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Israel Corporation Ltd.

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The Securities Authority

www.isa.gov.il

To:

The Tel Aviv Stock Exchange

www.tase.co.il

Immediate Report

The Event: ICL - Investor Presentation 2020

Attached is an immediate report of ICL Group Ltd - Investor Presentation 2020.

The Company is not a shell company as defined in the Stock Exchange Regulations

The date when the event first became known to the corporation: February 11, 2021

Time: 09:10

Name of report authorized signatory and name of authorized signatory electronic signatory: Maya Alcheh-Kaplan

Position: Vice President, General Counsel and Company's Secretary

Signing Date: February 11, 2021

Name of Electronic Reporter: Maya Alcheh-Kaplan. Position: Vice President, General Counsel and Company's Secretary. Address: Aranha 23, Millennium Tower. Tel Aviv 61204. Phone – 03-6844517 Fax: 03-6844587.

E-mail: mayaak@israelcorp.com.

Fourth Quarter 2020 Results

Raviv Zoller, President & CEO

February 11, 2021



Important Legal Notes

Disclaimer and safe harbor for forward-looking statements

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This presentation and/or other oral or written statements made by ICL Group during its presentation or from time to time, may contain forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and other applicable securities laws. Whenever words such as "believe," "expect," "anticipate," "intend," "plan," "estimate", "predict" or similar expressions are used, the Company is making forward-looking statements. Such forward-looking statements may include, but are not limited to, our 2021 guidance, those that discuss strategies, goals, financial outlooks, corporate initiatives, existing or new products, existing or new markets, operating efficiencies, or other non-historical matters.

Because such statements deal with future events and are based on ICL Group's current expectations, they could be impacted or be subject to various risks and uncertainties, including those discussed in the "Risk Factors" section and elsewhere in our Annual Report on Form 20-F for the year ended December 31, 2020, and in subsequent filings with the Tel Aviv Securities Exchange (TASE) and/or the U.S. Securities and Exchange Commission (SEC). Therefore, actual results, performance or achievements of the Company could differ materially from those described in or implied by such forward-looking statements.

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Included in this presentation are certain non-GAAP financial measures, such as adjusted operating income, adjusted EBITDA, 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 that other companies may calculate similarly titled non-GAAP financial measures differently than ICL Group and that our 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 our fourth quarter 2020 press release for the period ended December 31, 2020 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.

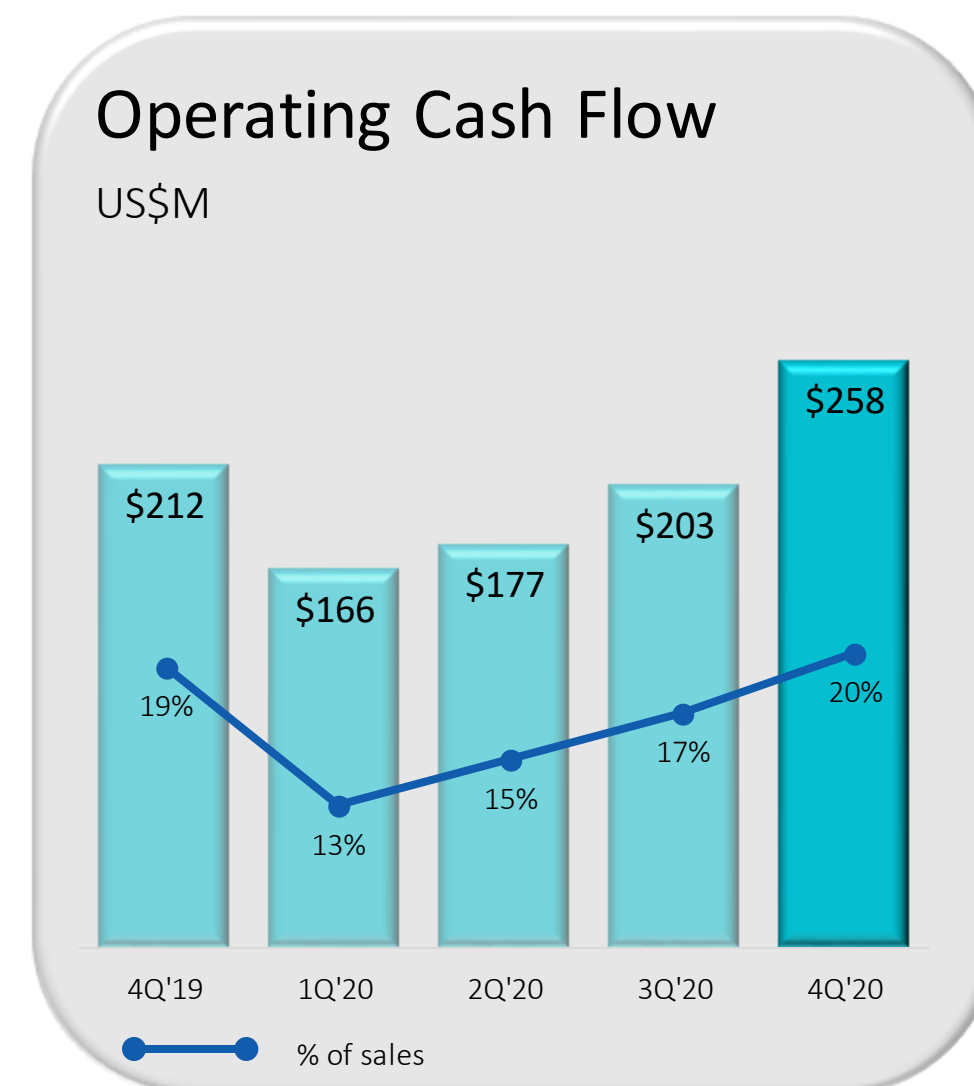
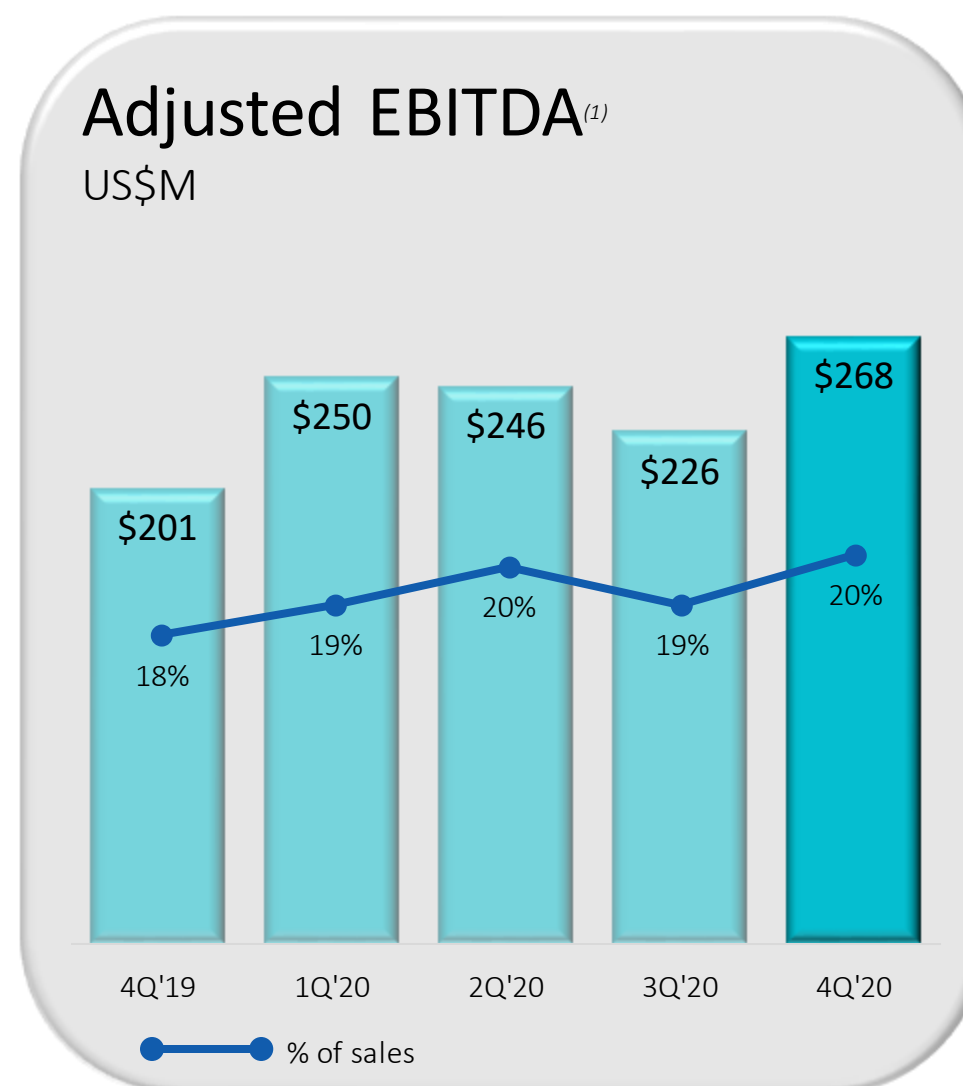
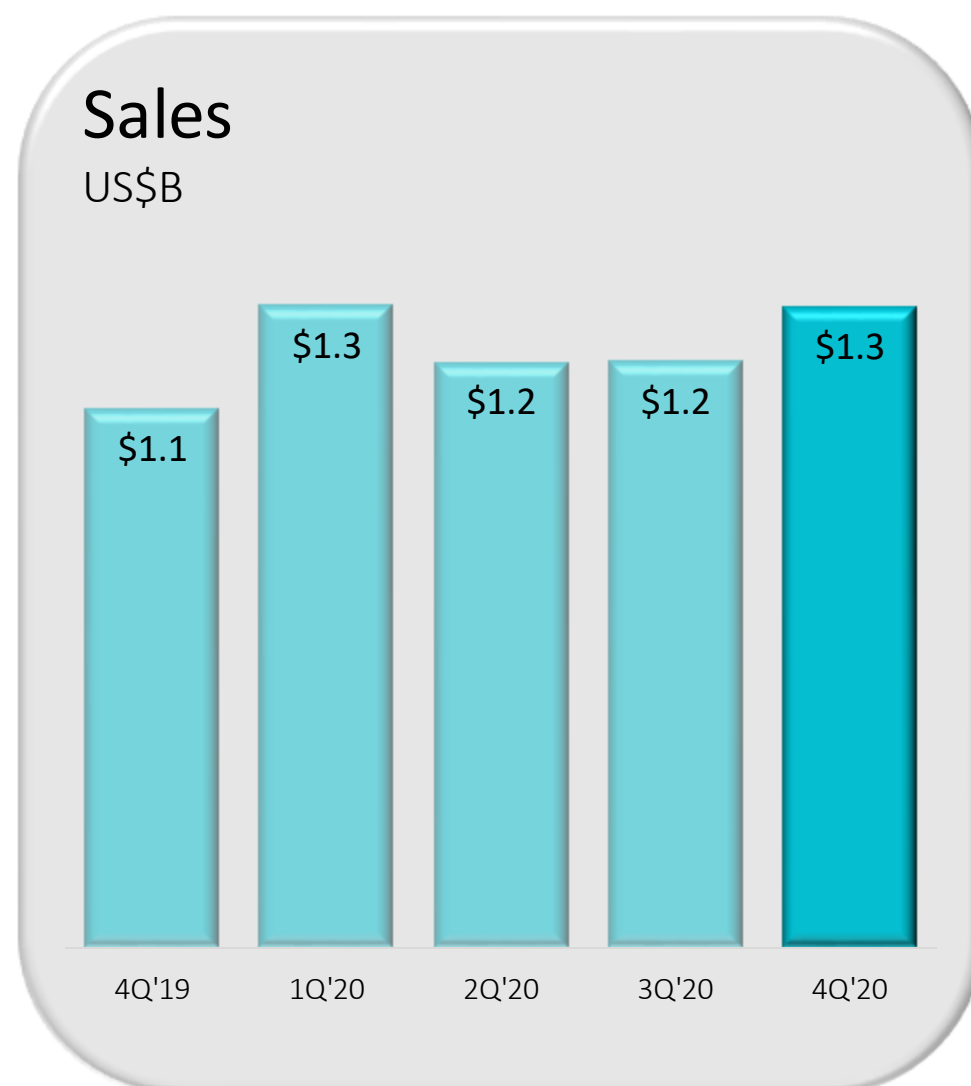
4Q'20 Highlights

