



DEBT MANAGEMENT

The Company uses a conservative approach to leverage and believes that a comfortable net debt/EBITDA ratio should be below 2x or even within a range of 1-1.5x in the long run. When determining its borrowing requirements, the Company

assesses the cost of borrowing from banks and public debt markets, the amount and maturity available while striving to ensure that this fits into the Group's long-term debt reduction strategy. The choice of the currency of borrowings

is based on the structure of the Company's revenue, 70% of which is in foreign currency and the rest is strongly correlated with US Dollar exchange rate.

BONDS

Borrower	PJSC PhosAgro	PJSC PhosAgro	PJSC PhosAgro
Issuer	PhosAgro Bond Funding Limited	PhosAgro Bond Funding Limited	PhosAgro Bond Funding Limited
Settlement date	3 May 2017	24 January 2018	23 January 2020
Principal outstanding, USD	500,000,000	500,000,000	500,000,000
Guarantors	Apatit, PhosAgro-Cherepovets	Apatit	Apatit

RELATIONSHIP WITH SHAREHOLDERS AND INVESTORS

At PhosAgro, we are committed to transparency and consistency, and maintain an ongoing dialogue with the investor community through a variety of communication channels and with involvement of the Company's senior management and independent directors.

- We keep the market abreast of the Company's performance by publishing quarterly operational and financial results that are made available to investors via press releases, presentations, conference calls and webcasts. On top of that, we take every opportunity to answer investors' questions and gather feedback from market players by participating in industry and regional investment conferences.
- Regular NDRs allow us to expand our investor base through meetings arranged outside of key financial market centres.

- A well developed Eurobond programme helps reinforce the Company's position in the public debt market while ensuring the lowest cost of funding.

In 2019, the Company held over 240 meetings with Russian and foreign investors. In 2020, despite all the COVID-19 restrictions, we managed to maintain the same number of online meetings and conference calls with major global, European, and Russian investors, including Fidelity, BlackRock, J.P. Morgan Asset Management and more.

In 2020, the Company conducted its first-ever ESG investor survey and plans to make it a regular exercise going forward. All respondents confirmed that ESG was an integral part of their investment philosophy and a relevant factor in their investment decision-making. The survey covered 31 investors, six of whom were also interviewed. All respondents confirmed

their commitment to the UN Principles for Responsible Investment (PRI) and SDGs and said they viewed climate change as a high-priority issue.



For more information on our initiatives and their accompanying presentations, please visit the Calendar section of the Company's official website.