



# Second Quarter 2021

## Financial Results

**Raviv Zoller**

President and CEO

July 28, 2021



# Important legal notes

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Included in this presentation are certain non-GAAP financial measures, such as adjusted operating income, adjusted operating income margin, adjusted EBITDA, adjusted EBITDA margin, adjusted net income, adjusted EPS, segment EBITDA, segment EBITDA margin and free cash flow, designed to complement the financial information presented in accordance with IFRS because management believes such measures are useful to investors. Please note other companies may calculate similarly titled non-GAAP financial measures differently than ICL Group and definitions of these measures may differ from those used by other companies or such companies may use other measures to evaluate their performance, which may reduce the usefulness of our non-GAAP financial measures as tools for comparison. These non-GAAP financial measures should be considered only as supplemental to, and not superior to, financial measures provided in accordance with IFRS. Please refer to the company's second quarter 2021 press release for the period ended June 30, 2021, and the appendix to this presentation for a reconciliation of the non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with IFRS.



# 2Q'21 Highlights



## Industrial Products

Record quarter driven by increased demand for specialty products



## Potash

Successful completion of Dead Sea annual maintenance and ramp project in Spain



## Phosphate Solutions

Record breaking quarter, with strength in specialty food and industrial products



## Innovative Ag Solutions

Sales growth across all product lines, with higher prices and volumes

**All divisions contributed** to strong quarterly results

# Creating **impact** and sustainable growth

Committed to growing in our **target markets**



## Agriculture

- Acquisitions in Brazil to provide seasonal balance, opportunities for growth



## Food

- Continued focus on specialties growth, with alternative protein plant on schedule



## Industrial

- Shift to long-term contracts, with investments in innovation and growth

Advancing through organic growth and M&A



# Key financial metrics

Substantial year-over-year improvement

## Sales

US\$b

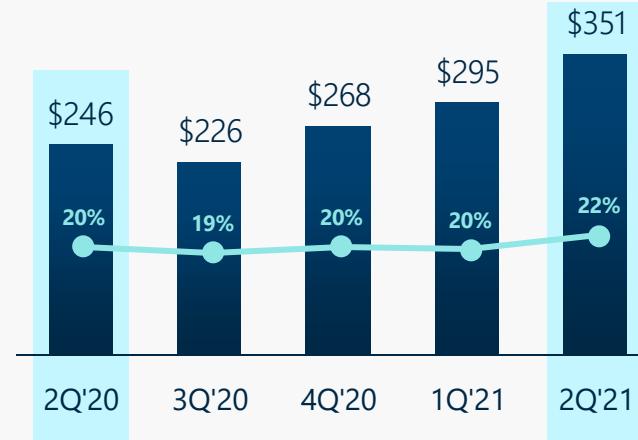
Up 34% YoY



## Adjusted EBITDA<sup>(1)</sup>

US\$bM

Up 43% YoY



## Operating Cash Flow

US\$bM

Up \$65M YoY



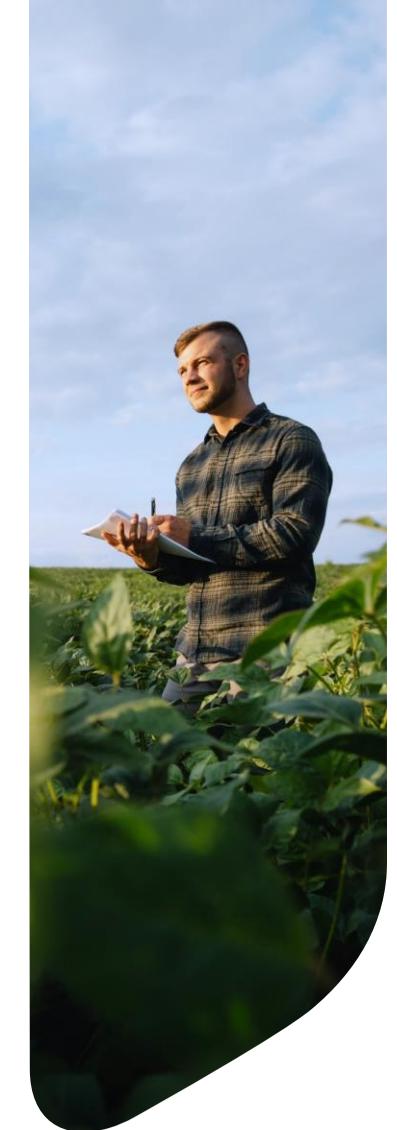
(1) Adjusted EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

# Second quarter 2021

## Key financial highlights

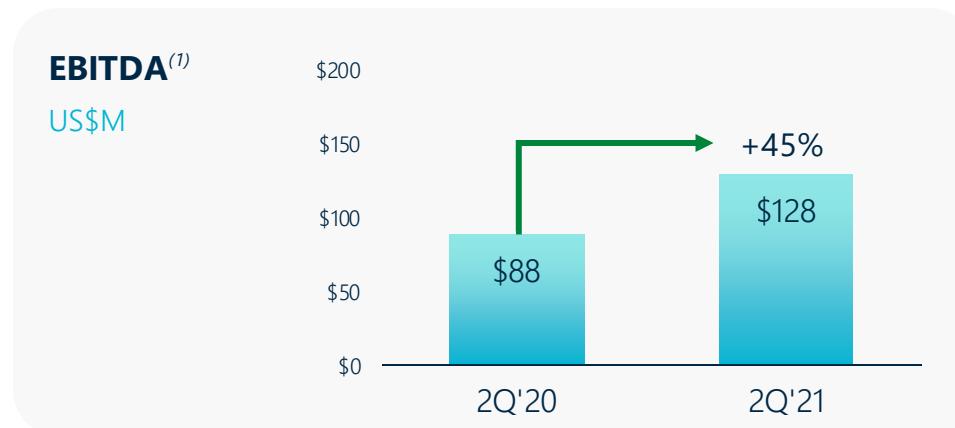
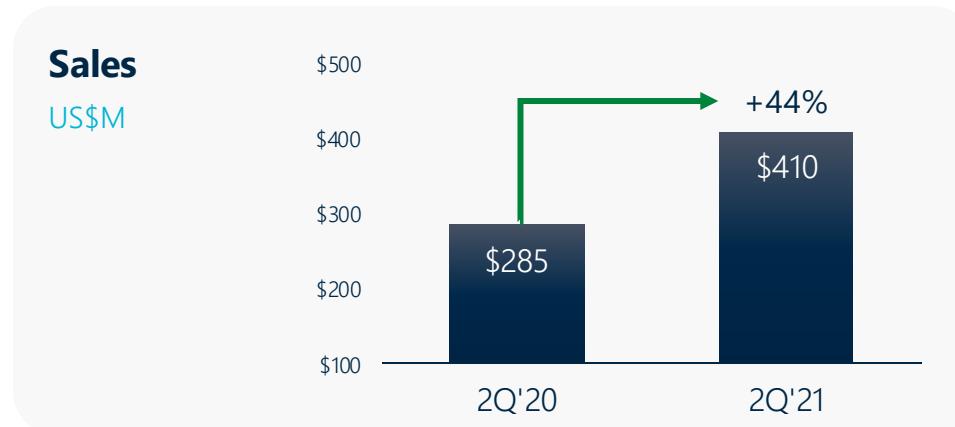
US\$M	2Q'21	2Q'20	YoY Change
Sales	\$1,617	\$1,203	34%
Gross profit	\$570	\$320	78%
Gross margin	35.3%	26.6%	870 bps
Operating income	\$243	(\$169)	n/m
Adjusted operating income <sup>(1)</sup>	\$236	\$128	84%
Adjusted operating margin	14.6%	10.6%	400 bps
Net income, attributable	\$140	(\$168)	n/m
Adjusted net income, attributable <sup>(1)</sup>	\$135	\$72	88%
Adjusted EBITDA <sup>(1)</sup>	\$351	\$246	43%
Adjusted EBITDA margin	21.7%	20.4%	130 bps
Diluted earnings per share	11¢	(13¢)	n/m
Adjusted diluted EPS <sup>(1)</sup>	11¢	6¢	83%
Dividend per share	5.26¢	2.80¢	88%
Operating cash flow	\$242	\$177	37%

