



Second Quarter 2022

Financial Results

Raviv Zoller | President and CEO

July 27, 2022



Important legal notes

Disclaimer and safe harbor for forward-looking statements

This presentation contains statements that constitute forward-looking statements, many of which can be identified by the use of forward-looking words such as anticipate, believe, could, expect, should, plan, intend, estimate, strive, forecast, target, and potential, among others. Forward-looking statements appear in a number of places in this presentation and include, but are not limited to, our 2022 adjusted EBITDA guidance, statements regarding our intent, belief or current expectations. Forward-looking statements are based on our management's beliefs and assumptions and on information currently available to our management. Such statements are subject to risks and uncertainties, and the actual results may differ materially from those expressed or implied in the forward-looking statements due to various factors, including, but not limited to: Changes in exchange rates or prices compared to those we are currently experiencing; loss or impairment of business licenses or mineral extractions permits or concessions; volatility of supply and demand and the impact of competition; the difference between actual reserves and our reserve estimates; natural disasters; global unrest and conflict; failure to harvest salt, which could lead to accumulation at the bottom of evaporation Pond 5 in the Dead Sea; construction of a new pumping station; disruptions at our seaport shipping facilities or regulatory restrictions affecting our ability to export our products overseas; general market, political or economic conditions in the countries in which we operate; price increases or shortages with respect to our principal raw materials; delays in the completion of major projects by third party contractors and/or termination of engagements with contractors and/or governmental obligations; the inflow of significant amounts of water into the Dead Sea could adversely affect production at our plants; labor disputes, slowdowns and strikes involving our employees; pension and health insurance liabilities; the ongoing COVID-19 pandemic, which has impacted, and may continue to impact our sales, operating results and business operations by disrupting our ability to purchase raw materials, by negatively impacting the demand and pricing for some of our products, by disrupting our ability to sell and/or distribute products, impacting customers' ability to pay us for past or future purchases and/or temporarily closing our facilities or the facilities of our suppliers or customers and their contract manufacturers, or restricting our ability to travel to support our sites or our customers around the world; changes to governmental incentive programs or tax benefits, creation of new fiscal or tax related legislation; changes in our evaluations and estimates, which serve as a basis for the recognition and manner of measurement of assets and liabilities; higher tax liabilities; failure to integrate or realize expected benefits from mergers and acquisitions, organizational restructuring and joint ventures; currency rate fluctuations; rising interest rates; government examinations or investigations; disruption of our, or our service providers', information technology systems or breaches of our, or our service providers', data security; failure to retain and/or recruit key personnel; inability to realize expected benefits from our cost reduction program according to the expected timetable; inability to access capital markets on favorable terms; cyclicity of our businesses; changes in demand for our fertilizer products due to a decline in agricultural product prices, lack of available credit, weather conditions, government policies or other factors beyond our control; sales of our magnesium products being affected by various factors that are not within our control; our ability to secure approvals and permits from the authorities in Israel to continue our phosphate mining operations in Rotem; volatility or crises in the financial markets; uncertainties surrounding the withdrawal of the United Kingdom from the European Union; hazards inherent to mining and chemical manufacturing; the failure to ensure the safety of our workers and processes; cost of compliance with environmental, regulatory, legislative, and licensing restrictions; laws and regulations related to, and physical impacts of climate change and greenhouse gas emissions; litigation, arbitration and regulatory proceedings; exposure to third party and product liability claims; product recalls or other liability claims as a result of food safety and food-borne illness concerns; insufficiency of insurance coverage; closing of transactions, mergers and acquisitions; war or acts of terror and/or political, economic and military instability in Israel and its region; filing of class actions and derivative actions against the company, its executives and Board members; the company is exposed to risks relating to its current and future activity in emerging markets; and other risk factors discussed under Item 3 - Key Information - D. Risk Factors in the company's annual report on Form 20-F for the year ended December 31, 2021, filed with the U.S. Securities and Exchange Commission (SEC) on February 23, 2022 (the Annual Report). Forward-looking statements speak only as of the date they are made, and the company does not undertake any obligation to update them in light of new information or future developments or to release publicly any revisions to these statements in order to reflect later events or circumstances or to reflect the occurrence of unanticipated events. This presentation for the second quarter of 2022 should be read in conjunction with the annual report, including the description of the events occurring subsequent to the date of the statement of financial position, as filed with the SEC.



Second quarter overview

Continued focus on specialties solutions, with benefit from commodity upside

- All time record sales and EBITDA
- Another consecutive quarter of profit and margin growth
- Record results for all specialties businesses
- Record results for all commodities businesses
- Record production, with continued focus on efficiency and productivity
- Strong free cash flow of \$410M
- Dividend of 29.18 cents per share, or \$375M, vs. 5.26 cents, or \$68M, in 2Q'21
- Settled significant tax dispute with the Israeli Tax Authority



Note: adjusted EBITDA and free cash flow are non-GAAP financial measures; see reconciliation tables in appendix.