Improved sales and operating income driven by all four divisions

- **All divisions contributed** to strong quarterly results
 - Success achieved, despite negative impact of low commodity prices and lingering COVID-19 issues
- Industrial Products: **record fourth quarter** operating income, up 33% YoY
- Potash: **record fourth quarter** production at The Dead Sea
- Phosphate Solutions: \$20M improvement in operating income YoY
 - **Record year for Specialties**
- Innovative Ag Solutions: sales up 9% YoY, with exceptional improvement in operating income
 - Capped **record year for IAS**

Key financial metrics

Improvement for 4Q'20 on quarterly sequential basis



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

4Q' and FY'20

Key financial highlights

US\$M	4Q'20	4Q'19	YoY Chg.	FY'20	FY'19	YoY Chg.
Sales	\$1,317	\$1,106	+19%	\$5,043	\$5,271	-4%
Operating income	\$139	\$88	+58%	\$202	\$756	-73%
• Adjusted operating income ⁽¹⁾	\$143	\$88	+63%	\$509	\$760	-33%
Net income, attributable	\$65	\$48	+35%	\$11	\$475	-98%
• Adjusted net income ⁽¹⁾	\$68	\$48	+42%	\$258	\$479	-46%
Adjusted EBITDA ⁽¹⁾	\$268	\$201	+33%	\$990	\$1,198	-17%
Operating cash flow	\$258	\$212	+22%	\$804	\$992	-19%

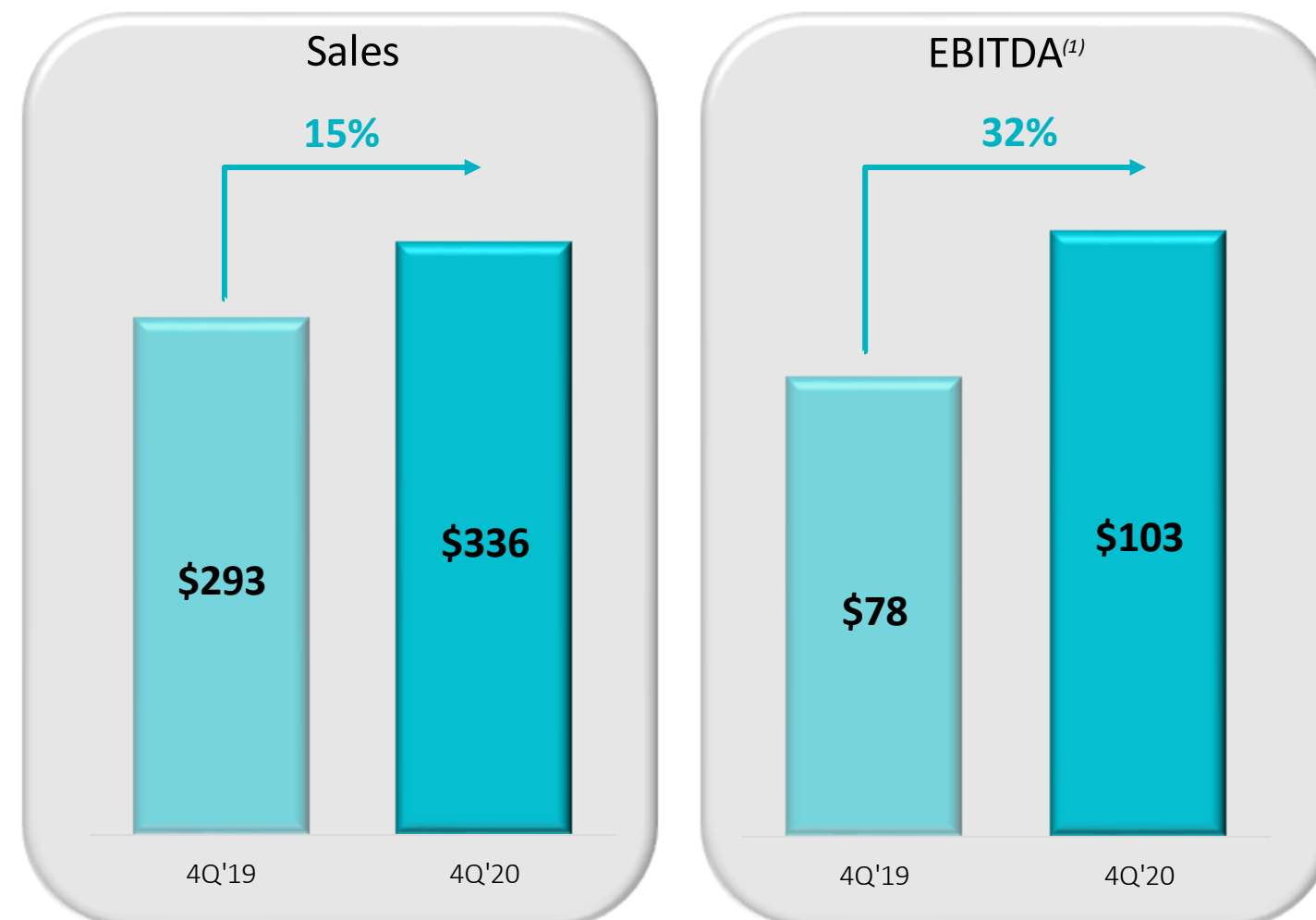
(1) Adjusted operating income, adjusted net income and adjusted EBITDA are non-GAAP financial measures; see reconciliation tables in appendix.