(1) Adjusted operating income and margin, adjusted net income, adjusted EBITDA and margin, and adjusted EPS are non-GAAP financial measures; see reconciliation tables in appendix.



# Industrial Products

Record quarter, with continued strong end-market demand



## Key highlights

- Record sales and EBITDA, benefitting from strong demand
- Record results for bromine, phosphorous and magnesia-based products
- Continued strong demand for flame retardants

(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

# Potash

Continued good environment, with additional upside expected



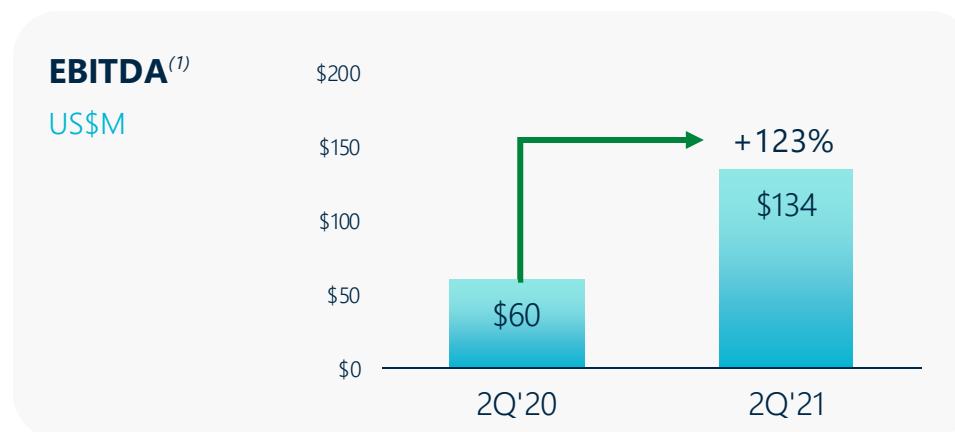
## Key highlights

- Dead Sea: **successful** one-week maintenance shutdown in early April, with ~80 projects completed
- ICL Iberia: ramp project **finalized**, with production ramping up
- Good environment continued in second quarter – significant impact expected in second half

(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

# Phosphate Solutions

Record quarter, with strong demand for specialties



## Key highlights

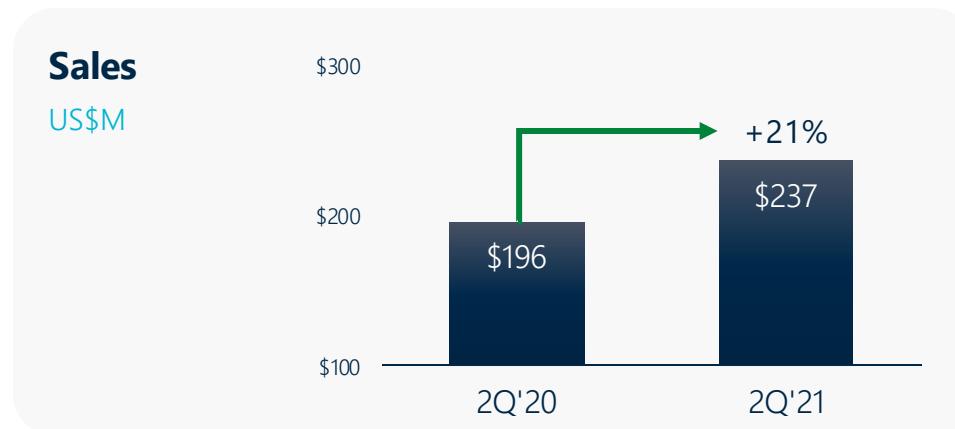
- Record results for specialties, commodities and YPH joint venture
- Specialties: food and industrial saw strong demand and higher prices across most regions and industries
- Phosphate fertilizers: sales up, especially in U.S. and Brazil, where prices surged – as did raw material costs

(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.



# Innovative Ag Solutions

All products showed year-over-year growth



## Key highlights

- All product lines showed sales growth, due to higher prices and volumes
- Record turf and ornamental sales, with all geographies improving and new markets doing especially well
- Completed acquisition of Compass Minerals South American Plant Nutrition business on July 1 – ahead of original schedule

(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.



# Key takeaways

## Specialties provide balanced long-term growth

- Consistently seeing strength in all businesses, with adjusted EBITDA improvement across all divisions
- Focusing on long-term partnerships with customers in Industrial Products
- Completion of Potash capacity increases
- Driving Phosphate Specialties growth through focus on food
- Capitalizing on new opportunities for Innovative Ag Solutions in Brazil
- Strong cash generation funding investments and acquisitions
- Committed to meeting 2025 leadership goals in sustainable agriculture, food and industrial solutions





# Second Quarter 2021

## Financial Results

**Kobi Altman**  
CFO

# Financial strength

## Continued growth in cash flow

### Highlights for 2Q'21

- Operating cash flow of \$242M vs. \$177M in 2Q'20
  - Up \$105M YoY in 1H'21
- Free cash flow<sup>(1)</sup> of \$94M vs. \$20M in 2Q'20
  - Up \$105M YoY in 1H'21
- Net debt to adjusted EBITDA improved to 2.1 times
- Investment grade debt ratings reaffirmed
  - S&P senior unsecured rating BBB-
  - Fitch senior unsecured rating at BBB-
- Liquidity of ~\$1.2B available
  - Funded Compass Minerals acquisition in July



(1) Free cash flow is a non-GAAP financial measure; see reconciliation tables in appendix.