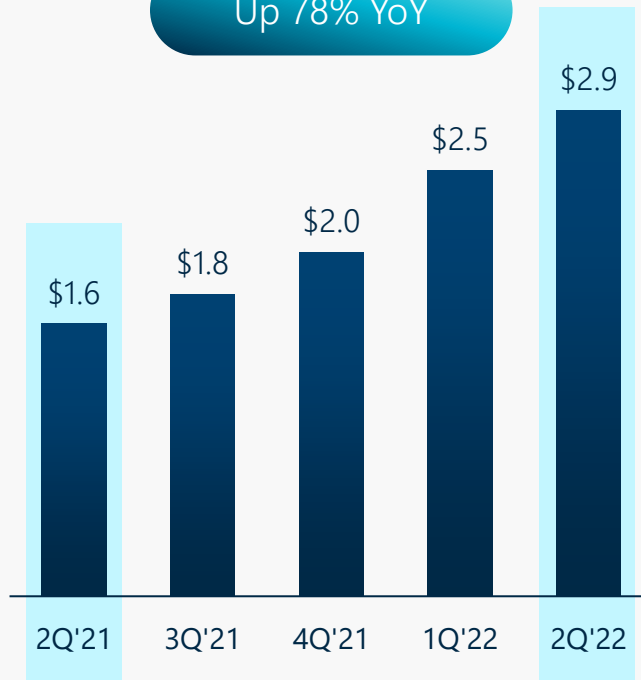
Key second quarter financial metrics

Substantial year-over-year improvement

Sales

US\$B

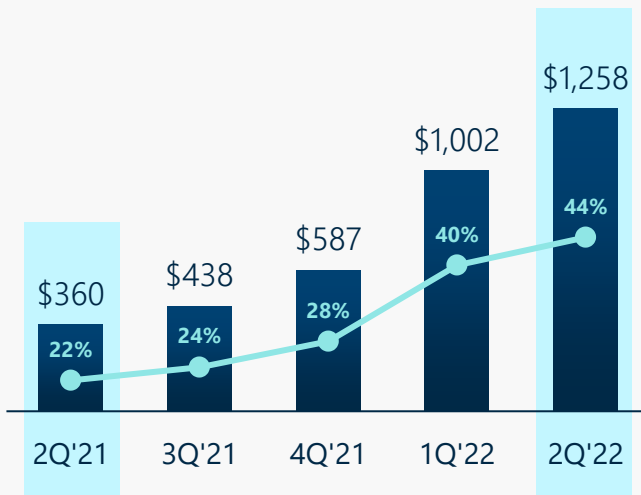
Up 78% YoY



Adjusted EBITDA⁽¹⁾

US\$M

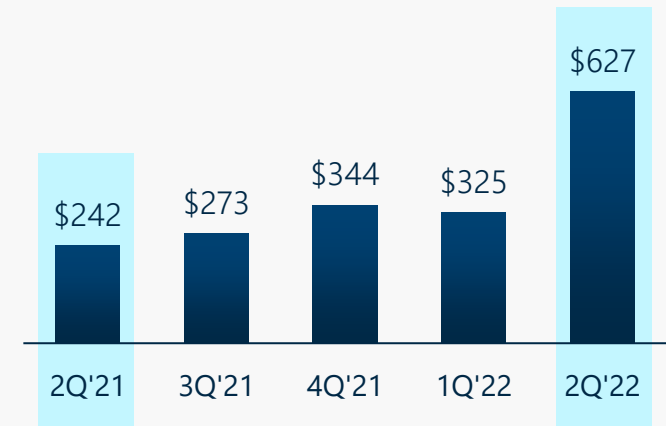
Up 249% YoY



Operating Cash Flow

US\$M

Up \$385M YoY



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

Second quarter 2022

Key financial highlights

US\$M <i>ex. per share</i>	2Q'22	2Q'21	YoY Change
Sales	\$2,880	\$1,617	78%
Gross profit	\$1,539	\$570	170%
Gross margin	53.4%	35.3%	1,819 bps
Operating income	\$1,139	\$243	369%
Adjusted operating income ⁽¹⁾	\$1,139	\$236	383%
Adjusted operating margin ⁽¹⁾	39.5%	14.6%	2,495 bps
Net income, attributable ⁽²⁾	\$563	\$140	302%
Adjusted net income, attributable ⁽¹⁾	\$751	\$135	456%
Adjusted EBITDA ⁽¹⁾	\$1,258	\$360	249%
Adjusted EBITDA margin ⁽¹⁾	43.7%	22.3%	2,142 bps
Diluted earnings per share	\$0.44	\$0.11	300%
Adjusted diluted EPS ⁽¹⁾	\$0.58	\$0.11	452%
Operating cash flow	\$627	\$242	159%
Free cash flow	\$410	\$94	336%

(1) Adjusted operating income and margin, adjusted net income, attributable, adjusted EBITDA and margin, adjusted EPS, and free cash flow are non-GAAP financial measures; see reconciliation tables in appendix. (2) 2Q'22 tax expenses were \$540M, including a \$188M tax settlement with the Israeli Tax Authority related to prior years. Excluding this amount results in tax expenses of \$352M and an effective tax rate of 31%, compared to \$64M in the corresponding quarter of last year, reflecting an effective tax rate of 30%.

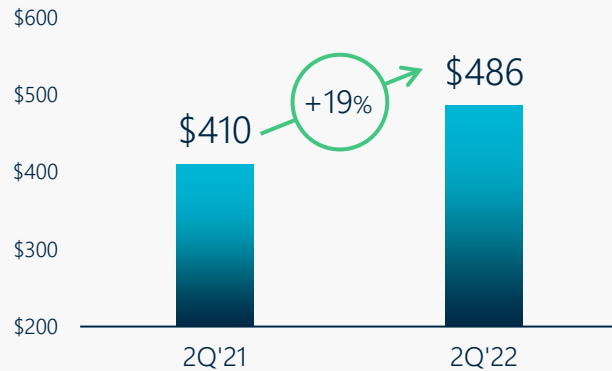


Industrial Products

Continued benefit from higher prices and long-term contracts

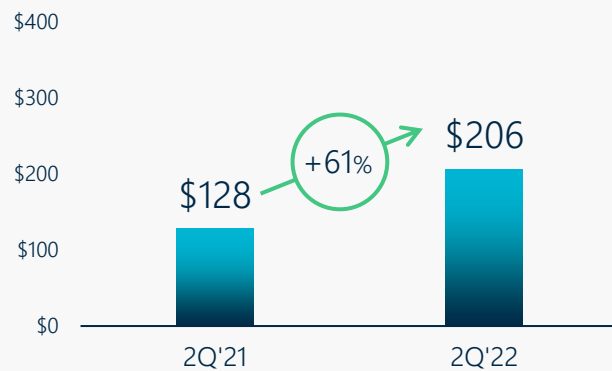
Sales

US\$M



EBITDA⁽¹⁾

US\$M



Key highlights

- All-time record quarterly EBITDA
- Prices higher year-over-year
- End-market demand mixed
 - Clear brine fluids very strong
 - Consumer electronics and automotive moderating, as expected
 - Construction showing slight reduction
 - Supplements and pharmaceuticals robust
- Upgraded supply chain capabilities

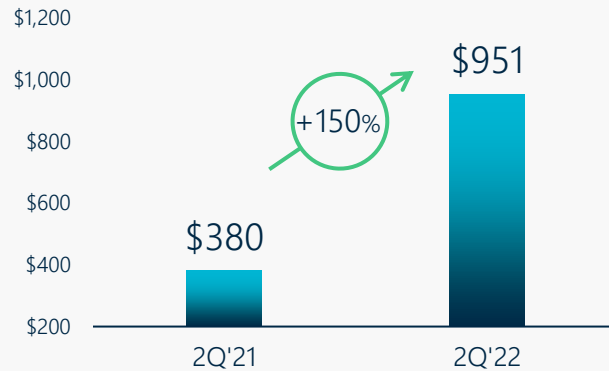
(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

Potash

Record quarter for prices and production

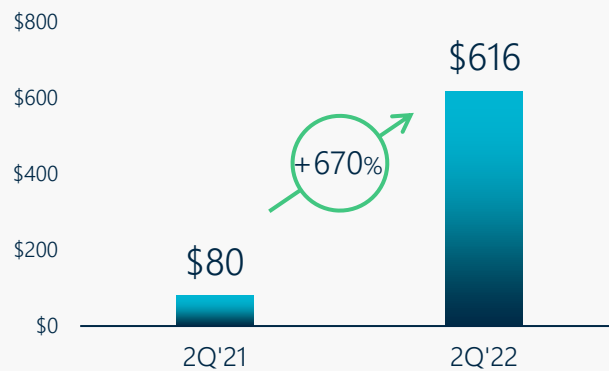
Sales

US\$M



EBITDA⁽¹⁾

US\$M



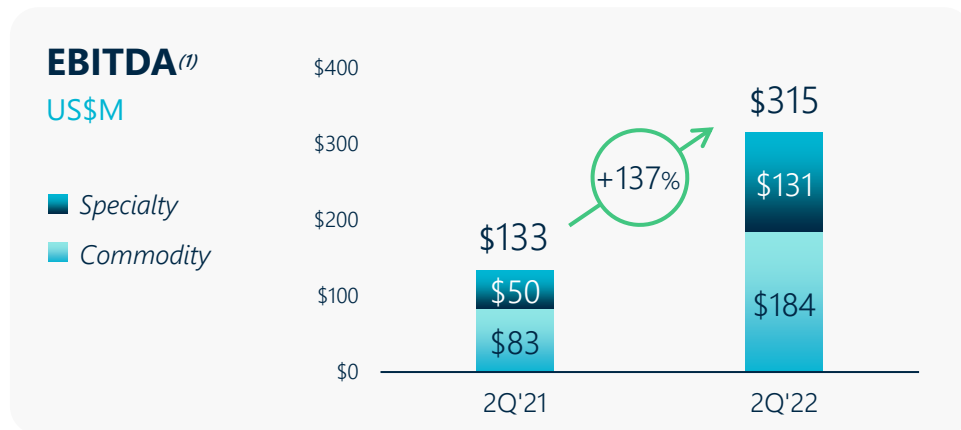
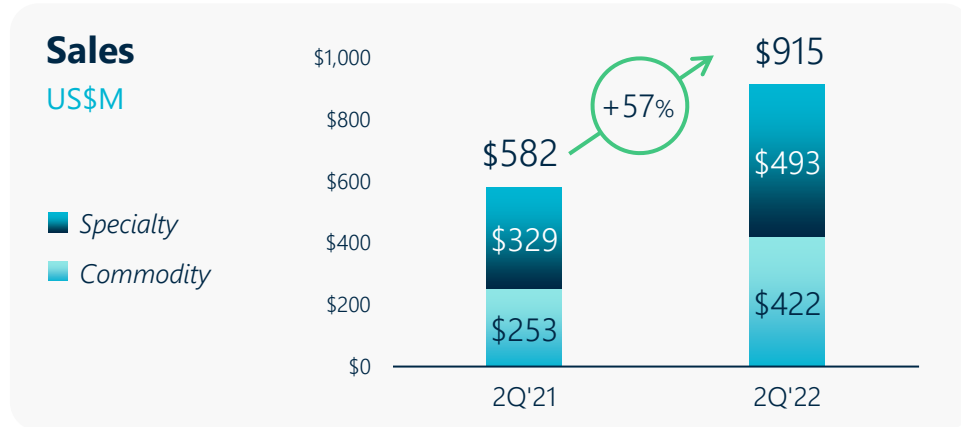
Key highlights

- Production records at the Dead Sea
- Continued to benefit from operational improvements and efficiencies
- Prices higher for both potash and metal magnesium
 - Average realized potash price per ton increased to \$750, up \$469 vs. \$281 in 2Q'21 and up \$149 vs. \$601 in 1Q'22
- Quarterly profit records for Dead Sea, Spain and magnesium

⁽¹⁾ Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix. Note: ICL has consolidated its specialty agriculture businesses under Innovative Ag Solutions (IAS). As a result, ICL Boulby and other European business components were allocated from the Potash and Phosphate Solutions segments, respectively, to the IAS segment. The 2021 quarterly and annual restated segment data and 2020 annual restated segment data is available in the appendix.