Industrial Products

Record sales and operating income in 4Q'20



Key financials US\$M



Key highlights

4Q'20

- **Record sales and operating income**
- Recovery progressing in most end markets
 - Automotive showing signs of recovery
 - Clear brine fluids unlikely to fully recover in 2021
- Strategic shift to long-term contracts continued
 - Trend expected to progress in 2021
 - Began production trials of new TBBA plant at Neot Hovav
- Magnesia and calcium products benefitted from increased pharmaceutical and supplements demand
- Elemental bromine prices hit 12-month high in China

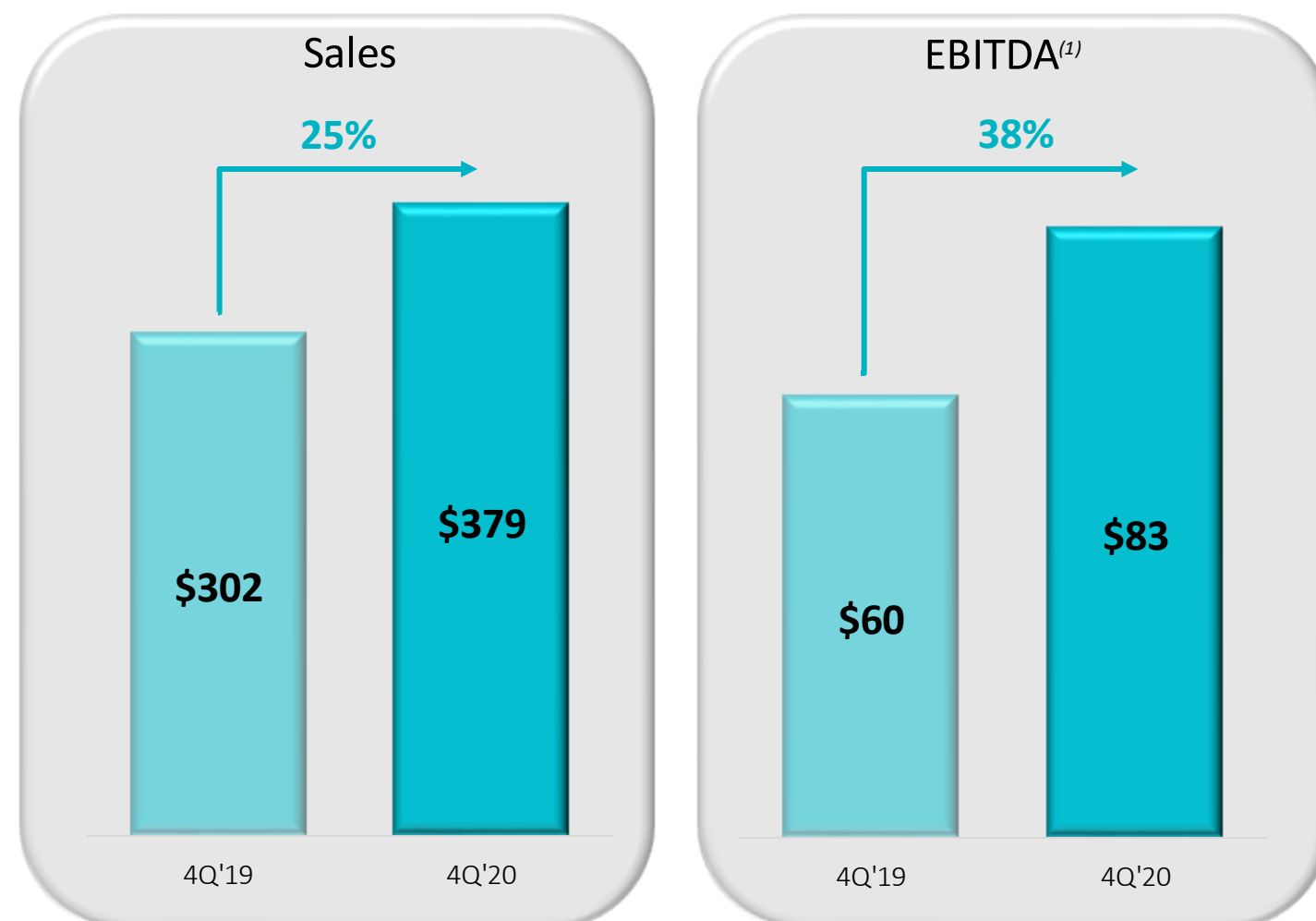
(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

Potash

Record production in FY'20, despite COVID-19



Key financials US\$M



Key highlights

4Q'20

- Improvement due to record production, compared with three-week shutdown for facilities upgrades in 4Q'19
- Dead Sea: potash **production records for 4Q' and FY'20**
- ICL Iberia: ramp connected, with consolidation expected to deliver annual run rate of 1M tons, by end of 2021
- ICL Boulby: record production of Polysulphate, our one-of-a-kind organic fertilizer

FY'20

- Delivered \$30M of cost savings and efficiencies
- Average realized price per tonne for potash down 17% YoY

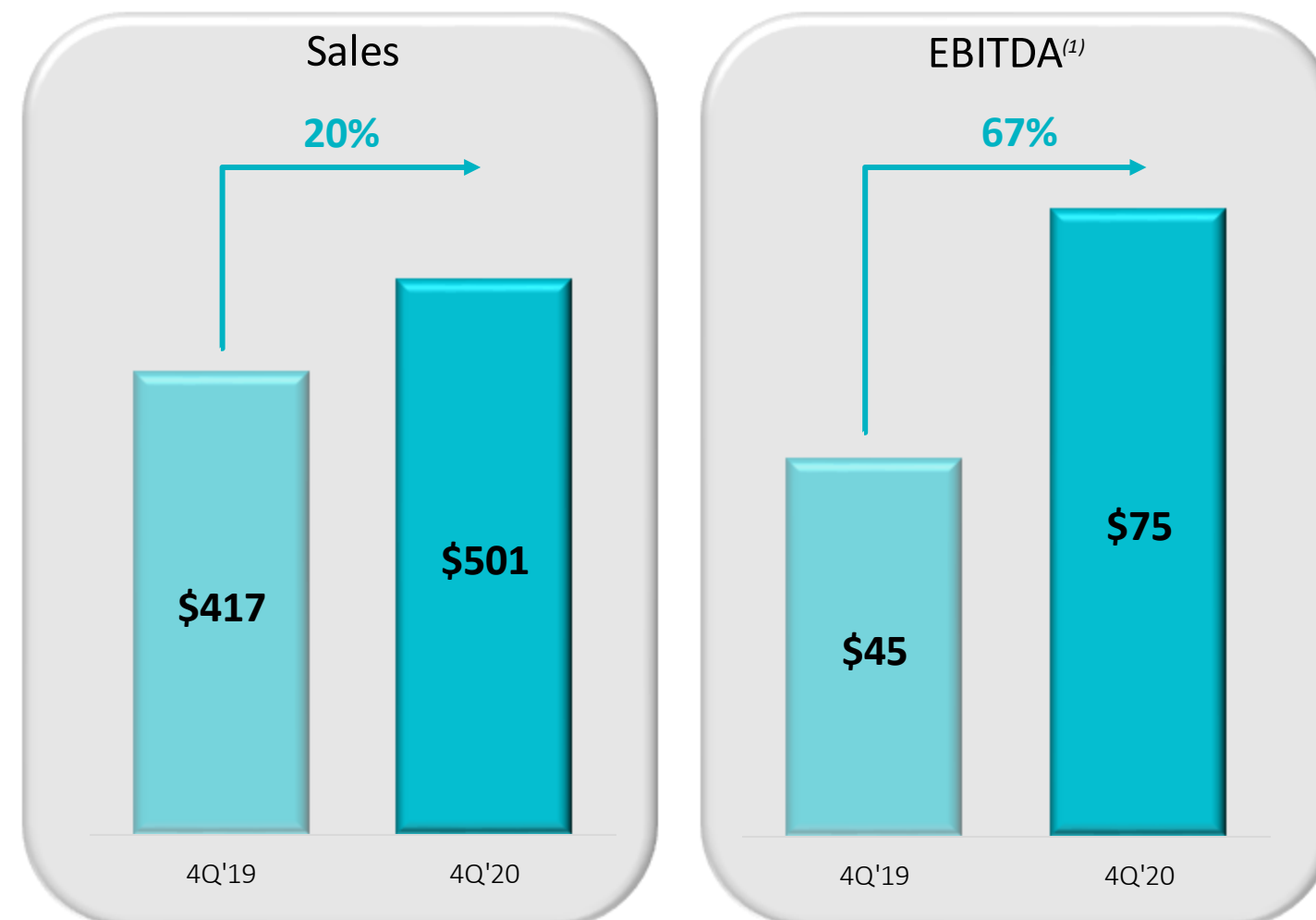
(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

Phosphate solutions

Record specialties and YPH operating income for FY'20



Key financials US\$M



Key highlights

4Q'20

- Specialties sales up 11% YoY, with **record operating income**
 - Overall record year for Specialties
 - Increasing Specialties capacity with WPA plant at YPH in China and new plant-based alternatives plant in St. Louis
- YPH growth in sales, with **record operating income** and record production
- Commodities results improved, with higher prices
- **Commodity price improvement** continued in 4Q'20
 - Well-positioned for 2021