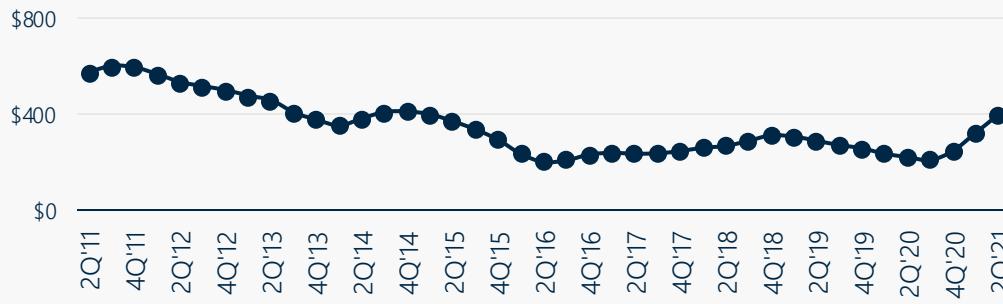
Note: Liquidity is comprised of available credit facilities, cash and equivalents, and short-term investments and deposits.

# Pricing across mineral value chain

## Commodity price upcycle

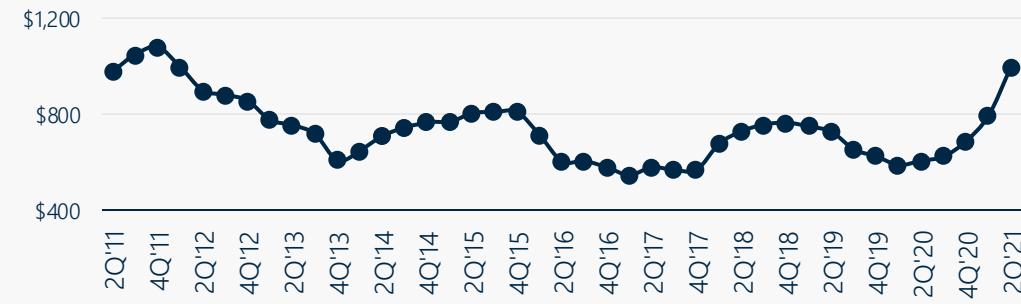
### GMOP FOB NOLA

US\$/ton



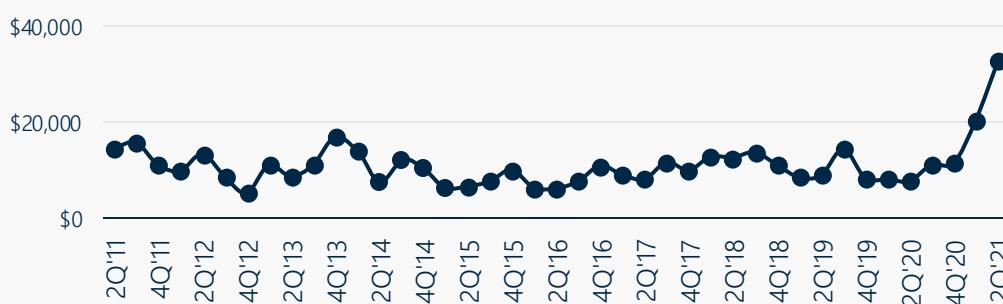
### Phosphoric acid

CFR contract India US\$/ton



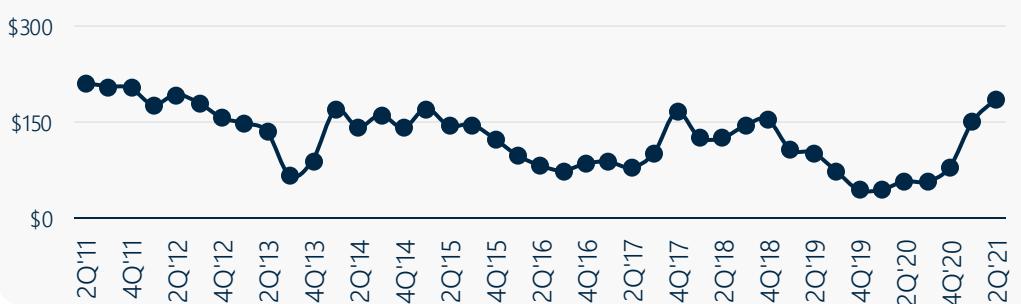
### Supramax Timecharter Average

US\$/day



### Sulfur Bulk FOB Middle East Spot

US\$/ton



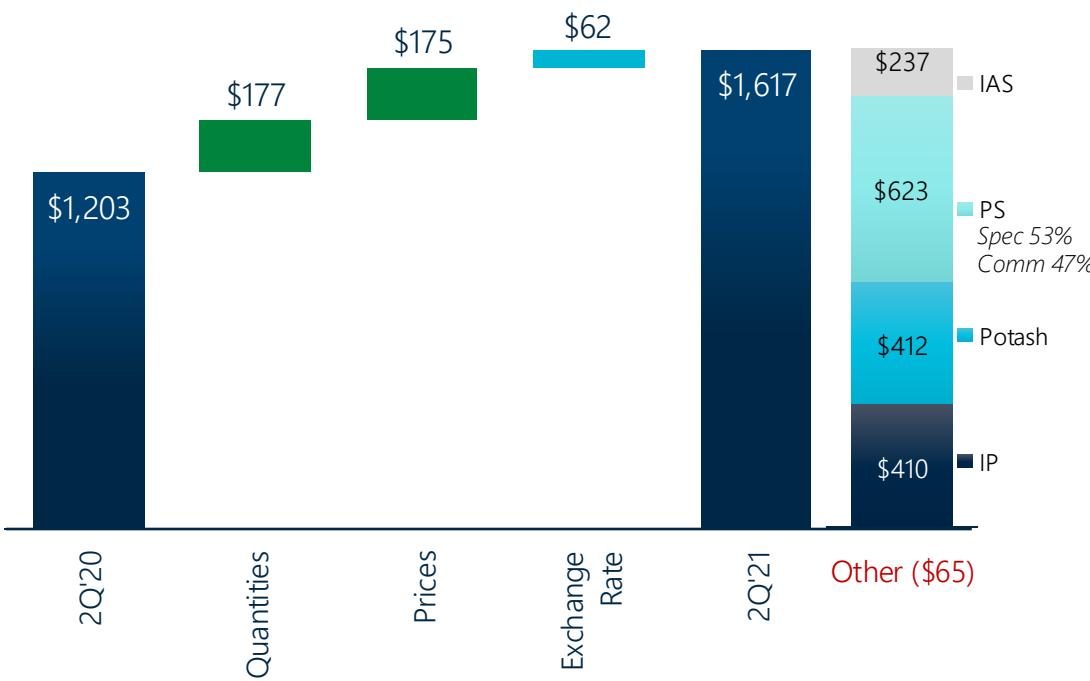
Sources: GMOP and phosphoric acid - CRU Fertilizer Week, as of 6.30.21; Supramax - Simpson Spence Young (SSY), as of July 2021; Sulfur - CRU, as of 7.15.21.