Phosphate Solutions

Another quarter of record results for specialties and commodities



Key highlights

- All-time record quarterly EBITDA
- Higher prices and quantities for food and industrial specialties, as well as for fertilizers, offset raw material increases
- Maintained long-term focus on driving specialties profitability
- YPH benefitted from higher pricing, volumes and efficiencies
- Demand continued to grow for LFP battery business

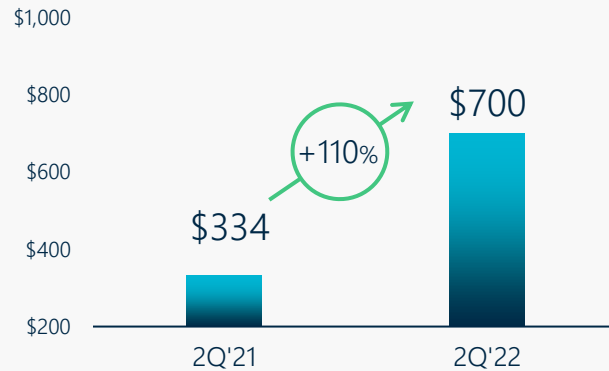
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Innovative Ag Solutions

All-time quarterly record sales and EBITDA

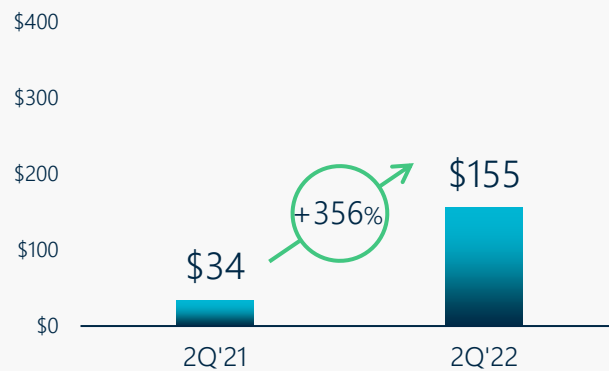
Sales

US\$M



EBITDA⁽¹⁾

US\$M



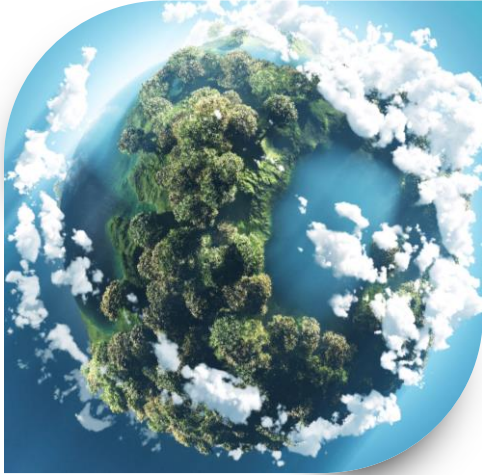
Key highlights

- All-time record quarterly EBITDA
- Brazil expansion strategy delivering synergies and robust results
- Continued growth of organic Polysulphate business
- Overall strong demand in turf and ornamental
- Higher prices offsetting increases in raw material costs

(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix. Note: ICL has consolidated its specialty agriculture businesses under Innovative Ag Solutions (IAS). As a result, ICL Boulby and other European business components were allocated from the Potash and Phosphate Solutions segments, respectively, to the IAS segment. The 2021 quarterly and annual restated segment data and 2020 annual restated segment data is available in the appendix.

Making an impact

Continued momentum



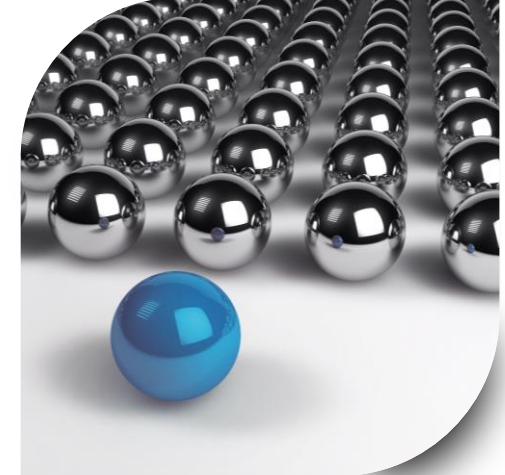
Sustainability

- Awarded highest MAALA rating in Israel
- Received IFA Green Leaf award in Spain
- Granted prestigious green mine certification at YPH in China



Innovation

- Continued advancements in LFP battery production
- Joined with PlantArcBio to boost crop yields through RNAi technology
- Rolled out Agmatix digital solution in India



Leadership

- Signed organic Polysulphate agreement with India
- Named best industrial company to work for in Israel
- Received highest corporate governance rating in Israel
- Ranked top workplace in St. Louis

Continued focus on future

ICL in leadership position, due to long-term specialties strategy



Expanding long-term specialties focus, while benefitting from **market upside**



Targeting **consistent growth** in sales and EBITDA



Increasing capacity to enable **growth in specialties**



Investing in R&D to **innovate and expand** specialty product portfolio



Investing in **sustainability**



Maintaining focus on long-term **customer relationships**



Continuing focus on **cash generation**



Creating and **returning value to shareholders**



Focusing on business expansion opportunities via **strong balance sheet**





Second Quarter 2022

Financial Results

Aviram Lahav

CFO

Second quarter 2022

Key financial highlights

US\$M <i>ex. per share</i>	2Q'22	2Q'21	YoY Change
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Gross margin	53.4%	35.3%	1,819 bps
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Macro overview

Trends continued for most of second quarter

- Strong global growth
- Inflation soared worldwide
- Commodity and grain prices remained high
- Impact from situation in Ukraine continued
- Limited relief from supply chain disruptions
- FX dynamics fluctuated across currencies