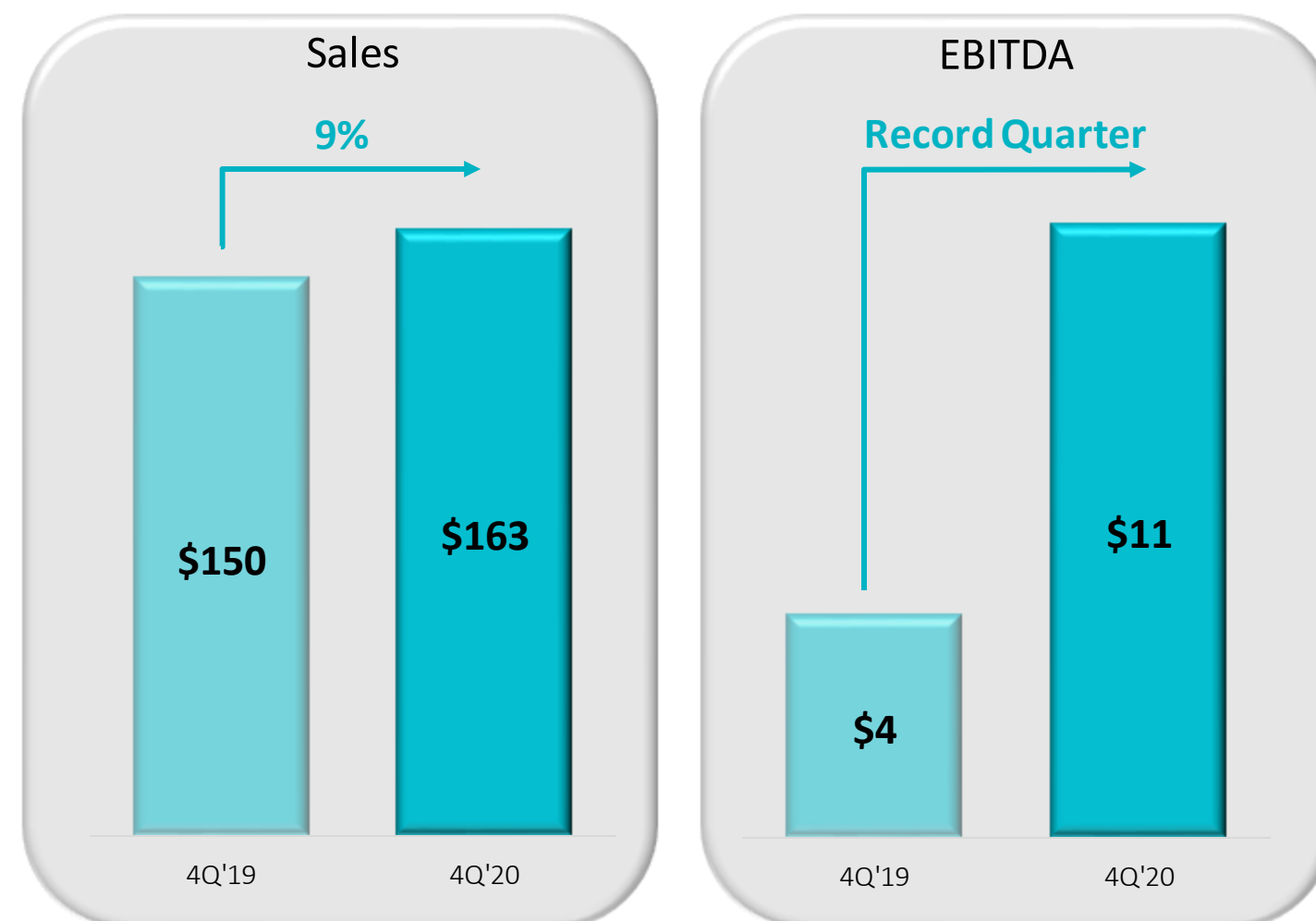
(1) Segment EBITDA is a non-GAAP financial measure; see reconciliation tables in appendix.

Innovative Ag Solutions

Record 4Q'20 operating income capped a record year



Key financials US\$M



Key highlights

4Q'20

- Record operating income - **record quarter capped a record year**
 - Positive quarterly results, despite seasonality, helped drive growth in annual operating income – up 91%
 - Benefitted from cost efficiencies, lower raw material costs, higher sales volumes, and favorable FX
- Specialty agriculture seeing strong demand across all regions
- Turf and Ornamental record sales
 - Strong demand for both Turf and Landscape and Ornamental Horticulture products
 - Growth in Europe, North America, Australia, New Zealand
- Acquisition of Fertiláqua closed in January 2021

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

2020 Highlights



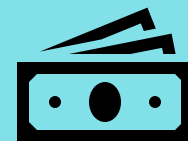
Strategic efforts

- **Acquired** Fertiláqua and Growers
- Consolidated **crop nutrition** sales and marketing
- Achieved **capacity records** at Dead Sea
- Started production trials at **TBBA** plant in Neot Hovav – new capacity sold out for most of 2021
- Ramped up production of white phosphoric acid at **YPH**
- Executed ICL Iberia and Rotem **efficiency plans**
- **Innovation-based** record results in Phosphate Solutions and IAS



Environmental, Social and Governance

- Bloomberg ESG Index: ranked **1st** in global fertilizers
- Bloomberg 2020 GEI: included for 2nd straight year
- FTSE4Good: included in index series
- MAALA: **highest** Platinum+ ranking for 2nd consecutive year
- Carbon Disclosure Project: rated A- for 2nd straight year
- ICL Iberia: certified **1st** sustainable European underground mining company



Capital structure

- Extended more than \$200M of debt to long-term, due past 2030
- S&P and Fitch confirmed ICL's BBB- with stable outlook

Key takeaways

Heading into 2021

Gained good momentum, with all divisions contributing to 4Q'20 sales and operating income improvement

Starting 2021 on solid footing, expect worst of 2020 behind us and commodity prices to remain in our favor

Strategic actions in 2020 helped set stage for 2021 and beyond

Internal innovation added \$40M run rate to profitability, coming out of 2020

Cost efficiencies of more than \$80M in 2020 expected to benefit 2021

Maintained strong balance sheet, expected to provide flexibility for 2021

A close-up photograph of several long, green, lanceolate leaves of a plant, possibly a lily or iris, showing prominent parallel veins. The leaves are layered and curve upwards, creating a sense of depth and texture. The lighting is soft, highlighting the natural green tones and the fine details of the leaf surfaces.