# Second quarter 2021

## Sales and profit bridges

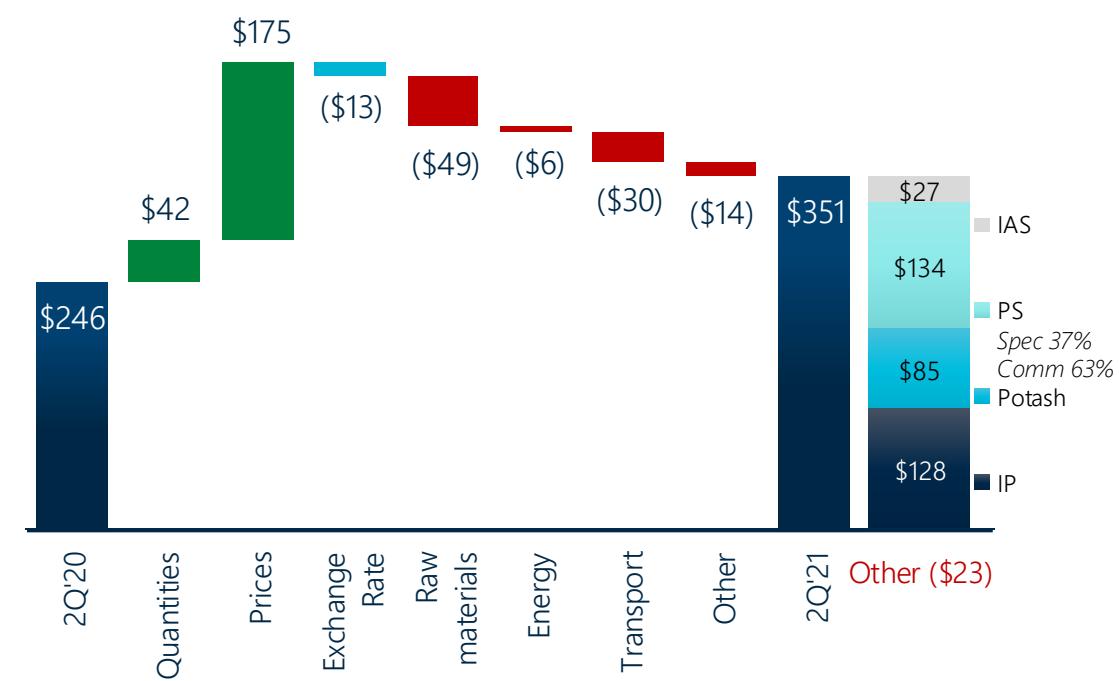
### Sales

US\$M



### Adjusted EBITDA<sup>(1)</sup>

US\$M



(1) Adjusted EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

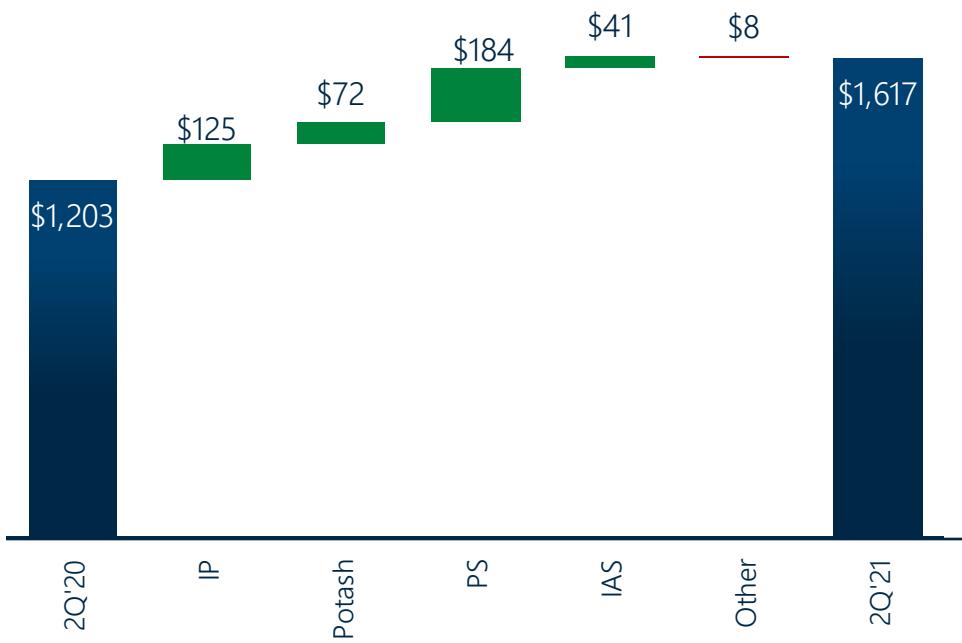
Note: Numbers rounded to closest million; Other includes intercompany eliminations.

# Second quarter 2021

## Results by segment

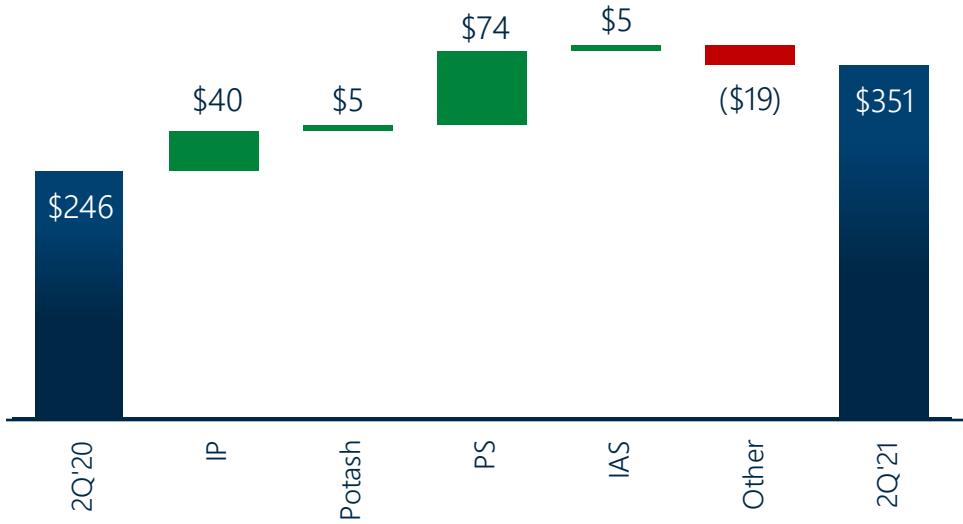
### Sales

US\$M



### Adjusted EBITDA<sup>(1)</sup>

US\$M



(1) Adjusted EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

Note: Numbers rounded to closest million.

# Guidance

## Full year 2021

### Raising expectations

- Expect adjusted EBITDA range of \$1,315 million to \$1,375 million<sup>(1)</sup>
- Follows another quarter of strong results
- Includes South American Plant Nutrition acquisition



(1) See guidance and non-GAAP financial measures in appendix.

Note: Adjusted EBITDA is a non-GAAP measure, see appendix for calculation.