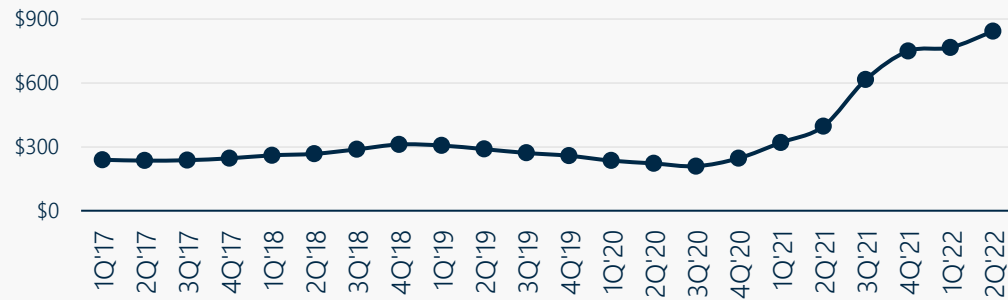


Pricing across mineral value chain

Commodity price progression

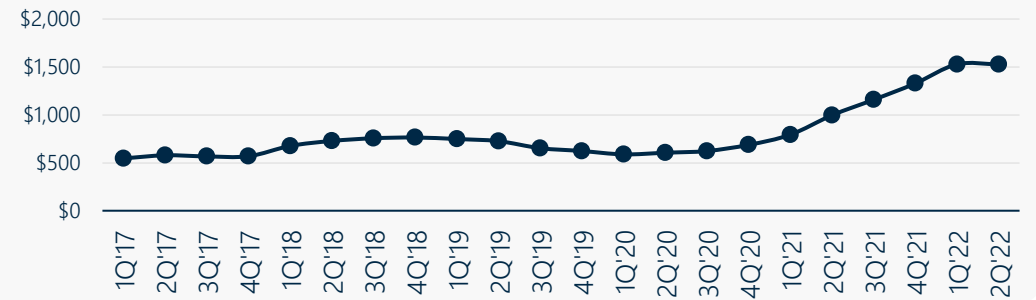
GMOP FOB NOLA

US\$/ton



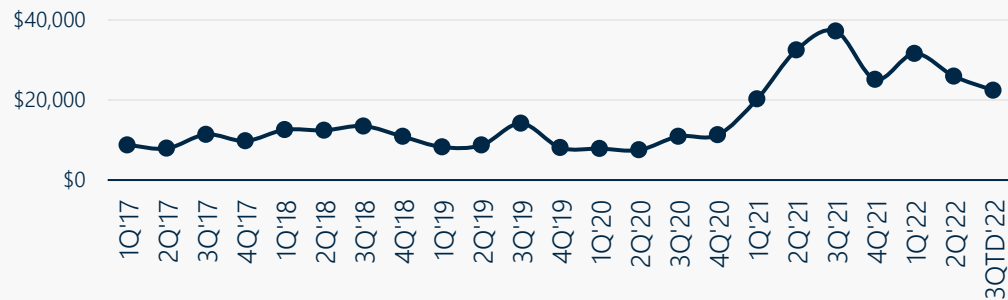
Phosphoric acid

CFR contract India US\$/ton



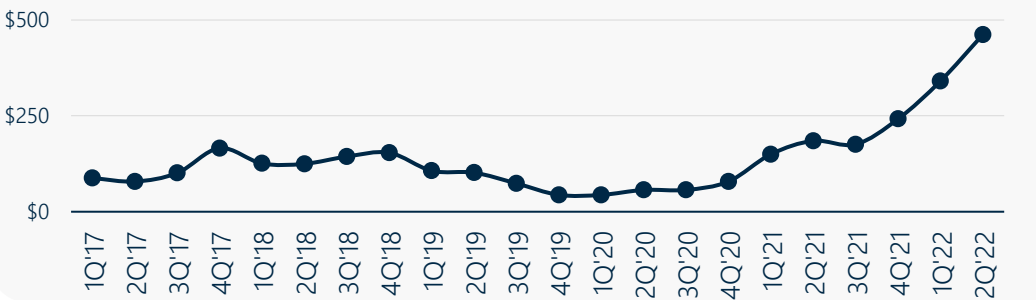
Supramax Timecharter Average

US\$/day



Sulfur Bulk FOB Middle East Spot

US\$/ton



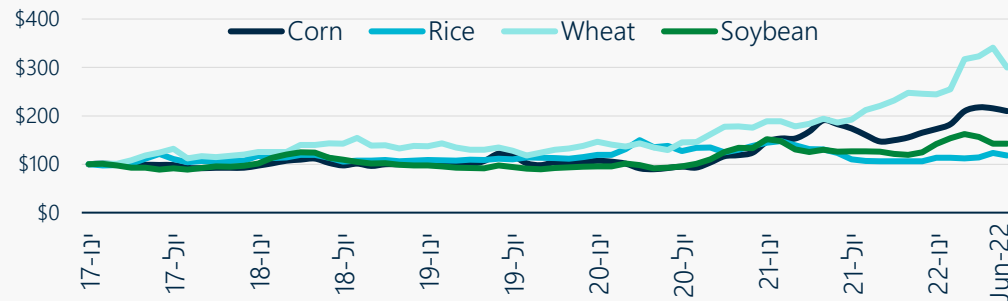
Sources: GMOP and phosphoric acid - CRU Fertilizer Week, as of 6.30.22; Supramax - Simpson Spence Young (SSY), as of 7.19.22; Sulfur - CRU, as of 6.30.22.