Kobi Altman
| CFO

Maintaining financial strength

Highlights for FY'20

Record liquidity of +\$1B available – provides flexibility for M&A

Operating cash flow of \$804M

Free cash flow⁽¹⁾ of \$188M

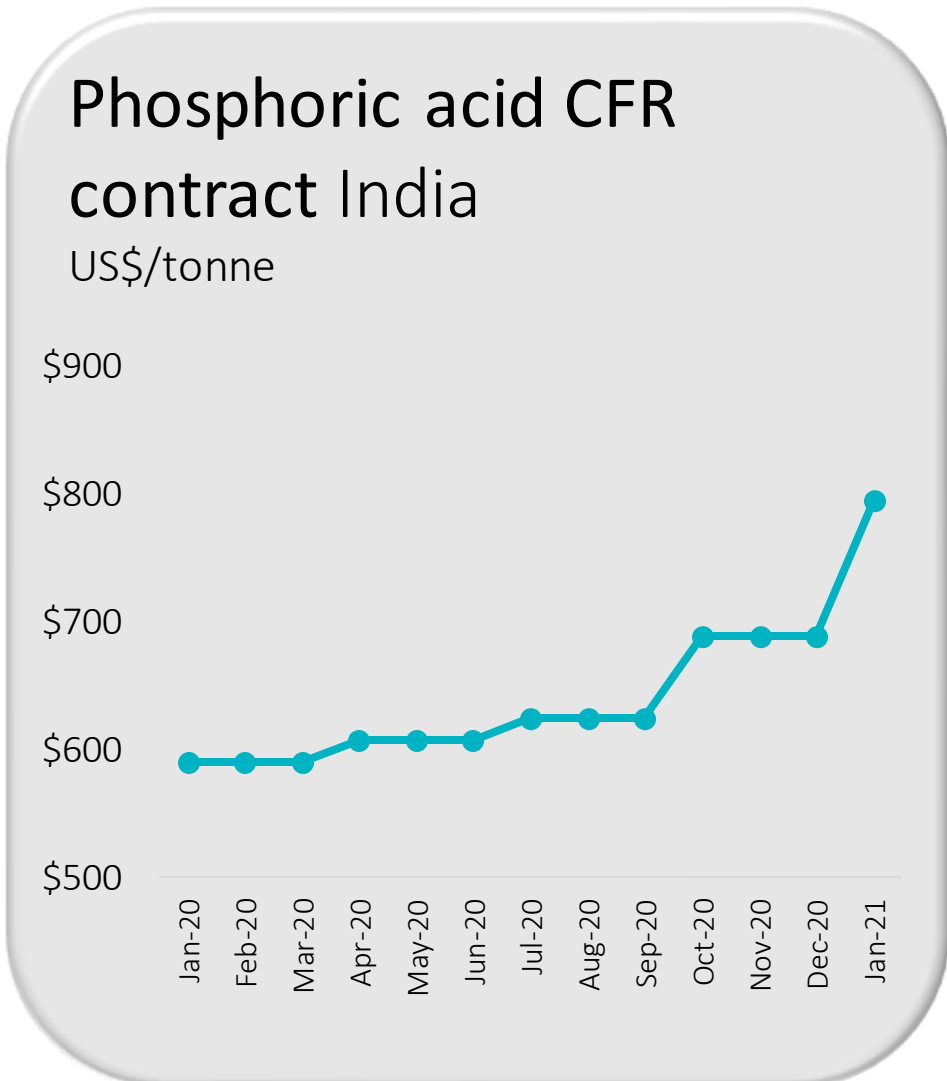
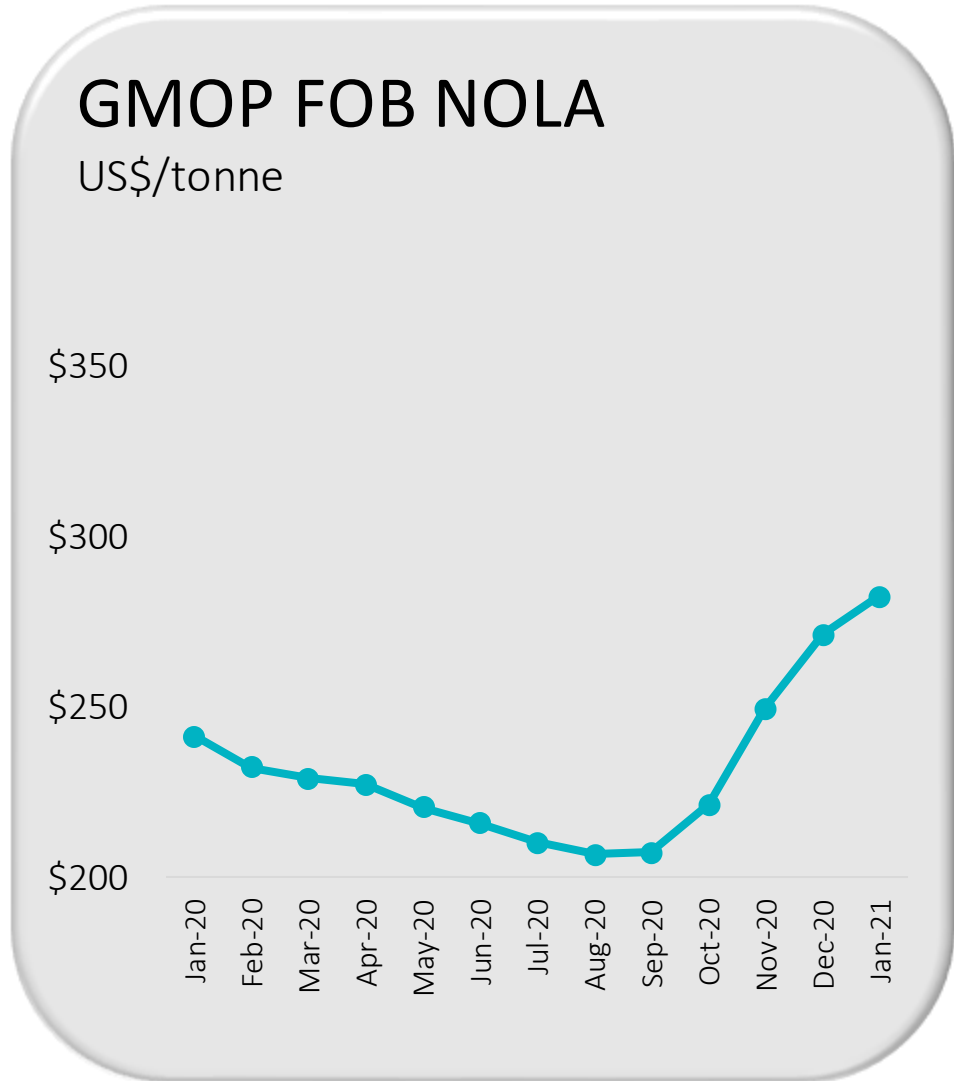
Net debt to EBITDA 2.5 times

Debt extended more than \$200M to long-term, due past 2030

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

Pricing across mineral value chain

Positive pricing momentum continued beyond 4Q'20



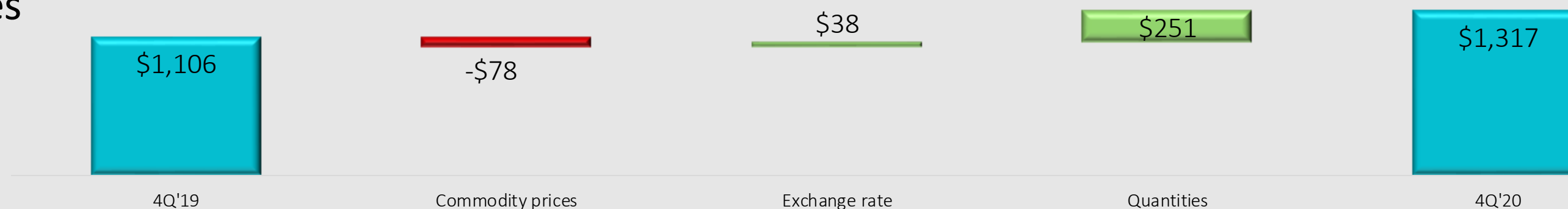
Sources: CRU and Bloomberg, as of 1.31.21

Fourth quarter 2020

Low commodity prices impacted sales and profitability

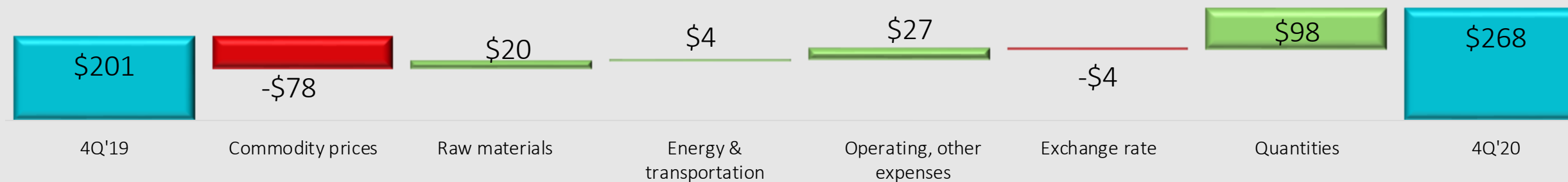
Sales

US\$M



Adjusted EBITDA⁽¹⁾

US\$M

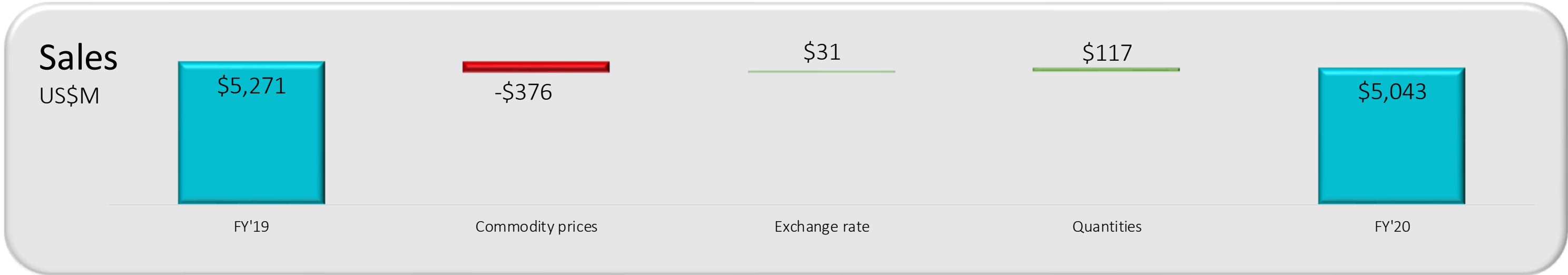


(1) Adjusted EBITDA is a non-GAAP financial measures; see reconciliation tables in appendix.

Note: Numbers rounded to closest million.

Full year 2020

Low commodity prices impacted sales and profitability



(1) Adjusted EBITDA is a non-GAAP financial measures; see reconciliation tables in appendix.
Note: Numbers rounded to closest million.

The impact of ICL

Foundation

- + 90 years of history leveraging **unique assets**
- ~11K employees worldwide
- **Strategic locations** include 42 plants in 13 countries
- Agronomy, chemistry and customer requirement **know-how** accumulated over decades
- Extensive **global** logistic and distribution network operating in 30+ countries

Leadership

- **Industry leader** across three integrated mineral value chains
- No. 1 in **ESG** – highest ranking among peers
- Industry **leading** dividend yield

Innovation

- 20 **global** R&D centers, 250 patent families – with 850 granted patents – and +40 external projects
- Focused and highly experienced **technical** experts
- Access to **start-up nation**: globally leading high-tech and agri-tech eco-system in Israel
- **Internal innovation** efforts contributing to profitability

Financial

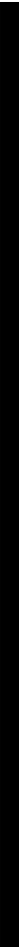
- **Strong** balance sheet
- **Disciplined** capital allocation approach
- Flexibility to grow organically and through **M&A**

2021 Guidance

Adjusted EBITDA

- **Providing better clarity** around our expectations for 2021
- Expect adjusted **EBITDA range of \$1.020 billion to \$1.120 billion⁽¹⁾**
- Guidance based on **commodity prices and exchange rates** as of beginning of January 2021
- Financial results expected to **improve as 2021 progresses**
 - Record achievements in 1Q'20
 - Expecting production stoppage in Spain in 1Q'21, due to consolidation work

(1) See non-GAAP financial measures in appendix. 2021 adjusted EBITDA is calculated based on adjusted operating income, net of depreciation and amortization.