# Sustainability



Leadership through creative solutions  
for the world's challenges



## Emissions

Significant reduction<sup>(1)</sup> with continued progress



## TCFD/SASB Disclosure

Adopting framework for 2021 reporting



## Bloomberg ESG Index

Industry leading member for 4<sup>th</sup> straight year



## Bloomberg 2021 GEI

Included for 3<sup>rd</sup> straight year



## ICL Iberia

Certified 1<sup>st</sup> sustainable European underground mining company



## MAALA

Highest Platinum+ ranking for 3<sup>rd</sup> consecutive year



## Carbon Disclosure Project

Rated A- for 2<sup>nd</sup> straight year



## FTSE4Good

Included in index series

(1) Significant emission reductions in NOx (-1.6%), SOx (-36%), PM (-43%) and GHGs (-10%) from 2018 to 2020.



# Thank you

Contact [Peggy.ReillyTharp@icl-group.com](mailto:Peggy.ReillyTharp@icl-group.com) for more information on ICL

View our interactive data tool at <https://investors.icl-group.com/interactive-data-tool/default.aspx>





# Appendix

Second Quarter 2021

**Financial Results**



# Industrial Products

## Second quarter and first half 2021

Industrial Products US\$M	2Q'21	2Q'20	1H'21	1H'20
<b>Segment sales</b>	<b>\$410</b>	<b>\$285</b>	<b>\$808</b>	<b>\$649</b>
Sales to external customers	\$406	\$281	\$800	\$642
Sales to internal customers	\$4	\$4	\$8	\$7
<b>Segment profit</b>	<b>\$114</b>	<b>\$70</b>	<b>\$219</b>	<b>\$173</b>
Depreciation and amortization	\$14	\$18	\$31	\$35
Capital expenditures	\$14	\$24	\$31	\$45
<b>Segment EBITDA</b>	<b>\$128</b>	<b>\$88</b>	<b>\$250</b>	<b>\$208</b>

US\$M	2Q Sales	1H Sales
2020	\$285	\$649
Quantities	\$90	\$110
Prices	\$27	\$34
Exchange rates	\$8	\$15
2021	\$410	\$808
US\$M	2Q Segment EBITDA	1H Segment EBITDA
2020	\$88	\$208
Quantities	\$41	\$45
Prices	\$27	\$34
Exchange rates	(\$1)	(\$2)
Raw materials	(\$17)	(\$20)
Energy	\$1	\$1
Transportation	(\$4)	(\$6)
Operating and other expenses	(\$7)	(\$10)
2021	\$128	\$250

Note: Segment EBITDA is a non-GAAP financial measure; see reconciliation tables.



# Potash

## Second quarter and first half 2021



Potash US\$M	2Q'21	2Q'20	1H'21	1H'20
<b>Segment sales</b>	<b>\$412</b>	<b>\$340</b>	<b>\$797</b>	<b>\$654</b>
Sales to external customers	\$296	\$253	\$550	\$479
Sales to internal customers	\$27	\$24	\$49	\$47
Other and eliminations <sup>(1)</sup>	\$89	\$63	\$198	\$128
<b>Gross profit</b>	<b>\$154</b>	<b>\$123</b>	<b>\$292</b>	<b>\$219</b>
<b>Segment profit</b>	<b>\$43</b>	<b>\$38</b>	<b>\$72</b>	<b>\$52</b>
Depreciation and amortization	\$42	\$42	\$79	\$81
Capital expenditures	\$72	\$55	\$137	\$116
Average realized price <sup>(2)</sup>	\$281	\$226	\$269	\$237
<b>Segment EBITDA</b>	<b>\$85</b>	<b>\$80</b>	<b>\$151</b>	<b>\$133</b>
Potash production and sales 000s of tons	2Q'21	2Q'20	1H'21	1H'20
Production	1,022	1,110	2,174	2,255
Total sales, including internal sales	1,148	1,226	2,223	2,222
Closing inventory	226	448	226	448

Note: Segment EBITDA is a non-GAAP financial measure; see reconciliation tables.

(1) Primarily includes salt produced in the UK and Spain, Polysulphate and Polysulphate-based products, magnesium-based products, and sales of electricity produced in Israel; (2) Potash average realized price (USD per ton) is calculated by dividing total potash revenue by total sales quantities. The difference between FOB price and average realized price is primarily marine transportation costs.

US\$M	2Q Sales	1H Sales
2020	\$340	\$654
Quantities	\$8	\$44
Prices	\$58	\$81
Exchange rates	\$6	\$18
2021	\$412	\$797
US\$M	2Q Segment EBITDA	1H Segment EBITDA
2020	\$80	\$133
Quantities	(\$9)	\$1
Prices	\$58	\$81
Exchange rates	(\$10)	(\$16)
Energy	(\$6)	(\$5)
Transportation	(\$18)	(\$27)
Operating and other expenses	(\$10)	(\$16)
2021	\$85	\$151



# External potash metrics

## Average market prices and imports



Average prices	2Q'21	2Q'20	YoY Change	1Q'21	QoQ Change
Granular potash – Brazil <i>CFR spot US\$ per ton</i>	383	222	72.5%	283	35.3%
Granular potash – Northwest Europe <i>CIF spot/contract € per ton</i>	256	245	4.5%	235	8.9%
Standard potash – Southeast Asia <i>CFR spot US\$ per ton</i>	281	243	15.6%	248	13.3%
Potash imports <i>in millions of tons</i>					
To Brazil	3	3.1	(3.2)%	2.2	36.4%
To China	2	1.7	17.6%	2.6	(23.1)%
To India	0.59	0.9	(34.4)%	0.75	(21.3)%

Sources: CRU (Fertilizer week Historical Price: July 2021), FAI, Brazil and Chinese customs data.



# Phosphate Solutions

## Second quarter and first half 2021

Phosphate Solutions US\$M	2Q'21	2Q'20	1H'21	1H'20
<b>Segment sales</b>	<b>\$623</b>	<b>\$439</b>	<b>\$1,168</b>	<b>\$941</b>
Sales to external customers	\$599	\$421	\$1,124	\$904
Sales to internal customers	\$24	\$18	\$44	\$37
<b>Segment profit</b>	<b>\$77</b>	<b>\$8</b>	<b>\$117</b>	<b>\$17</b>
Depreciation and amortization	\$57	\$52	\$111	\$101
Capital expenditures	\$68	\$63	\$119	\$124
<b>Segment EBITDA</b>	<b>\$134</b>	<b>\$60</b>	<b>\$228</b>	<b>\$118</b>
Phosphate Solutions US\$M	2Q'21	2Q'20	1H'21	1H'20
<b>Segment sales</b>	<b>\$623</b>	<b>\$439</b>	<b>\$1,168</b>	<b>\$941</b>
Specialty	\$328	\$273	\$622	\$552
Commodity	\$295	\$166	\$546	\$389
<b>Segment profit</b>	<b>\$77</b>	<b>\$8</b>	<b>\$117</b>	<b>\$17</b>
Specialty	\$37	\$30	\$72	\$58
Commodity	\$40	(\$22)	\$45	(\$41)
<b>Segment EBITDA</b>	<b>\$134</b>	<b>\$60</b>	<b>\$228</b>	<b>\$118</b>
Specialty	\$50	\$44	\$98	\$87
Commodity	\$84	\$16	\$130	\$31

Note: Segment EBITDA is a non-GAAP financial measure; see reconciliation tables.

