



Knowledge grows

# Yara International ASA

*Magnus Krogh Ankarstrand  
EVP Corporate Development*

SpareBank 1 Markets 2025 Energy Conference  
*Oslo, 25 February 2025*



# Maximizing long-term shareholder value is the sole driver for Yara's capital allocation

## Yara's strategic focus

### Improve earnings in core business

- Fixed cost and capex optimization
- Portfolio optimization

### Value-accretive growth

- Low-cost & low-carbon ammonia
- Premium growth

## Key priorities

*(irrespective of growth projects)*

- Deliver increased returns in core business through
  - cost and capex optimization
  - scaling down lower-return assets, markets and activities
- Grow free cash flow and free up capital through product and portfolio optimization including potential divestments

## Large-scale growth projects

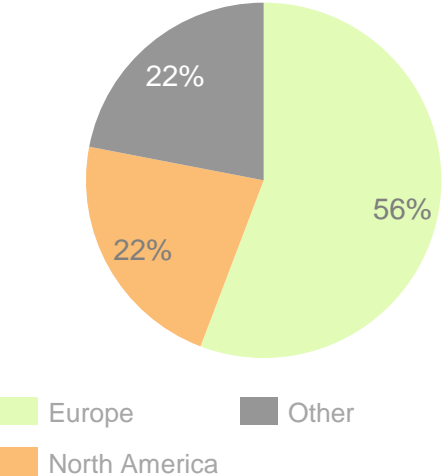
*(will need excellent strategic fit, strong shareholder value creation and sound funding)*

- For large-scale growth projects, Yara will utilize multiple funding levers to enable flexibility and cost efficiency through the project funding period and market cycle
- Yara has access to and will explore equity partnerships in different potential structures

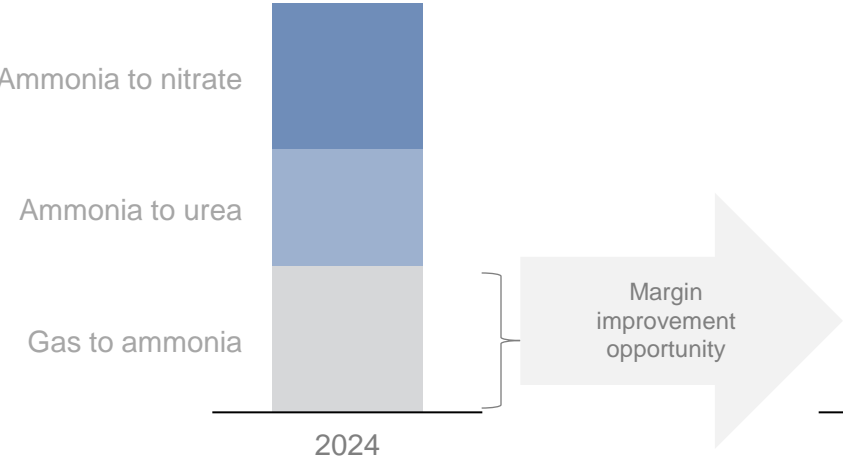
# Gas to nitrates is Yara's core: low-cost ammonia would strengthen returns in core business

