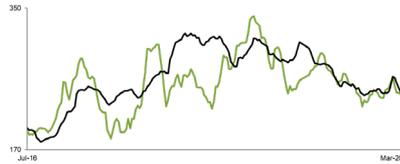
Stable global nitrogen consumption pattern

Million tonnes nitrogen



Attractive Yara prospects

Attractive industry fundamentals



- Growing population and dietary improvement drives demand
- Resource and environment challenges require strong agri productivity improvement
- Slow-down in nitrogen supply growth

Operating cash flow improvement



- Operating cash flow improving with cycle and Yara actions
- Capex almost halved from 2018 to 2019
- Strict capital discipline
- Clear capital allocation policy

Focused long-term strategy

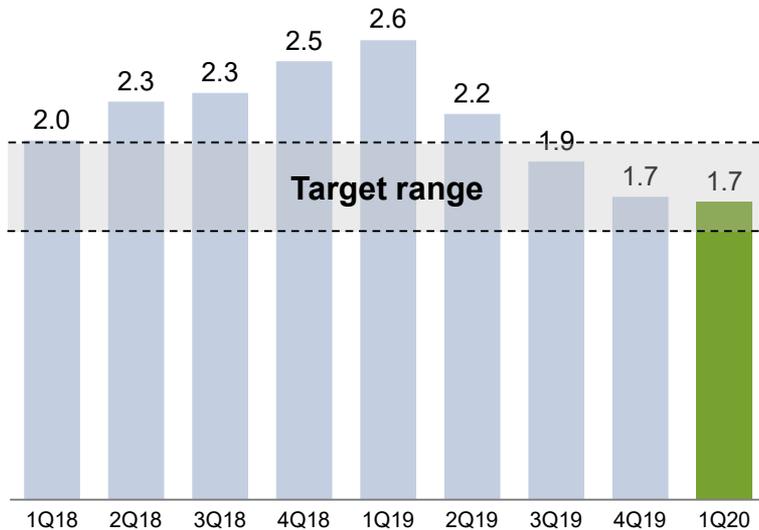


Knowledge grows

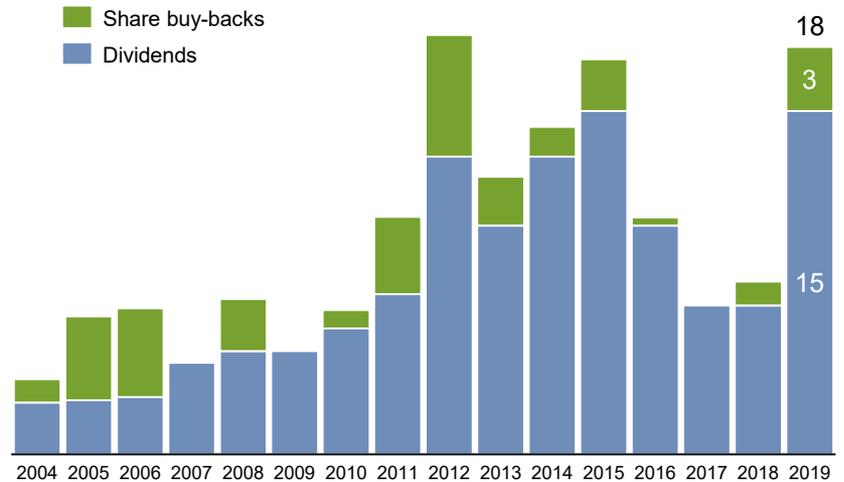
- Crop nutrition focus; #1 market presence and #1 premium fertilizer position
- Improving returns through operational improvement, margin improvement and innovative growth

Proposed dividend NOK 15 per share

Net Debt/EBITDA ex. special items¹



Dividends and buy-backs² per share (NOK)



Net Debt/EBITDA well within targeted range; further cash returns in 2020 will be evaluated in line with capital allocation policy and considering visibility of macro environment



Knowledge grows