US\$M	2Q Sales	1H Sales
2020	\$439	\$941
Quantities	\$67	\$55
Prices	\$85	\$116
Exchange rates	\$32	\$56
2021	\$623	\$1,168
US\$M	2Q Segment EBITDA	1H Segment EBITDA
2020	\$60	\$118
Quantities	\$11	\$9
Prices	\$85	\$116
Exchange rates	(\$1)	\$2
Raw materials	(\$29)	(\$40)
Energy	-	\$1
Transportation	(\$7)	(\$11)
Operating and other expenses	\$15	\$33
2021	\$134	\$228





# External phosphate metrics

## Commodities market



Average prices (\$/ton)	2Q'21	2Q'20	YoY Change	1Q'21	QoQ Change
DAP <i>CFR India spot</i>	\$565	\$316	79%	\$455	24%
TSP <i>CFR Brazil spot</i>	\$527	\$245	115%	\$408	29%
SSP <i>CPT Brazil inland 18% to 20% P<sub>2</sub>O<sub>5</sub> spot</i>	\$250	\$173	45%	\$206	21%
Sulfur <i>Bulk FOB Adnoc Monthly contract</i>	\$185	\$60	208%	\$138	34%

Sources: CRU (Fertilizer week Historical Price: July 2021).



# Innovative Ag Solutions

## Second quarter and first half 2021

Innovative Ag Solutions US\$M	2Q'21	2Q'20	1H'21	1H'20
<b>Segment sales</b>	<b>\$237</b>	<b>\$196</b>	<b>\$478</b>	<b>\$395</b>
Sales to external customers	\$235	\$193	\$473	\$389
Sales to internal customers	\$2	\$3	\$5	\$6
<b>Segment profit</b>	<b>\$20</b>	<b>\$15</b>	<b>\$42</b>	<b>\$29</b>
Depreciation and amortization	\$7	\$7	\$14	\$12
Capital expenditures	\$5	\$4	\$9*	\$7
<b>Segment EBITDA</b>	<b>\$27</b>	<b>\$22</b>	<b>\$56</b>	<b>\$41</b>

US\$M	2Q Sales	1H Sales
2020	\$196	\$395
Quantities	\$17	\$41
Prices	\$8	\$9
Exchange rates	\$16	\$33
2021	\$237	\$478
US\$M	2Q Segment EBITDA	1H Segment EBITDA
2020	\$22	\$41
Quantities	\$1	\$3
Prices	\$8	\$9
Exchange rates	\$2	\$4
Raw materials	(\$6)	(\$3)
Energy	-	-
Transportation	-	-
Operating and other expenses	-	\$2
2021	\$27	\$56

Note: Segment EBITDA is a non-GAAP financial measure; see reconciliation tables.

\*Not including capital expenditures as part of business combination. For further information see Note 3 to the Company's Interim Financial Statements in the 2021 6-K Report.



# Consolidated results analysis

Second quarter 2021

US\$M	Sales	Expenses	Operating Income	EBITDA	
2Q'20	\$1,203	(\$1,372)	(\$169)		
Total adjustments Q2 2020*	-	\$297	\$297		
<b>Adjusted Q2 2020 figures</b>	<b>\$1,203</b>	<b>(\$1,075)</b>	<b>\$128</b>	<b>\$246</b>	<b>Notes:</b>
Quantities	\$177	(\$135)	\$42	\$42	<b>Positive</b> – higher sales volumes of bromine- and phosphorus-based flame retardants, bromine-based industrial solutions, mainly clear brine fluids, as well as acids, phosphate fertilizers and phosphate-based food additives and salts <b>Negative</b> – decreased sales volumes of potash
Prices	\$175	-	\$175	\$175	<b>Positive</b> – phosphate fertilizers, potash, elemental bromine, and bromine- and phosphorus-based flame retardants
Exchange rates	\$62	(\$75)	(\$13)	(\$13)	<b>Negative</b> – appreciation of avg. exchange rate of Israeli shekel and British Pound vs. U.S. dollar <b>Positive</b> – appreciation of euro and Chinese yuan against the U.S. dollar
Raw materials	-	(\$49)	(\$49)	(\$49)	<b>Negative</b> – higher prices of sulfur and raw materials used to produce flame retardants
Energy	-	(\$6)	(\$6)	(\$6)	<b>Negative</b> – increased electricity prices
Transportation	-	(\$30)	(\$30)	(\$30)	<b>Negative</b> – higher marine transportation rates
Operating and other expenses	-	(\$11)	(\$11)	(\$14)	<b>Negative</b> – decreased production of potash and increased royalties from higher selling prices. <b>Positive</b> – increased production from Rotem Israel and YPH joint venture; Rotem efficiency plan implemented in 2020
<b>Adjusted Q2 2021 figures</b>	<b>\$1,617</b>	<b>(\$1,381)</b>	<b>\$236</b>	<b>\$351</b>	
Total adjustments Q2 2021*	-	\$7	\$7		
<b>2Q'21</b>	<b>\$1,617</b>	<b>(\$1,374)</b>	<b>\$243</b>		

\* See "Adjustments to reported Operating and Net income (Non-GAAP)" in the 2021 6-K report.

# Consolidated results analysis

First half 2021

US\$M	Sales	Expenses	Operating Income	EBITDA	
<b>1H'20</b>	<b>\$2,522</b>	<b>(\$2,559)</b>	<b>(\$37)</b>		
Total adjustments YTD 2020*	-	\$297	\$297		
<b>Adjusted YTD 2020 figures</b>	<b>\$2,522</b>	<b>(\$2,262)</b>	<b>\$260</b>	<b>\$496</b>	<b>Notes:</b>
Quantities	\$245	(\$192)	\$53	\$53	<b>Positive</b> – higher sales volumes of bromine- and phosphorus-based flame retardants, bromine-based industrial solutions,, as well as Innovative Ag-Solutions products, acids, phosphate fertilizers and phosphate-based food additives
Prices	\$236	-	\$236	\$236	<b>Positive</b> – phosphate fertilizers, potash, elemental bromine, and bromine- and phosphorus-based flame retardants
Exchange rates	\$124	(\$142)	(\$18)	(\$18)	<b>Negative</b> – appreciation of avg. exchange rate of Israeli shekel & British Pound vs. U.S. dollar <b>Positive</b> – appreciation of euro and Chinese yuan against the U.S. dollar
Raw materials	-	(\$62)	(\$62)	(\$62)	<b>Negative</b> – higher prices of sulfur and raw materials used to produce flame retardants
Energy	-	(\$3)	(\$3)	(\$3)	
Transportation	-	(\$44)	(\$44)	(\$44)	<b>Negative</b> – higher marine transportation rates
Operating and other expenses	-	(\$1)	(\$1)	(\$12)	<b>Negative</b> – decreased production of potash and increased royalties from higher selling prices <b>Positive</b> – increased production from Rotem Israel and YPH joint venture. Rotem efficiency plan implemented in 2020
<b>Adjusted YTD 2021 figures</b>	<b>\$3,127</b>	<b>(\$2,706)</b>	<b>\$421</b>	<b>\$646</b>	
Total adjustments YTD 2021*	-	\$7	\$7		
<b>1H'21</b>	<b>\$3,127</b>	<b>(\$2,699)</b>	<b>\$428</b>		

\* See "Adjustments to reported Operating and Net income (Non-GAAP)" in the 2021 6-K report.