## Yara's geographically diversified ammonia production is core to integrated nitrogen margins<sup>1</sup>

Location of Yara's ammonia production<sup>2</sup>

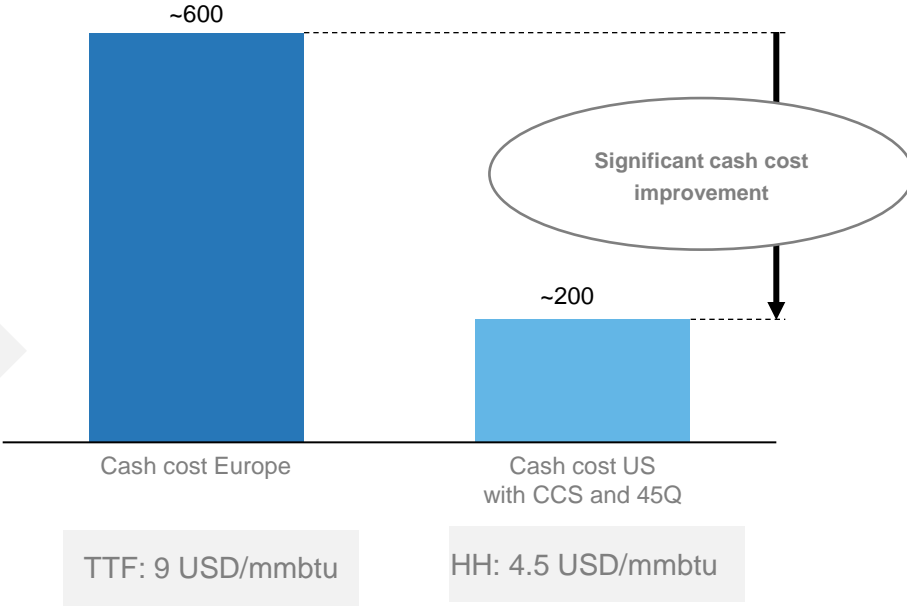


Yara's nitrogen upgrading margins  
*Illustrative based on capacities and average N-content*