Crop economics

Trends remained elevated through first half

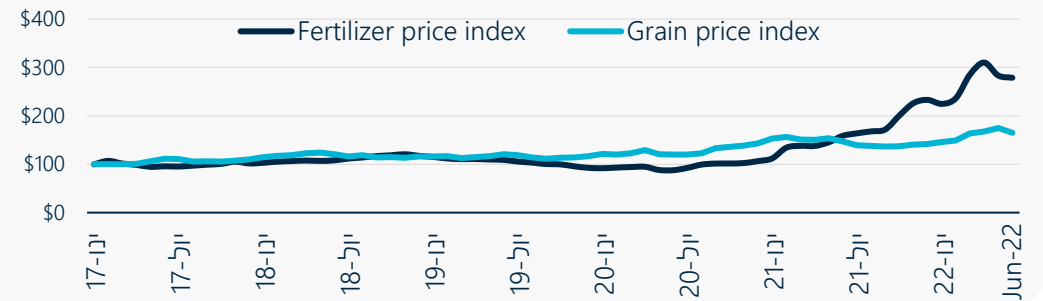
Commodity crop price progression

US\$/ton



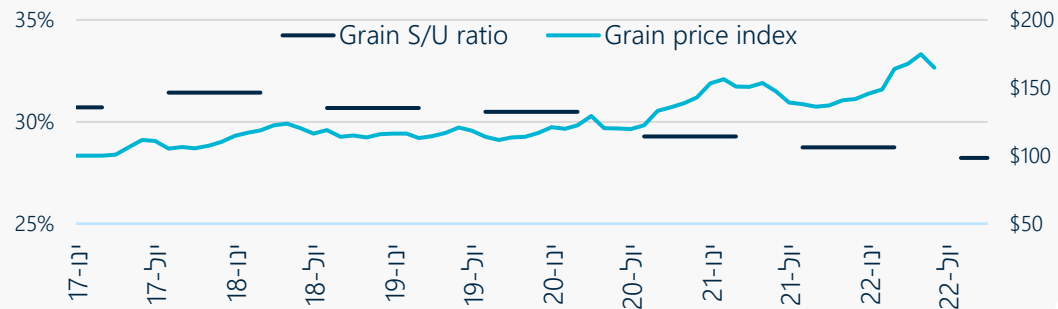
Fertilizer and grain price trends

US\$



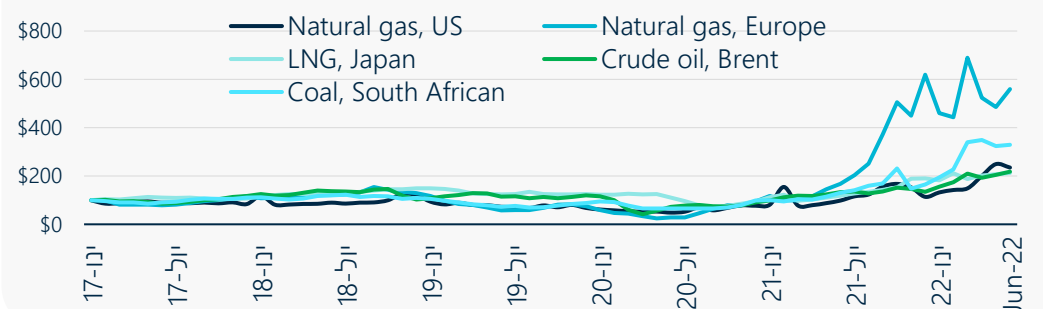
Global grain stock-to-use

Ratio US\$



Energy prices

US\$/mmbtu⁽¹⁾



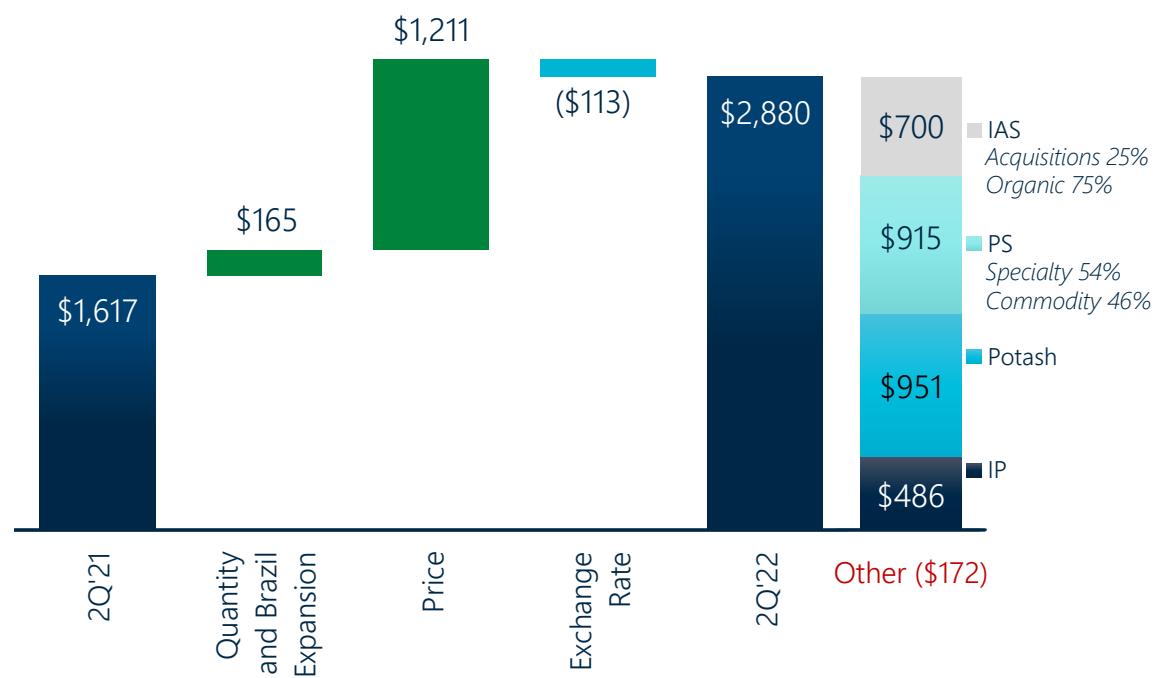
Sources: Prices and indices - The World Bank, as of July 2022; Grain stock-to-use ratios - USDA, as of July 2022. (1) Brent crude per bbl; SA coal per ton.

Second quarter 2022

Sales bridges

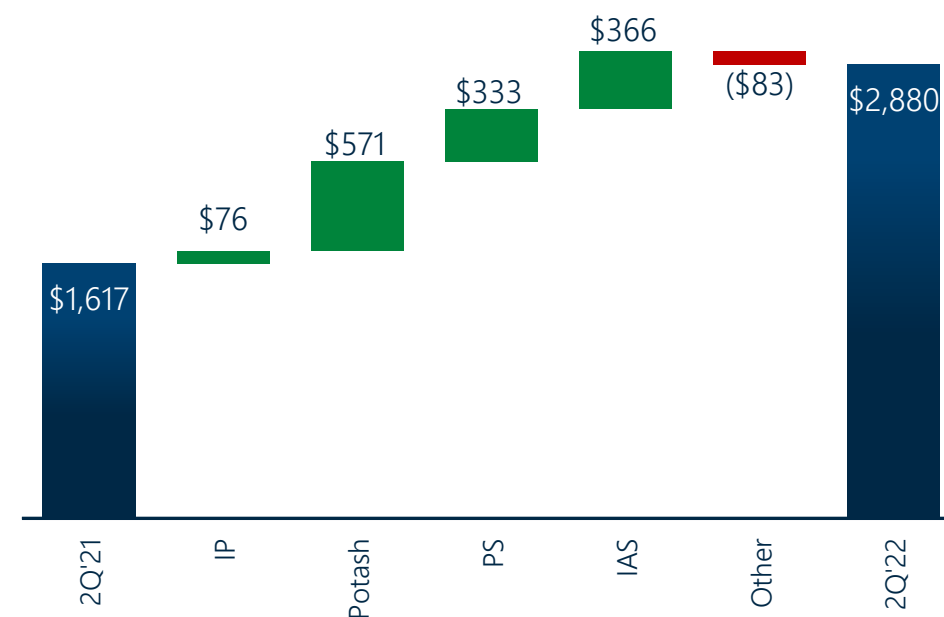
Sales

US\$M



Sales by segment

US\$M



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

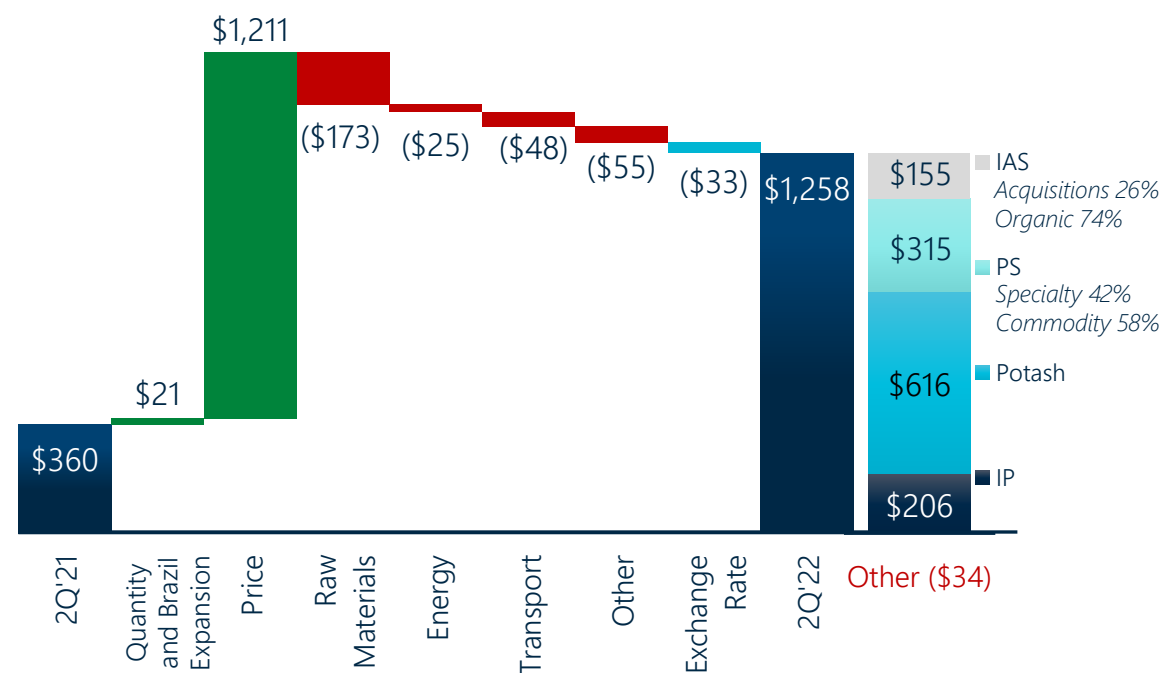
Second quarter 2022

Profit bridges



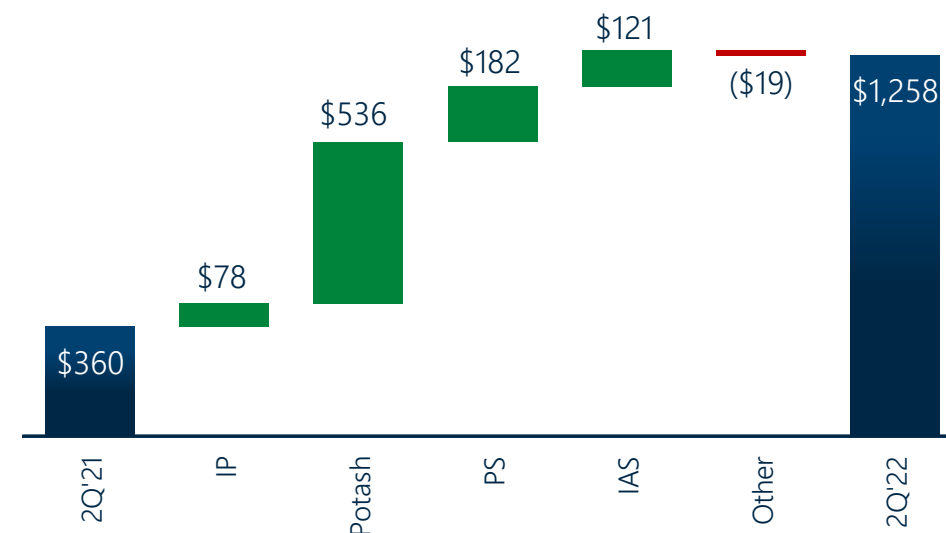
Adjusted EBITDA⁽¹⁾

US\$M



Adjusted EBITDA⁽¹⁾ by segment

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.