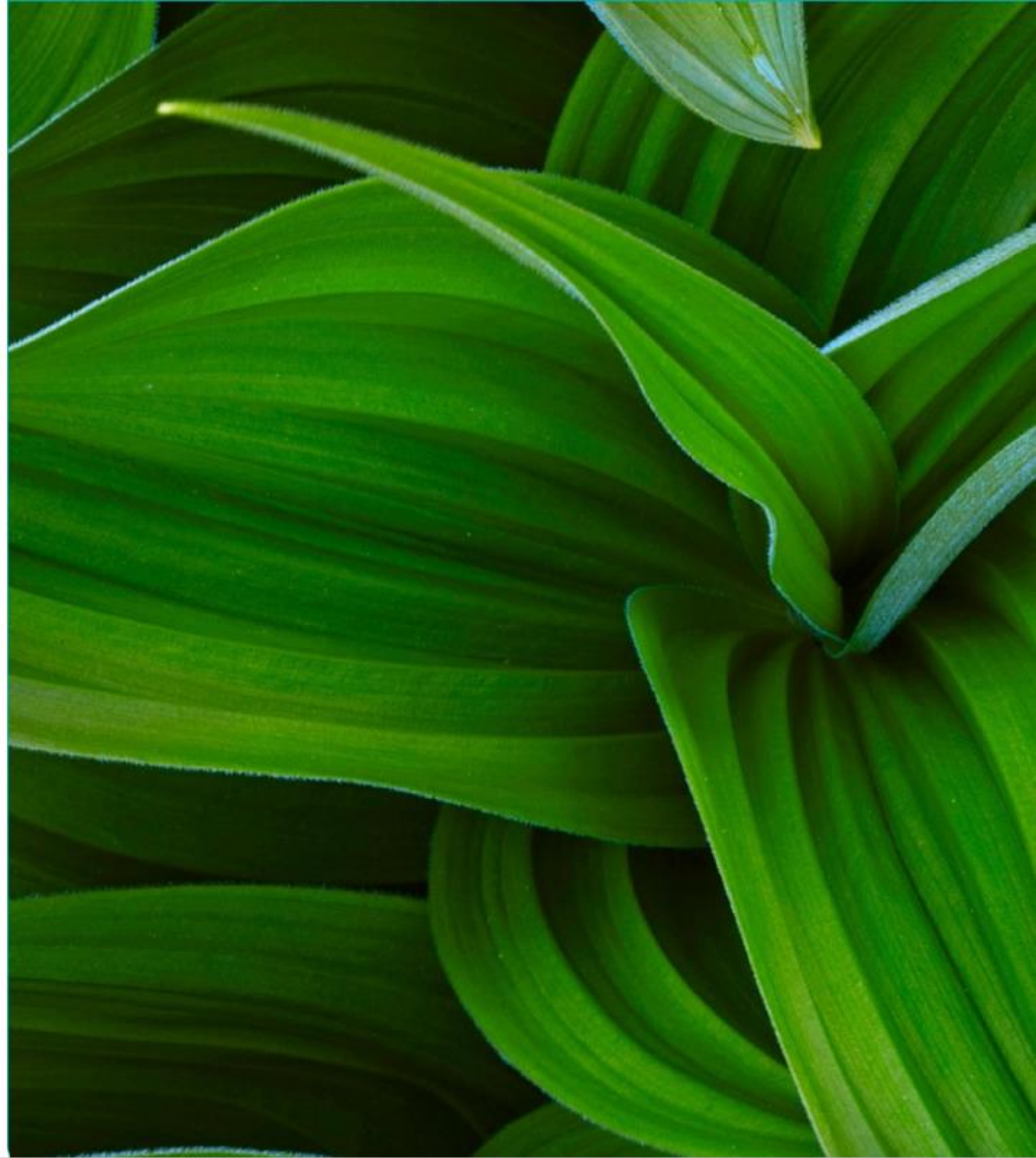
THANK YOU!

Contact Peggy.ReillyTharp@icl-group.com for more information on ICL

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

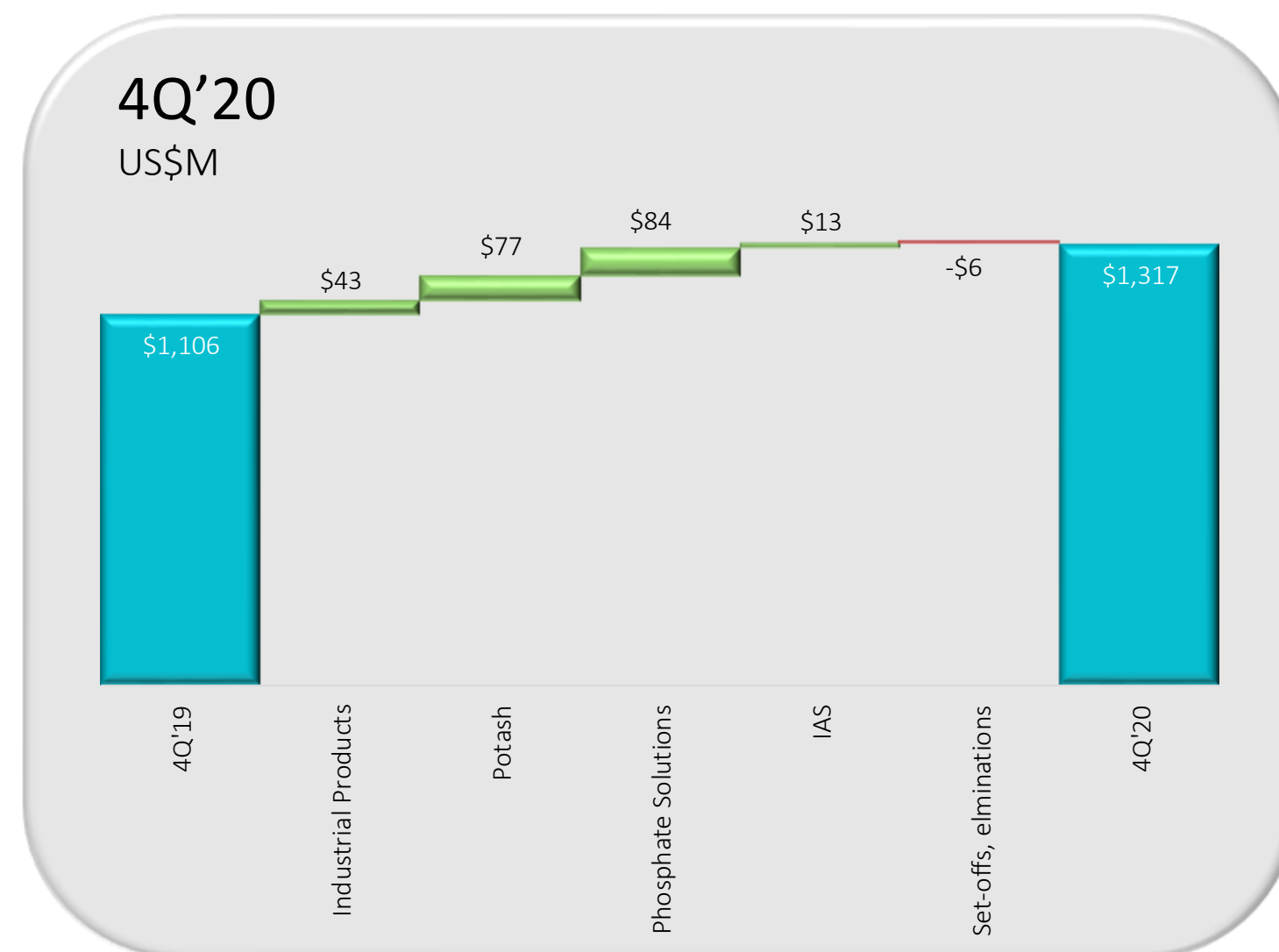
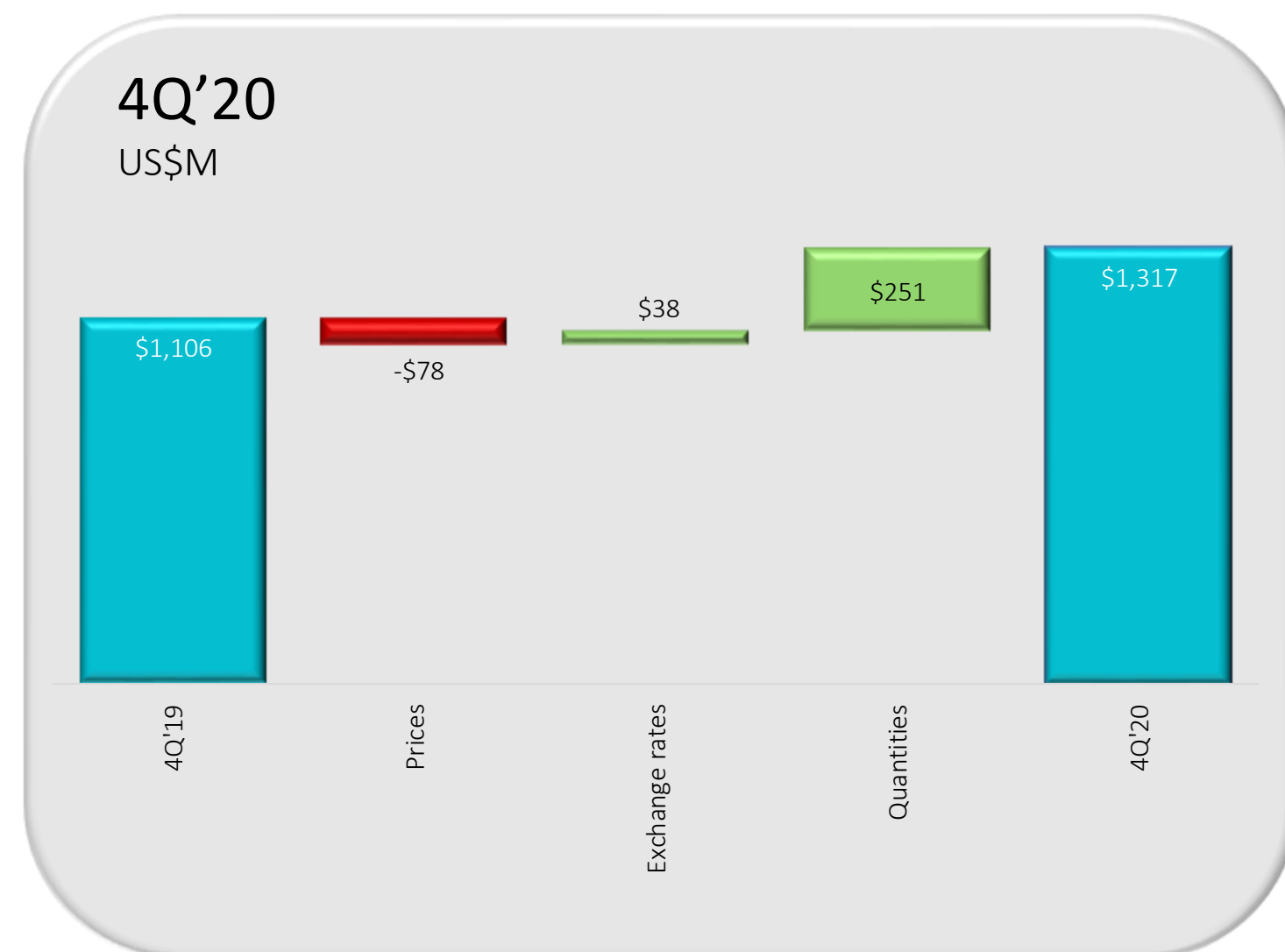