## Large-scale, low-cost production would improve Yara's ammonia cost curve position

Illustrative cash cost calculation<sup>3</sup>, USD/t

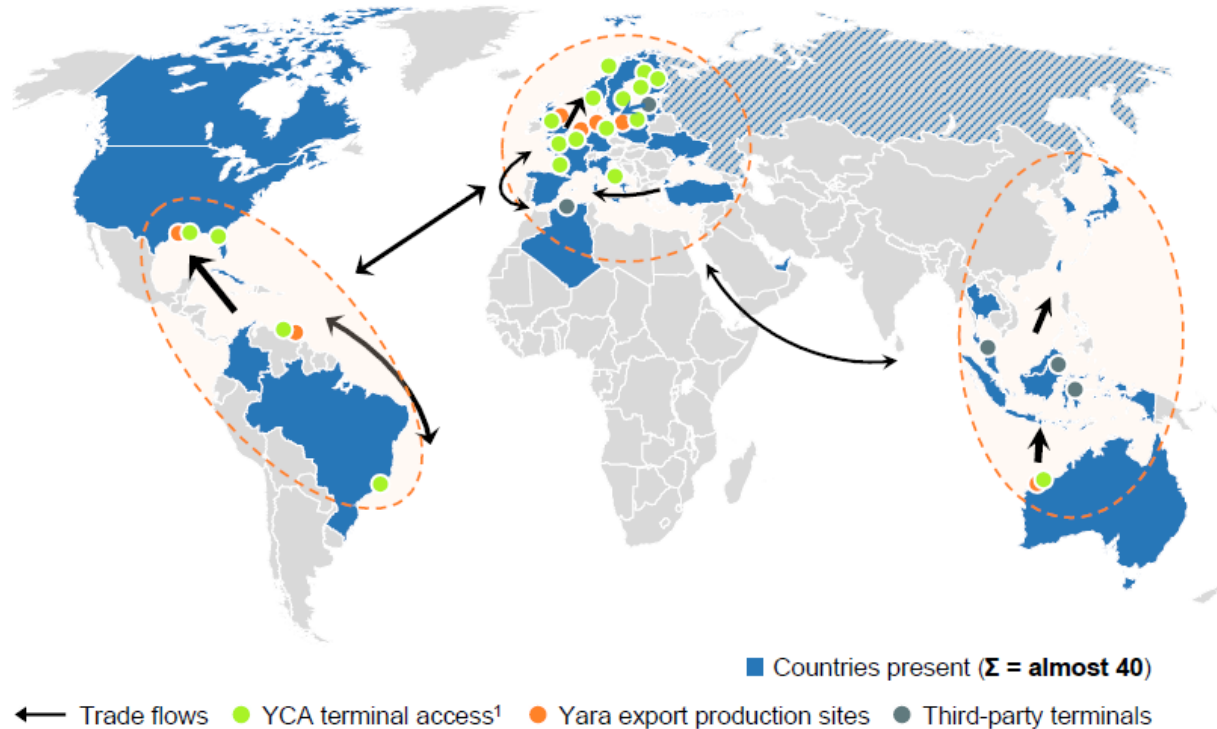


1) Calculated based on production capacities, average nitrogen contents and 2024 yearly average prices  
 2) Calculated based on Yara annual production capacity. North America including capacity in US, Canada and Trinidad. Other is Yara's capacity outside of North America and Europe  
 3) 2034 cash cost, assuming full impact of CO<sub>2</sub> cost in Europe

# Our leading ammonia position presents significant opportunities

Global #1 in traded ammonia with >20% market share<sup>1</sup>

Yara Clean Ammonia global terminal and storage infrastructure



## Yara Clean Ammonia competitive advantages

Integration across the value chain

Reliable, asset-backed supply and attractive offtaker

Deep industry know-how, market insight and track record of safe handling

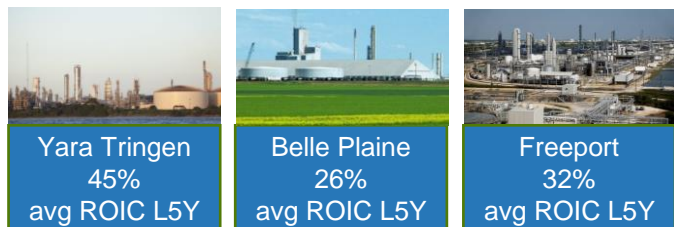
Specialized fleet of 13 ships

Global network of 18 terminals located in key locations, with connection to bunkering hubs

Scalable platform and business model

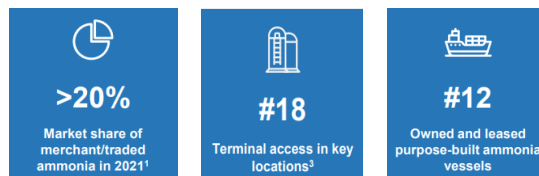
# Yara will use its competitive edge within ammonia to select growth path solely based on shareholder returns

## Strong Yara shareholder return track record on ammonia investments



- **Unique position to deliver global ammonia projects with the highest value creation**
- Yara has evaluated and rejected a high number of projects due to insufficient returns
- Yara has shown restraint in investing in green ammonia with unclear return profile, including shelving Porsgrunn full-scale green hydrogen, and Sluiskil green hydrogen with Ørsted

## Yara is the strongest partner for any ammonia project, for existing demand and new markets



- **Ammonia is core to Yara**
- Unique midstream position and worlds 2<sup>nd</sup> largest ammonia producer
- 110 years in the nitrogen market
- Unrivalled position to understand and develop entire clean ammonia value chain – a pre-requisite to successfully develop ammonia projects

## Yara's scale and flexibility creates unrivalled resilience



- Yara's scale and flexibility increases resilience to regulatory uncertainty
- ✓ Significant off-take need in Europe (>2mt) for low-cost ammonia projects
- Most new projects will not pass FID without firm off-take – and Yara is the only player than can credibly offer long-term off-take for a large-scale ammonia project

# Geopolitical situation strengthens business case for operational flexibility and resilience

## Key geopolitical risk drivers

Flexible production setup,  
asset footprint and diversified  
natural gas position are key  
mitigating factors

US: Inflation  
reduction act,  
tariffs

Brazil: increased  
competition from Russian  
product

Europe: Energy crisis and  
Ukraine war, EU  
regulations

Middle East:  
escalation of  
conflicts

Africa: Food  
system  
resilience

Russia and Belarus: food,  
gas, raw materials

China: trade  
policies



Knowledge grows