Financial overview

Well-positioned for future growth

Highlights for 2Q'22

- Net debt to adjusted EBITDA⁽¹⁾ improved to 0.6
- Operating cash flow of \$627M vs. \$242M in 2Q'21
- Substantial free cash flow⁽¹⁾ of \$410M vs. \$94M in 2Q'21
- Dividend of 29.18 cents per share vs. 5.26 cents in 2Q'21, for a yield of 7.98%
- Higher tax rate related to one-time adjustment



(1) Adjusted EBITDA and free cash flow are non-GAAP financial measures; see reconciliation tables in appendix.

Guidance

Full year 2022

- Expect adjusted EBITDA range of \$3,800 million to \$4,000 million⁽¹⁾
 - Increase from previous guidance of \$3,500 million to \$3,750 million
- EBITDA of specialty businesses to represent between \$1,500 million to \$1,600 million of total adjusted EBITDA
 - Increase from previous guidance of \$1,300 million to \$1,400 million coming from specialties

*(1) See guidance and non-GAAP financial measures in appendix.
Note: Adjusted EBITDA is a non-GAAP measure, see appendix for calculation.*



Thank you

Contact 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 2022

Financial Results



Industrial Products

Second quarter and first half 2022

Industrial Products US\$M	2Q'22	2Q'21	1H'22	1H'21
Segment sales	\$486	\$410	\$980	\$808
Sales to external customers	\$478	\$406	\$966	\$800
Sales to internal customers	\$8	\$4	\$14	\$8
Segment operating income	\$191	\$114	\$379	\$219
Depreciation and amortization	\$15	\$14	\$30	\$31
Segment EBITDA	\$206	\$128	\$409	\$250

US\$M	2Q Sales	1H Sales
2021	\$410	\$808
Quantity	(\$47)	(\$94)
Price	\$135	\$285
Exchange rates	(\$12)	(\$19)
2022	\$486	\$980
US\$M	2Q Segment EBITDA	1H Segment EBITDA
2021	\$128	\$250
Quantity	(\$14)	(\$28)
Price	\$135	\$285
Exchange rates	(\$5)	(\$11)
Raw materials	(\$18)	(\$44)
Energy	(\$1)	(\$4)
Transportation	(\$8)	(\$16)
Operating and other expenses	(\$11)	(\$23)
2022	\$206	\$409

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



Potash

Second quarter and first half 2022

Potash US\$M	2Q'22	2Q'21	1H'22	1H'21
Segment sales	\$951	\$380	\$1,746	\$729
Sales to external customers	\$810	\$296	\$1,458	\$550
Sales to internal customers	\$50	\$27	\$93	\$49
Other and eliminations ⁽¹⁾	\$91	\$57	\$195	\$130
Gross profit	\$698	\$154	\$1,221	\$289
Segment operating income	\$576	\$42	\$986	\$71
Depreciation and amortization	\$40	\$38	\$80	\$71
Segment EBITDA	\$616	\$80	\$1,066	\$142
Average realized price ⁽²⁾	\$750	\$281	\$675	\$269

Potash production and sales 000s of tons	2Q'22	2Q'21	1H'22	1H'21
Production	1,211	1,022	2,304	2,174
Total sales, including internal sales	1,147	1,148	2,297	2,223
Closing inventory	362	226	362	226

US\$M	2Q Sales	1H Sales
2021	\$380	\$729
Quantity	(\$4)	\$13
Price	\$603	\$1,044
Exchange rates	(\$28)	(\$40)
2022	\$951	\$1,746

US\$M	2Q Segment EBITDA	1H Segment EBITDA
2021	\$80	\$142
Quantity	(\$4)	(\$2)
Price	\$603	\$1,044
Exchange rates	(\$17)	(\$27)
Raw materials	(\$4)	(\$4)
Energy	(\$14)	(\$26)
Transportation	(\$12)	(\$21)
Operating and other expenses	(\$16)	(\$40)
2022	\$616	\$1,066

Note: Segment EBITDA is a non-GAAP financial measure; see reconciliation tables and non-GAAP financial measures. (1) Primarily includes salt produced in Spain, metal magnesium-based products and sales of excess 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, local market sales and internal consumption sales.



Phosphate Solutions

Second quarter and first half 2022

Phosphate Solutions US\$M	2Q'22	2Q'21	1H'22	1H'21
Segment sales	\$915	\$582	\$1,713	\$1,084
Sales to external customers	\$832	\$539	\$1,580	\$1,006
Sales to internal customers	\$83	\$43	\$133	\$78
Segment operating income	\$268	\$77	\$468	\$119
Depreciation and amortization ⁽¹⁾	\$47	\$56	\$94	\$108
Segment EBITDA	\$315	\$133	\$562	\$227

Phosphate Solutions US\$M	2Q'22	2Q'21	1H'22	1H'21
Segment sales	\$915	\$582	\$1,713	\$1,084
Specialty	\$493	\$329	\$930	\$623
Commodity	\$422	\$253	\$783	\$461
Segment operating income	\$268	\$77	\$468	\$119
Specialty	\$117	\$37	\$219	\$72
Commodity	\$151	\$40	\$249	\$47
Segment EBITDA	\$315	\$133	\$562	\$227
Specialty	\$131	\$50	\$246	\$98
Commodity	\$184	\$83	\$316	\$129

Note: Segment EBITDA is a non-GAAP financial measure; see reconciliation tables and non-GAAP financial measures. (1) For 2Q'22, specialty represented \$14M and commodity represented \$33M. For 2Q'21, specialty represented \$13M and commodity represented \$43M.

US\$M	2Q Sales	1H Sales
2021	\$582	\$1,084
Quantity	\$55	\$134
Price	\$315	\$544
Exchange rates	(\$37)	(\$49)
2022	\$915	\$1,713

US\$M	2Q Segment EBITDA	1H Segment EBITDA
2021	\$133	\$227
Quantity	\$11	\$42
Price	\$315	\$544
Exchange rates	(\$10)	(\$14)
Raw materials	(\$114)	(\$201)
Energy	(\$2)	(\$4)
Transportation	(\$7)	(\$11)
Operating and other expenses	(\$11)	(\$21)
2022	\$315	\$562



Innovative Ag Solutions

Second quarter and first half 2022

Innovative Ag Solutions US\$M	2Q'22	2Q'21	1H'22	1H'21
Segment sales	\$700	\$334	\$1,266	\$674
Sales to external customers	\$689	\$331	\$1,245	\$668
Sales to internal customers	\$11	\$3	\$21	\$6
Segment operating income	\$141	\$21	\$234	\$41
Depreciation and amortization	\$14	\$13	\$31	\$26
Segment EBITDA	\$155	\$34	\$265	\$67

US\$M	2Q Sales	1H Sales
2021	\$334	\$674
New Brazilian businesses' contribution	\$177	\$302
Quantity	\$10	(\$22)
Price	\$215	\$360
Exchange rates	(\$36)	(\$48)
2022	\$700	\$1,266

US\$M	2Q Segment EBITDA	1H Segment EBITDA
2021	\$34	\$67
New Brazilian businesses' contribution	\$41	\$57
Quantity	\$2	(\$7)
Price	\$215	\$360
Exchange rates	(\$5)	(\$6)
Raw materials	(\$90)	(\$149)
Energy	(\$7)	(\$15)
Transportation	(\$21)	(\$26)
Operating and other expenses	(\$14)	(\$16)
2022	\$155	\$265