# Sales by geographic location

Second quarter 2021

Sales US\$M	Industrial Products	Potash		Phosphate Solutions		Innovative Ag Solutions	Other Activities		Reconciliations		Consolidated	
	2Q'21	2Q'20	2Q'21	2Q'20	2Q'21	2Q'20	2Q'21	2Q'20	2Q'21	2Q'20	2Q'21	2Q'20
Europe	\$142	\$99	\$96	\$84	\$185	\$154	\$113	\$89	\$6	\$7	(\$23)	(\$17)
Asia	\$148	\$98	\$128	\$132	\$150	\$93	\$39	\$36	-	-	(\$3)	(\$4)
North America	\$87	\$66	\$32	\$14	\$125	\$83	\$28	\$26	-	\$1	(\$1)	(\$2)
South America	\$22	\$6	\$112	\$64	\$116	\$62	\$12	\$4	-	-	-	-
Rest of world	\$11	\$16	\$44	\$46	\$47	\$47	\$45	\$41	\$1	\$1	(\$45)	(\$43)
<b>Total</b>	<b>\$410</b>	<b>\$285</b>	<b>\$412</b>	<b>\$340</b>	<b>\$623</b>	<b>\$439</b>	<b>\$237</b>	<b>\$196</b>	<b>\$7</b>	<b>\$9</b>	<b>(\$72)</b>	<b>(\$66)</b>
											<b>\$1,617</b>	<b>\$1,203</b>

# Finance expenses

Second quarter and first half 2021

US\$M	2Q'21	2Q'20	1H'21	1H'20
Average net debt <sup>(1)</sup>	\$2,800	\$2,800	\$2,800	\$2,700
<b>Weighted average interest rate</b>	<b>3.8%</b>	<b>3.9%</b>	<b>3.8%</b>	<b>4.0%</b>
Interest expenses	\$26	\$27	\$53	\$54
Interest capitalization	(\$5)	(\$6)	(\$11)	(\$12)
<b>Interest expenses, net</b>	<b>\$21</b>	<b>\$21</b>	<b>\$42</b>	<b>\$42</b>
Total hedging and balance sheet revaluation	(\$2)	(\$6)	\$10	\$32
Interest and exchange rate impact on LT liabilities of leasing and employees and other <sup>(2)</sup>	\$11	\$16	(\$2)	\$9
<b>Net financial expenses</b>	<b>\$30</b>	<b>\$31</b>	<b>\$50</b>	<b>\$83</b>

(1) Average liabilities during given quarter.

(2) Other for 2Q'21 includes \$6 million, due to shekel revaluation vs. U.S. dollar.

Note: Numbers may not add, due to rounding and set-offs.



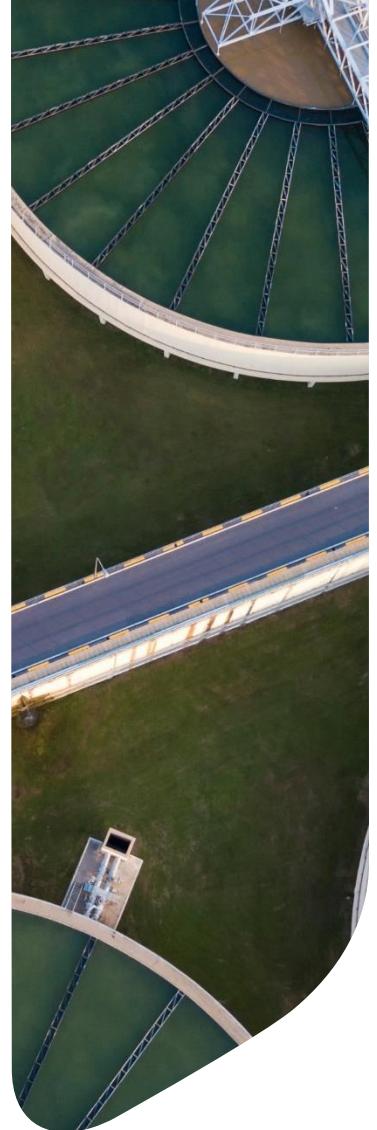
# Adjusted effective tax rate

Second quarter and first half 2021

US\$M	2Q'21	2Q'20	1H'21	1H'20
Adjusted income before tax <sup>(1)</sup>	\$207	\$98	\$372	\$179
Normalized tax rate	<u>25%</u>	<u>20%</u>	<u>23%</u>	<u>21%</u>
<b>Normalized tax expenses</b>	<b>\$52</b>	<b>\$20</b>	<b>\$86</b>	<b>\$37</b>
Carryforward losses for which deferred taxes were not recognized and other	\$1	\$1	\$4	\$7
Exchange rate impact	\$9	\$3	(\$5)	-
<b>Adjusted tax expenses</b>	<b>\$62</b>	<b>\$24</b>	<b>\$85</b>	<b>\$44</b>
<b>Effective tax rate</b>	<b>30%</b>	<b>25%</b>	<b>23%</b>	<b>25%</b>
Tax adjustments	\$2	(\$57)	\$2	(\$57)
<b>Reported provision for income taxes</b>	<b>\$64</b>	<b>(\$33)</b>	<b>\$87</b>	<b>(\$13)</b>

(1) See reconciliation table.

Note: Numbers may not add, due to rounding and set-offs.



# Reconciliation tables

Slide one of two



Calculation of segment EBITDA and margin US\$M	%	Industrial Products		%	Potash		%	Phosphate Solutions		%	Innovative Ag Solutions	
		2Q'21	2Q'20		2Q'21	2Q'20		2Q'21	2Q'20		2Q'21	2Q'20
Segment sales		\$410	\$285		\$412	\$340		\$623	\$439		\$237	\$196
Segment profit		\$114	\$70		\$43	\$38		\$77	\$8		\$20	\$15
Depreciation and amortization		\$14	\$18		\$42	\$42		\$57	\$52		\$7	\$7
<b>Segment EBITDA</b>		<b>\$128</b>	<b>\$88</b>		<b>\$85</b>	<b>\$80</b>		<b>\$134</b>	<b>\$60</b>		<b>\$27</b>	<b>\$22</b>
Segment EBITDA margin		31%	31%		21%	24%		22%	14%		11%	11%

Calculation of free cash flow US\$M	2Q'21	2Q'20	1H'21	1H'20
Cash flow from operations	\$242	\$177	\$448	\$343
Additions to PP&E, intangible assets, and dividends from equity-accounted investees <sup>(1)</sup>	(\$148)	(\$157)	(\$295)	(\$295)
<b>Free cash flow</b>	<b>\$94</b>	<b>\$20</b>	<b>\$153</b>	<b>\$48</b>

Calculation of adjusted income before tax US\$M	2Q'21	2Q'20	1H'21	1H'20
Adjusted operating income	\$236	\$128	\$421	\$260
Finance expenses	(\$30)	(\$31)	(\$50)	(\$83)
Share in earnings (losses) of equity-accounted investees and adjustments to financial expenses	\$1	\$1	\$1	\$2
<b>Adjusted income before tax</b>	<b>\$207</b>	<b>\$98</b>	<b>\$372</b>	<b>\$179</b>

(1) Also includes proceeds from sale of property, plants and equipment (PP&E).