APPENDIX



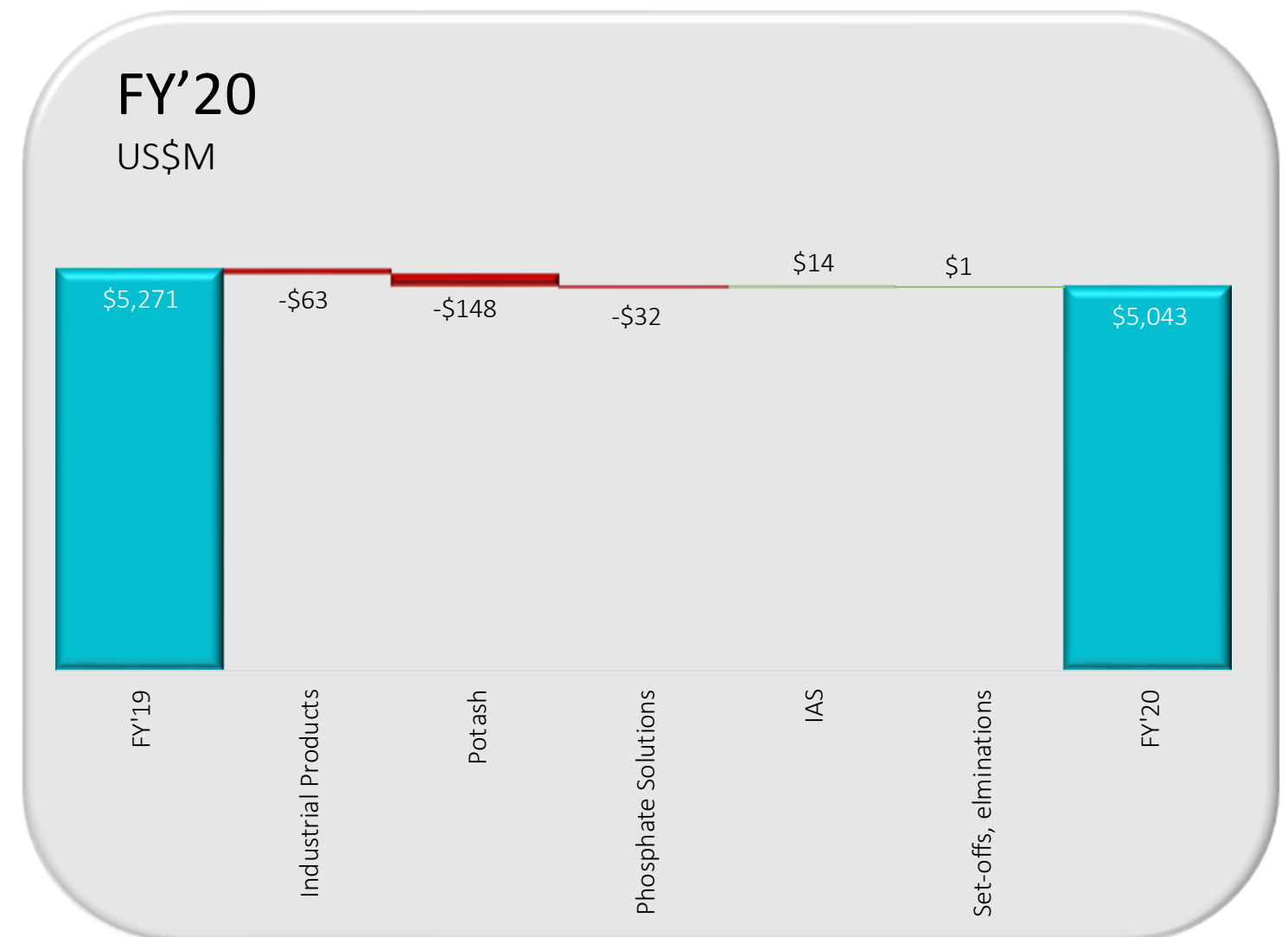
Fourth quarter 2020

Sales



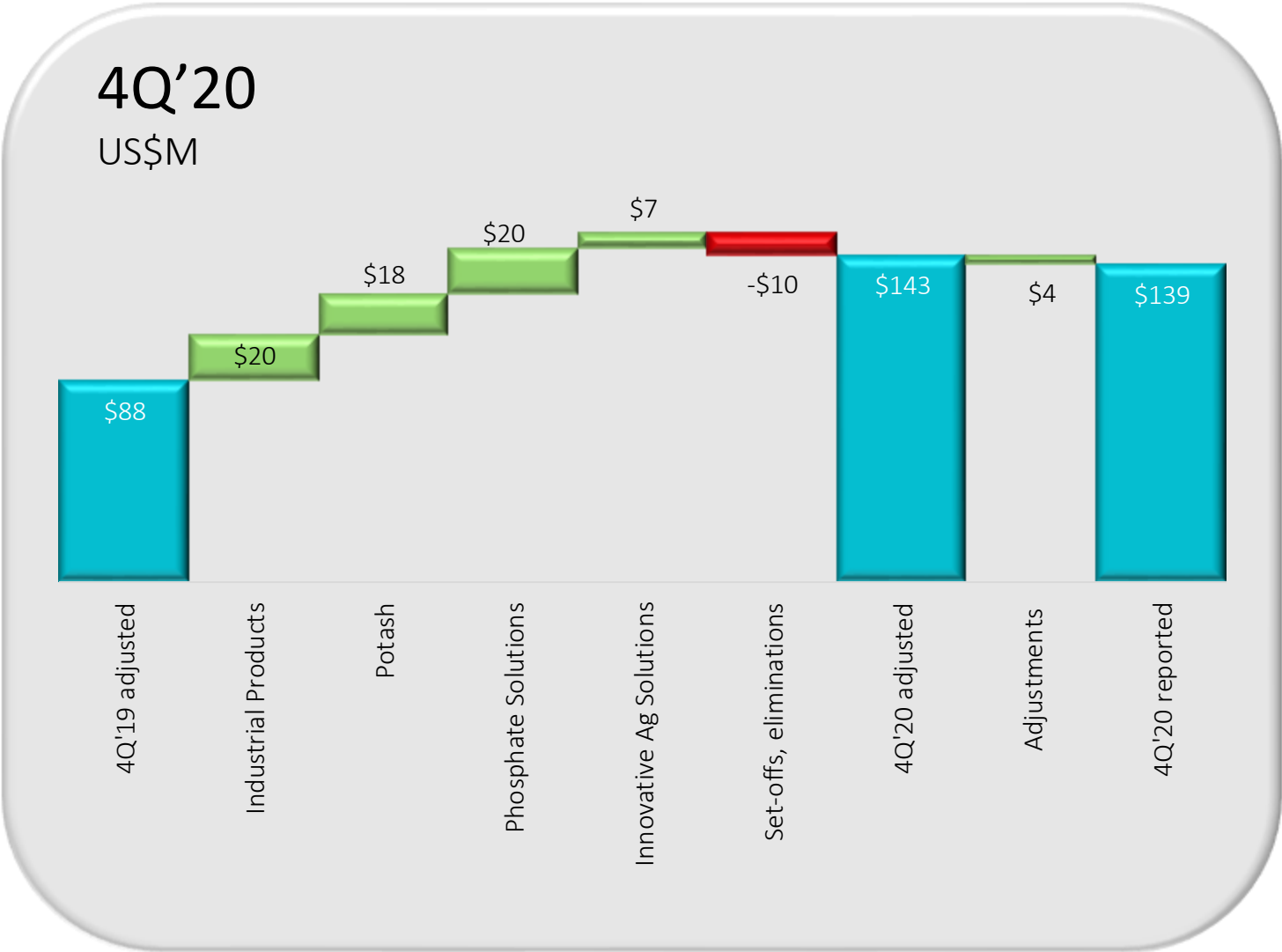