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

Consolidated results analysis

Second quarter 2022

US\$M	Sales	Expenses	Operating Income	EBITDA	
2Q'21	\$1,617	(\$1,374)	\$243		
Total adjustments 2Q'21 ⁽¹⁾	-	(\$7)	(\$7)		
Adjusted 2Q'21 figures	\$1,617	(\$1,381)	\$236	\$360	Notes:
New Brazilian businesses' contribution	\$177	(\$139)	\$38	\$41	Positive – includes acquisition of Compass Minerals América do Sul S.A. (ADS) in July 2021.
Quantities	(\$12)	(\$8)	(\$20)	(\$20)	Negative – primarily decrease in sales volumes of bromine- and phosphorus-based flame retardants, phosphate fertilizers, and bromine-based industrial solutions, mainly elemental bromine. Partially offset by higher sales volumes of clear brine fluids, acids and salts.
Prices	\$1,211	-	\$1,211	\$1,211	Positive – primarily increase of \$469 in average realized price per ton of potash YoY, increases in selling prices of phosphate fertilizers, acids, salts, specialty agriculture and FertilizerpluS products, bromine- and phosphorus-based flame retardants and bromine-based industrial solutions.
Exchange rates	(\$113)	\$80	(\$33)	(\$33)	Negative – primarily depreciation of Euro and Chinese yuan against U.S. dollar, which led to negative impact on sales, which exceeded positive effect on operational costs.
Raw materials	-	(\$173)	(\$173)	(\$173)	Negative – primarily higher prices of sulfur consumed during the quarter, commodity fertilizers, and raw materials used to produce phosphorus-based flame retardants.
Energy	-	(\$25)	(\$25)	(\$25)	Negative – primarily increase in electricity prices, mainly in Europe.
Transportation	-	(\$48)	(\$48)	(\$48)	Negative – higher marine and inland transportation costs.
Operating and other expenses	-	(\$47)	(\$47)	(\$55)	Negative – higher maintenance and operational costs, and royalty payments from higher revenue.
Adjusted 2Q'22 figures	\$2,880	(\$1,741)	\$1,139	\$1,258	
Total adjustments 2Q'22 ⁽¹⁾	-	-	-		
2Q'22	\$2,880	(\$1,741)	\$1,139		

Note: Adjusted EBITDA is a non-GAAP financial measure; see reconciliation tables and non-GAAP financial measures. (1) See detailed reconciliation table – adjustments to reported operating and net income (non-GAAP) – in corresponding quarters' earnings release.

Consolidated results analysis

First half 2022

US\$M	Sales	Expenses	Operating Income	EBITDA	
1H'21	\$3,127	(\$2,699)	\$428		
Total adjustments 1H'21 ⁽¹⁾	-	(\$7)	(\$7)	-	
Adjusted 1H'21 figures	\$3,127	(\$2,706)	\$421	\$662	Notes:
New Brazilian businesses' contribution	\$302	(\$248)	\$54	\$57	Positive – includes acquisition of Compass Minerals América do Sul S.A. (ADS) in July 2021.
Quantities	(\$25)	\$10	(\$15)	(\$15)	Negative – primarily decrease in sales volumes of bromine-based industrial solutions, mainly elemental bromine and clear brine fluids, and phosphorus- and bromine-based flame retardants. Partially offset by higher sales volumes of acids, salts, phosphate fertilizers and phosphate-based food additives.
Prices	\$2,156	-	\$2,156	\$2,156	Positive – primarily increase of \$406 in average realized price per ton of potash YoY, increases in selling prices of phosphate fertilizers, acids, salts, specialty agriculture and FertilizerpluS products, bromine- and phosphorous-based flame retardants, bromine- and phosphorus-based industrial solutions, and specialty minerals.
Exchange rates	(\$155)	\$99	(\$56)	(\$56)	Negative – primarily depreciation of Euro against U.S. dollar, supported by depreciation of Israeli shekel against U.S. dollar.
Raw materials	-	(\$326)	(\$326)	(\$326)	Negative – primarily higher prices of sulfur consumed during the quarter, commodity fertilizers, and raw materials used to produce bromine- and phosphorus-based flame retardants.
Energy	-	(\$48)	(\$48)	(\$48)	Negative – primarily increase in electricity and gas prices, mainly in Europe.
Transportation	-	(\$74)	(\$74)	(\$74)	Negative – higher marine and inland transportation costs.
Operating and other expenses	-	(\$93)	(\$93)	(\$96)	Negative – higher maintenance and operational costs, and royalty payments from higher revenue.
Adjusted 1H'22 figures	\$5,405	(\$3,386)	\$2,019	\$2,260	
Total adjustments 1H'22 ⁽¹⁾	-	\$22	\$22	-	
1H'22	\$5,405	(\$3,364)	\$2,041		

Note: Adjusted EBITDA is a non-GAAP financial measure; see reconciliation tables and non-GAAP financial measures. (1) See detailed reconciliation table – adjustments to reported operating and net income (non-GAAP) – in corresponding quarters' earnings release.

Reconciliation tables

Calculation of adjusted EBITDA and free cash flow

Calculation of adjusted EBITDA <i>US\$M</i>	2Q'22	2Q'21	1H'22	1H'21
Net income	\$585	\$150	\$1,242	\$292
Financing expenses, net	\$14	\$30	\$48	\$50
Taxes on income ⁽¹⁾	\$540	\$64	\$751	\$87
Less: Share in earnings of equity-accounted investees	-	(\$1)	-	(\$1)
Operating income	\$1,139	\$243	\$2,041	\$428
Depreciation and amortization	\$119	\$124	\$241	\$241
Adjustments ⁽²⁾	-	(\$7)	(\$22)	(\$7)
Adjusted EBITDA	\$1,258	\$360	\$2,260	\$662

Calculation of free cash flow <i>US\$M</i>	2Q'22	2Q'21	1H'22	1H'21
Cash flow from operations	\$627	\$242	\$952	\$448
Additions to PP&E, intangible assets, and dividends from equity-accounted investees ⁽³⁾	(\$217)	(\$148)	(\$324)	(\$295)
Free cash flow	\$410	\$94	\$628	\$153

Note: Numbers may not add, due to rounding and set-offs. Adjusted EBITDA is a non-GAAP financial measure; see non-GAAP financial measures. (1) 2Q'22 tax expenses included \$188M tax settlement with Israeli Tax Authority related to prior years. Excluding this amount results in tax expenses of \$352M and an effective tax rate of 31%. (2) See detailed reconciliation table – adjustments to reported operating and net income (non-GAAP) – in corresponding quarters' earnings release. (3) Also includes proceeds from sale of property, plants and equipment (PP&E).

Reconciliation tables

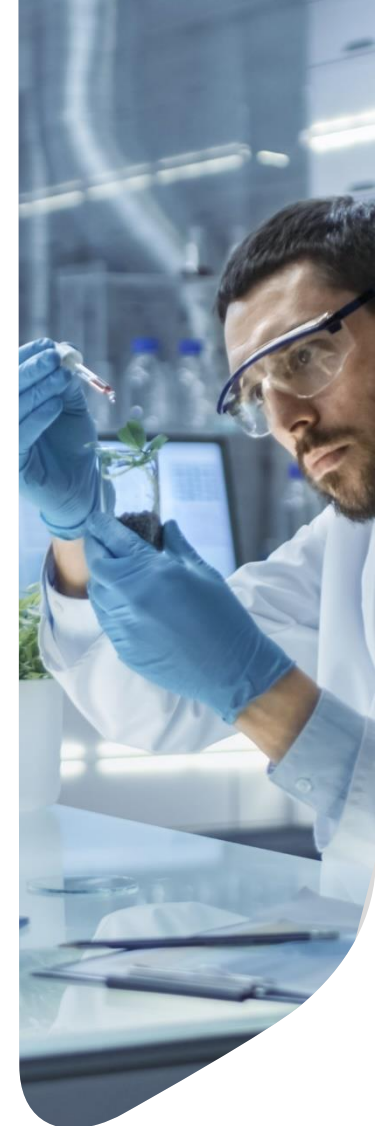
Calculation of adj. net income, attributable, adj. diluted EPS and net debt to adj. EBITDA

Calculation of adjusted net income, attributable US\$M	2Q'22	2Q'21	1H'22	1H'21
Net income, attributable	\$563	\$140	\$1,195	\$275
Adjustments	-	(\$7)	(\$22)	(\$7)
Total tax adjustments ⁽¹⁾	\$188	\$2	\$191	\$2
Adjusted net income, attributable	\$751	\$135	\$1,364	\$270