Note: Numbers may not add, due to rounding and set-offs.

# Reconciliation tables

## Slide two of two

Calculation of adjusted EBITDA US\$M	2Q'21	1Q'21	4Q'20	3Q'20	2Q'20	FY'20	FY'19	FY'18
Net income attributable to shareholders of the company	\$140	\$135	\$65	\$54	(\$168)	\$11	\$475	\$1,240
Financing expenses, net	\$30	\$20	\$46	\$29	\$31	\$158	\$129	\$158
Taxes on income	\$64	\$23	\$24	\$14	(\$33)	\$25	\$147	\$129
Minority and equity profit, net	\$9	\$7	\$4	\$3	\$1	\$8	\$5	(\$8)
<b>Operating income</b>	<b>\$243</b>	<b>\$185</b>	<b>\$139</b>	<b>\$100</b>	<b>(\$169)</b>	<b>\$202</b>	<b>\$756</b>	<b>\$1,519</b>
Minority and equity profit, net	(\$9)	(\$7)	(\$4)	(\$3)	(\$1)	(\$8)	(\$5)	\$8
Depreciation and amortization	\$124	\$117	\$129	\$123	\$119	\$489	\$443	\$403
Adjustments <sup>(1)</sup>	(\$7)	-	\$4	\$6	\$297	\$307	\$4	(\$766)
<b>Adjusted EBITDA</b>	<b>\$351</b>	<b>\$295</b>	<b>\$268</b>	<b>\$226</b>	<b>\$246</b>	<b>\$990</b>	<b>\$1,198</b>	<b>\$1,164</b>

Net debt to EBITDA <sup>(2)</sup> US\$M	2Q'21
Net debt	\$2,432
EBITDA	\$1,140
<b>Net debt to EBITDA</b>	<b>2.1</b>

(1) See detailed reconciliation table – adjustments to reported operating and net income (non-GAAP) – in corresponding quarters' earnings release.

(2) Quarterly net debt to EBITDA ratio was calculated by dividing net debt by past four quarters adjusted EBITDA.

Note: Numbers may not add, due to rounding and set-offs.



# Guidance and non-GAAP financial measures

## Guidance

The company only provides guidance on a non-GAAP basis. We do not provide a reconciliation of forward-looking adjusted EBITDA (non-GAAP) to GAAP net income (loss), due to the inherent difficulty in forecasting and quantifying certain amounts necessary for such a reconciliation, in particular because special items, such as restructuring, litigation and other matters, used to calculate projected net income (loss) vary dramatically based on actual events, the company is not able to forecast on a GAAP basis with reasonable certainty all deductions needed in order to provide a GAAP calculation of projected net income (loss) at this time. The amount of these deductions may be material and, therefore, could result in projected GAAP net income (loss) being materially less than projected adjusted EBITDA (non-GAAP). Our guidance speaks only as of the date hereof. We undertake no obligation to update any of these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect actual outcomes, unless required by law.

## Non-GAAP financial measures

We disclose in this presentation non-IFRS financial measures titled: adjusted operating income, adjusted net income attributable to the company's shareholders, adjusted EBITDA, adjusted EPS, segment EBITDA, segment EBITDA margin and free cash flow. Our management uses such non-GAAP measures to facilitate operating performance comparisons from period to period and presents free cash flow to facilitate a review of our cash flows. We calculate our adjusted operating income by adjusting our operating income to add certain items, as set forth in the reconciliation table "Adjustments to reported operating and net income." Certain of these items may recur. We calculate our adjusted net income attributable to the company's shareholders by adjusting our adjusted operating income, net income attributable to the company's shareholders to add certain items, as set forth in the reconciliation table "Adjustments to reported operating and net income (Non-GAAP)" in our quarterly earnings release, excluding the total tax impact of such adjustments. We calculate our adjusted EBITDA by adding depreciation and amortization back to adjusted operating income. Adjusted EPS is calculated as adjusted net income divided by weighted-average diluted number of ordinary shares outstanding as provided in the reconciliation table under "Calculation of adjusted EPS." We calculate our segment EBITDA by adding back to our segment profit the depreciation and amortization for each segment. We calculate our segment EBITDA margin by dividing segment EBITDA by revenue. We calculate our free cash flow as our cash flows from operating activities net of our purchase of property, plant, equipment and intangible assets, and adding proceeds from the sale of property, plant and equipment, and dividends from equity-accounted investees during such period as presented in the reconciliation table under "Calculation of free cash flow." You should not view adjusted operating income, adjusted net income attributable to the company's shareholders, adjusted EPS or adjusted EBITDA as a substitute for operating income or net income attributable to the company's shareholders determined in accordance with IFRS, adjusted EPS as a substitute for EPS, or free cash flow as a substitute for cash flows from operating activities and cash flows used in investing activities, and you should note that our definitions of adjusted operating income, adjusted net income attributable to the company's shareholders, adjusted EBITDA and free cash flow may differ from those used by other companies. However, we believe such non-GAAP measures provide useful information to both management and investors by excluding certain expenses management believes are not indicative of our ongoing operations. In particular, for free cash flow, we adjust our CAPEX to include any proceeds from the sale of property, plant and equipment because we believe such amounts offset the impact of our purchase of property, plant, equipment and intangible assets. We further adjust free cash flow to add dividends from equity-accounted investees because receipt of such dividends affects our residual cash flow. Free cash flow does not reflect adjustment for additional items that may impact our residual cash flow for discretionary expenditures, such as adjustments for charges relating to acquisitions, servicing debt obligations, changes in our deposit account balances that relate to our investing activities and other non-discretionary expenditures. Our management uses these non-IFRS measures to evaluate the company's business strategies and management's performance. We believe these non-IFRS measures provide useful information to investors because they improve the comparability of the financial results between periods and provide for greater transparency of key measures used to evaluate our performance. We present a discussion in the period-to-period comparisons of the primary drivers of changes in the company's results of operations. This discussion is based, in part, on management's best estimates of the impact of the main trends in its businesses. We have based the preceding discussion on our financial statements. You should read the preceding discussion together with our financial statements.