



INVESTMENT CASE AND CREDIT RATINGS

1

A GLOBAL PRODUCER OF HIGH-QUALITY PHOSPHATE-BASED FERTILIZERS



The largest supplier of DAP/MAP and NPK fertilizers in Russia. An extensive domestic sales network and trading offices in all key export markets. A strong market position in the premium European market. A netback-driven sales model with a global presence



ISO 9001:2015, ISO 14001:2015, OHSAS 18001, and GMP+ certifications that attest to the high quality of products and management efficiency throughout their life cycle

2

UNIQUE RESOURCE BASE AND SECTOR-LEADING MARGINS



A unique resource base with a mine life of around 60 years.



Thanks to its magmatic origin, phosphate rock mined on the Kola Peninsula boasts exceptional purity.



High-grade phosphate rock with a P2O5 content of 39% or higher.



Products exported to European Union customers have been registered pursuant to Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation and Authorisation of Chemicals (REACH)



The Company successfully passed a certification audit for compliance with the International Fertilizer Association's Protect and Sustain standard. The audit was conducted by SGS, the world's leading inspection, verification, testing and certification company



The technologies used at PhosAgro's production sites meet the highest global standards

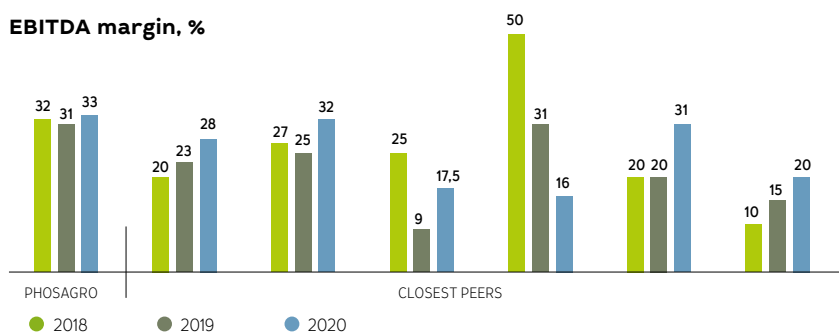


Self-sufficiency in major inputs: 100% in phosphate rock, 85% in ammonia, 95% in sulphuric acid.



One of the highest gross margins in the phosphate segment.

EBITDA margin, %





3

ECO-EFFICIENT FERTILIZERS



417-1



GREEN STANDARD

The Company is working to make sustainable agriculture a reality by enhancing fertilizer production methods, improving properties and developing new grades of fertilizers.

PhosAgro initiated and all members of the Russian Association of Fertilizer Producers supported the adoption of ecolabels for Russian-made mineral fertilizers. Green labelling guarantees that Russian-made mineral fertilizers conform to the most stringent international requirements for environmental safety, including the EU's recent restrictions on the content of heavy metals, such as cadmium, lead and arsenic, in fertilizers.

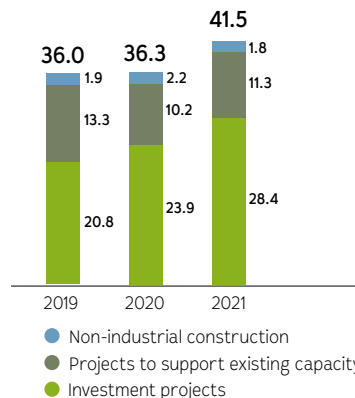
This brand has been officially registered in Russia as green labelling and will be submitted for international certification.

4

SOUND CAPITAL ALLOCATION IN HIGHLY EFFECTIVE INVESTMENT PROJECTS

Investment projects may get a go-ahead subject to their high IRR (20%+), compliance with the BAT and sustainability criteria along with the CAPEX/EBITDA target, and a comfortable net debt / EBITDA covenant headroom.

CAPEX breakdown, RUB bln¹



¹ Excluding capitalised repairs.

5 WELL-BALANCED CORPORATE GOVERNANCE



Transparent ownership structure with over

30%
of shares in free float.



7
(70%) independent non-executive directors on the Board of Directors.



6 Board committees meeting on a regular basis with five of them chaired by independent directors.

Stable credit ratings, all investment-grade

	2018	2019	2020
S&P Global Ratings	BBB-	BBB-	BBB-
MOODY'S	Baa3	Baa3	Baa3
FitchRatings	BBB-	BBB-	BBB-

Increasingly higher ESG ratings

	2018	2019	2020
MSCI	BB	BB	BBB
CDP	F	C	B-
SUSTAINALYTICS <small>a Morningstar company</small>	n/a ¹	45.2 ¹	26.9 ¹
Percentile among all companies globally (100 for the worst performance, 1 for the best performance)	84	69	45
Percentile among all agrochemical producers globally (100 for the worst performance, 1 for the best performance)	n/a	31	3

¹ SUSTAINALYTICS materially amended its methodology in 2019. The indicators currently reflect the level of unmanaged ESG risks. The decrease in the absolute value of the score reflects a position improvement.