Calculation of adjusted diluted earnings per share US\$M, ex. per share data	2Q'22	2Q'21	1H'22	1H'21
Adjusted net income, attributable	\$751	\$135	\$1,364	\$270
Weighted-average number of diluted ordinary shares outstanding in 000s	1,291,696	1,285,658	1,291,243	1,284,873
Adjusted diluted earnings per share⁽²⁾	\$0.58	\$0.11	\$1.06	\$0.21

Net debt to adjusted EBITDA ⁽³⁾ US\$M	2Q'22
Net debt	\$2,062
Adjusted EBITDA	\$3,209
Net debt to adjusted EBITDA	0.6





Note: Numbers may not add, due to rounding and set-offs. Adjusted EBITDA is a non-GAAP financial measure; see non-GAAP financial measures. (1) Following a settlement agreement with the Israeli Tax Authority, regarding the surplus profit levy, the company recorded tax expenses in respect to prior years in the amount of \$188M. (2) Adjusted diluted EPS is calculated by dividing adjusted net income attributable by weighted-average number of diluted ordinary shares outstanding. In 2022, the adjusted EBITDA definition was updated; refer to consolidated EBITDA table and disclaimer in corresponding quarters' earnings release. (3) Net debt to adjusted EBITDA ratio is calculated by dividing net debt by past four quarters adjusted EBITDA.



Reconciliation tables

Calculation of segment EBITDA and breakout of segment sales by region



Calculation of segment EBITDA and margin <i>US\$M</i>	 Industrial Products	 Potash	 Phosphate Solutions ⁽¹⁾	 Innovative Ag Solutions				
	2Q'22	2Q'21	2Q'22	2Q'21	2Q'22	2Q'21	2Q'22	2Q'21
Segment sales	\$486	\$410	\$951	\$380	\$915	\$582	\$700	\$334
Segment operating income	\$191	\$114	\$576	\$42	\$268	\$77	\$141	\$21
Depreciation and amortization	\$15	\$14	\$40	\$38	\$47	\$56	\$14	\$13
Segment EBITDA	\$206	\$128	\$616	\$80	\$315	\$133	\$155	\$34
Segment EBITDA margin	42%	31%	65%	21%	34%	23%	22%	10%

Sales US\$M	2Q'22	2Q'21	2Q'22	2Q'21	2Q'22	2Q'21	2Q'22	2Q'21
South America	\$9	\$22	\$412	\$104	\$180	\$106	\$243	\$31
Europe	\$149	\$142	\$211	\$86	\$259	\$155	\$241	\$173
Asia	\$189	\$148	\$206	\$117	\$250	\$150	\$97	\$54
North America	\$114	\$87	\$41	\$30	\$155	\$125	\$50	\$30
Rest of World	\$25	\$11	\$81	\$43	\$71	\$46	\$69	\$46
Total	\$486	\$410	\$951	\$380	\$915	\$582	\$700	\$334

Note: Numbers may not add, due to rounding and set-offs. Segment EBITDA is a non-GAAP financial measure; see non-GAAP financial measures. (1) For 2Q'22, specialty represented \$14M and commodity represented \$33M. For 2Q'21, specialty represented \$13M and commodity represented \$43M.



Segment changes

Consolidated specialty agriculture businesses under Innovative Ag Solutions (IAS)

Potash

US\$M

	2020 FY	1Q	2Q	2021 3Q	4Q	FY
Segment sales	1,268	349	380	400	647	1,776
Sales to external customers	979	254	296	310	541	1,401
Sales to internal customers	96	22	27	27	18	94
Other and eliminations ⁽¹⁾	193	73	57	63	88	281
Gross profit	472	135	154	209	372	870
Segment operating income	121	29	42	84	244	399
Depreciation & amortization	152	33	38	37	40	148
Segment EBITDA	273	62	80	121	284	547

Phosphate Solutions

US\$M

	2020 FY	1Q	2Q	2021 3Q	4Q	FY
Segment sales	1,816	502	582	599	571	2,254
Sales to external customers	1,663	467	539	554	527	2,087
Sales to internal customers	153	35	43	45	44	167
Segment operating income	88	42	77	88	87	294
Depreciation & amortization	204	52	56	53	46	207
Segment EBITDA	292	94	133	141	133	501

Innovative Ag Solutions

US\$M

	2020 FY	1Q	2Q	2021 3Q	4Q	FY
Segment sales	1,033	340	334	504	492	1,670
Sales to external customers	1,016	337	331	495	481	1,644
Sales to internal customers	17	3	3	9	11	26
Segment operating income	17	20	21	52	42	135
Depreciation & amortization	45	13	13	15	21	62
Segment EBITDA	62	33	34	67	63	197

Note: Segment EBITDA is a non-GAAP financial measure; see non-GAAP financial measures. (1) Primarily includes salt produced in Spain, metal magnesium-based products and sales of excess electricity produced in Israel.

Guidance and non-GAAP financial measures

Guidance

The company only provides guidance on a non-GAAP basis. The company does 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 that are necessary for such 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). The 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 news release or to reflect actual outcomes, unless required by law. Specialties focused businesses are represented by the Industrial Products and Innovative Ag Solutions segments and the specialties part of the Phosphate Solutions segment. We present EBITDA from the phosphate specialties part of the Phosphate Solutions segment, as we believe this information is useful to investors in reflecting the specialty portion of our business.

Non-GAAP financial measures

The company discloses in this presentation non-IFRS financial measures titled adjusted operating income, adjusted net income attributable to the company's shareholders, diluted adjusted earnings per share and adjusted EBITDA. The management uses adjusted operating income, adjusted net income attributable to the company's shareholders, diluted adjusted earnings per share and adjusted EBITDA to facilitate operating performance comparisons from period to period. The company calculates adjusted operating income by adjusting operating income to add certain items, as set forth in the reconciliation table under "adjustments to reported operating and net income (non-GAAP)", in the appendix below. Certain of these items may recur. The company calculates adjusted net income attributable to the company's shareholders by adjusting net income attributable to the company's shareholders to add certain items, as set forth in the reconciliation table under "adjustments to reported operating and net income (non-GAAP)", in the appendix below, excluding the total tax impact of such adjustments. The company calculates diluted adjusted earnings per share by dividing adjusted net income by the weighted-average number of diluted ordinary shares outstanding. The company calculates adjusted EBITDA as net income before financing expenses, net, taxes on income, share in earnings of equity-accounted investees, depreciation and amortization and adjust items presented in the reconciliation table under "consolidated adjusted EBITDA and diluted adjusted earnings per share for the periods of activity" in the appendix below, which were adjusted for in calculating the adjusted operating income. Commencing with the year 2022, the company's adjusted EBITDA calculation is no longer adding back minority and equity income, net. While minority and equity income, net reflects the share of an equity investor in one of the company's owned operations, since adjusted EBITDA measures the company's performance as a whole, its operations and its ability to satisfy cash needs before profit is allocated to the equity investor, management believes that adjusted EBITDA before deduction of such item is more reflective. You should not view adjusted operating income, adjusted net income attributable to the company's shareholders, diluted adjusted earnings per share or adjusted EBITDA as a substitute for operating income or net income attributable to the company's shareholders determined in accordance with IFRS, and you should note that the definitions of adjusted operating income, adjusted net income attributable to the company's shareholders, diluted adjusted earnings per share and adjusted EBITDA may differ from those used by other companies. Additionally, other companies may use other measures to evaluate their performance, which may reduce the usefulness of ICL's non-IFRS financial measures as tools for comparison. However, the company believes adjusted operating income, adjusted net income attributable to the company's shareholders, diluted adjusted earnings per share and adjusted EBITDA provide useful information to both management and investors by excluding certain items management believes are not indicative of ongoing operations. Management uses these non-IFRS measures to evaluate the company's business strategies and management's performance. The company believes these non-IFRS measures provide useful information to investors because they improve the comparability of financial results between periods and provide for greater transparency of key measures used to evaluate performance. The company presents a discussion in the period-to-period comparisons of the primary drivers of changes in the results of operations. This discussion is based in part on management's best estimates of the impact of the main trends on its businesses. The company has based the following discussion on its financial statements. You should read such discussion together with the financial statements.