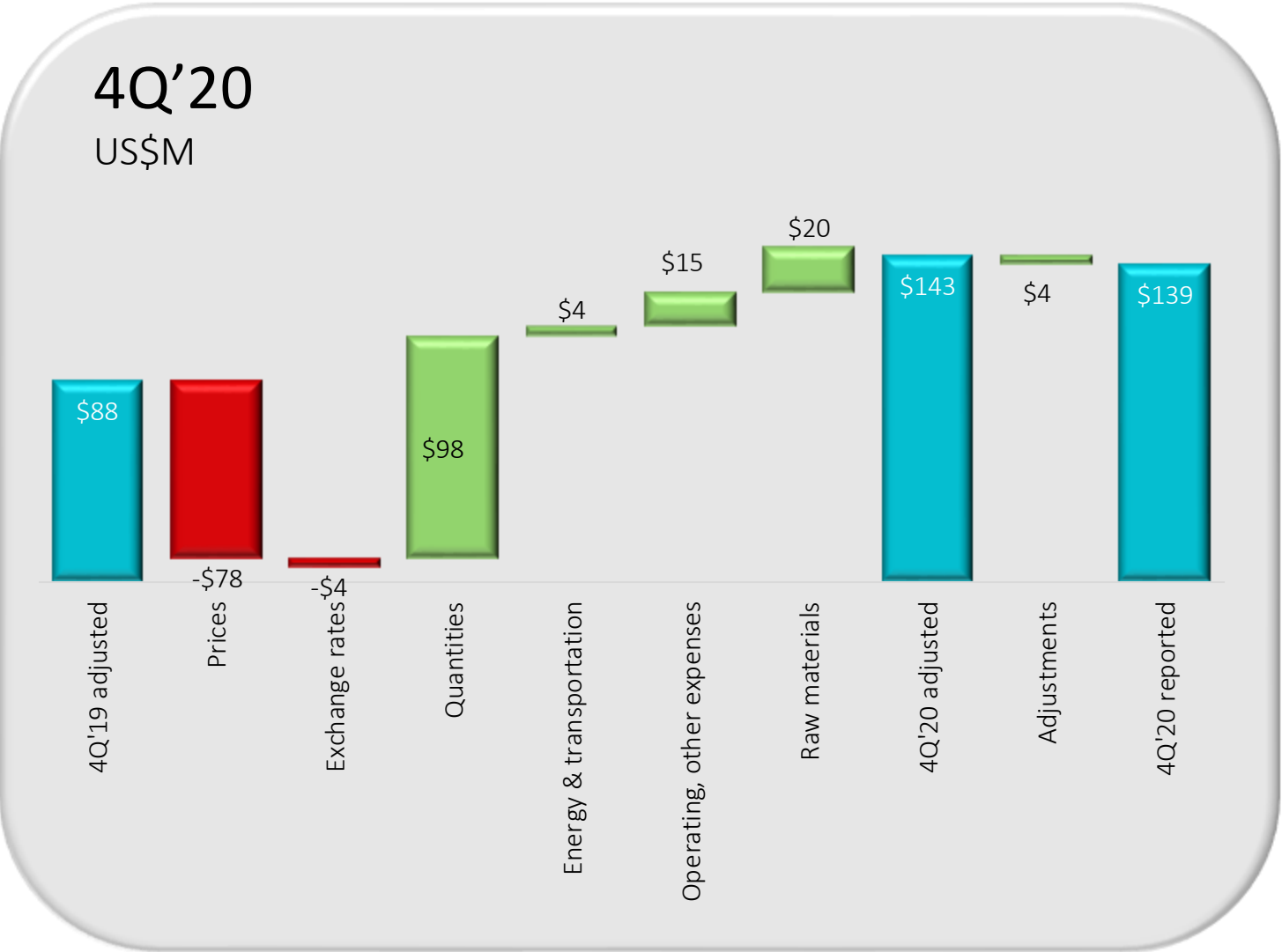
Full year 2020

Sales



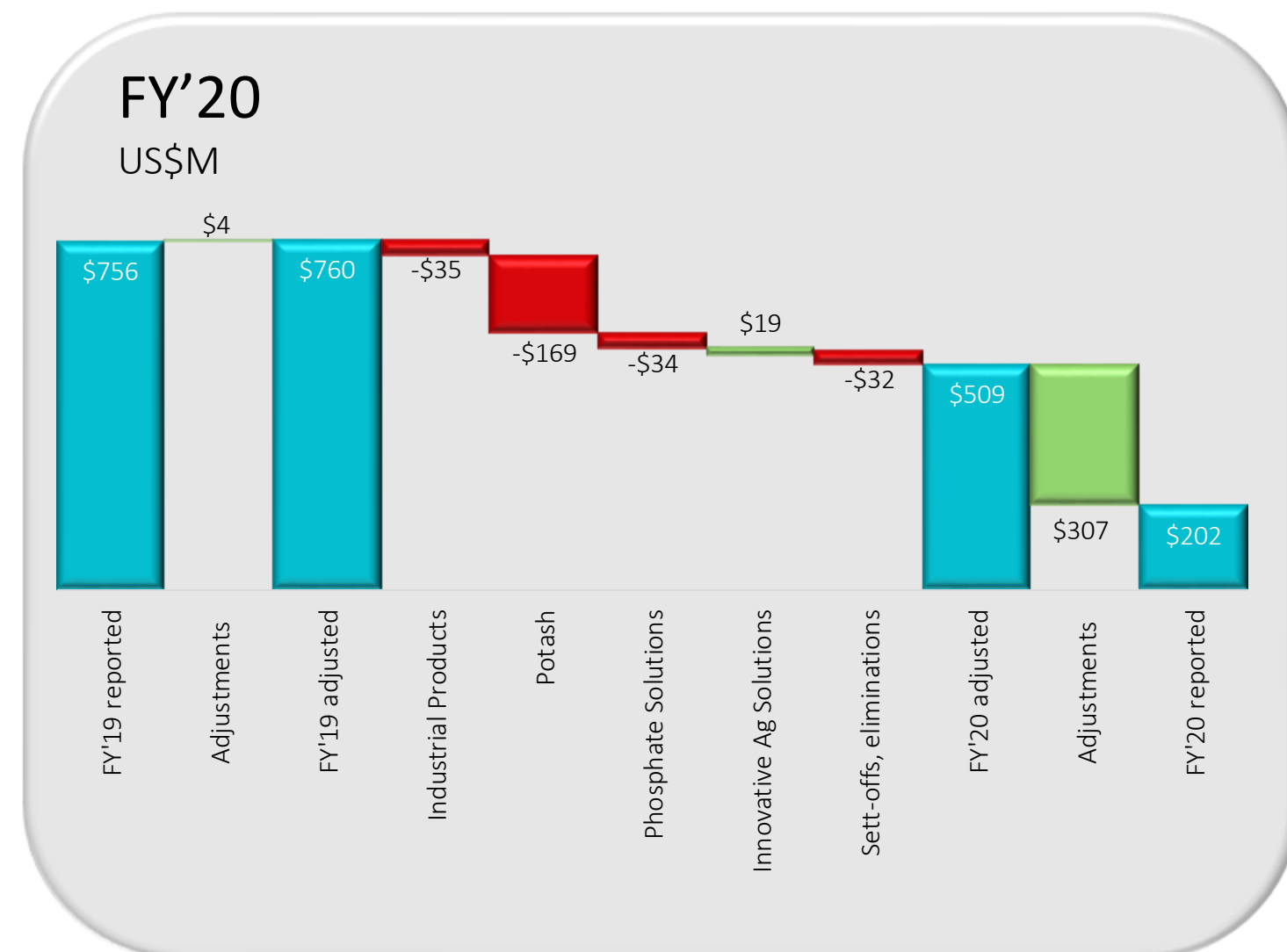
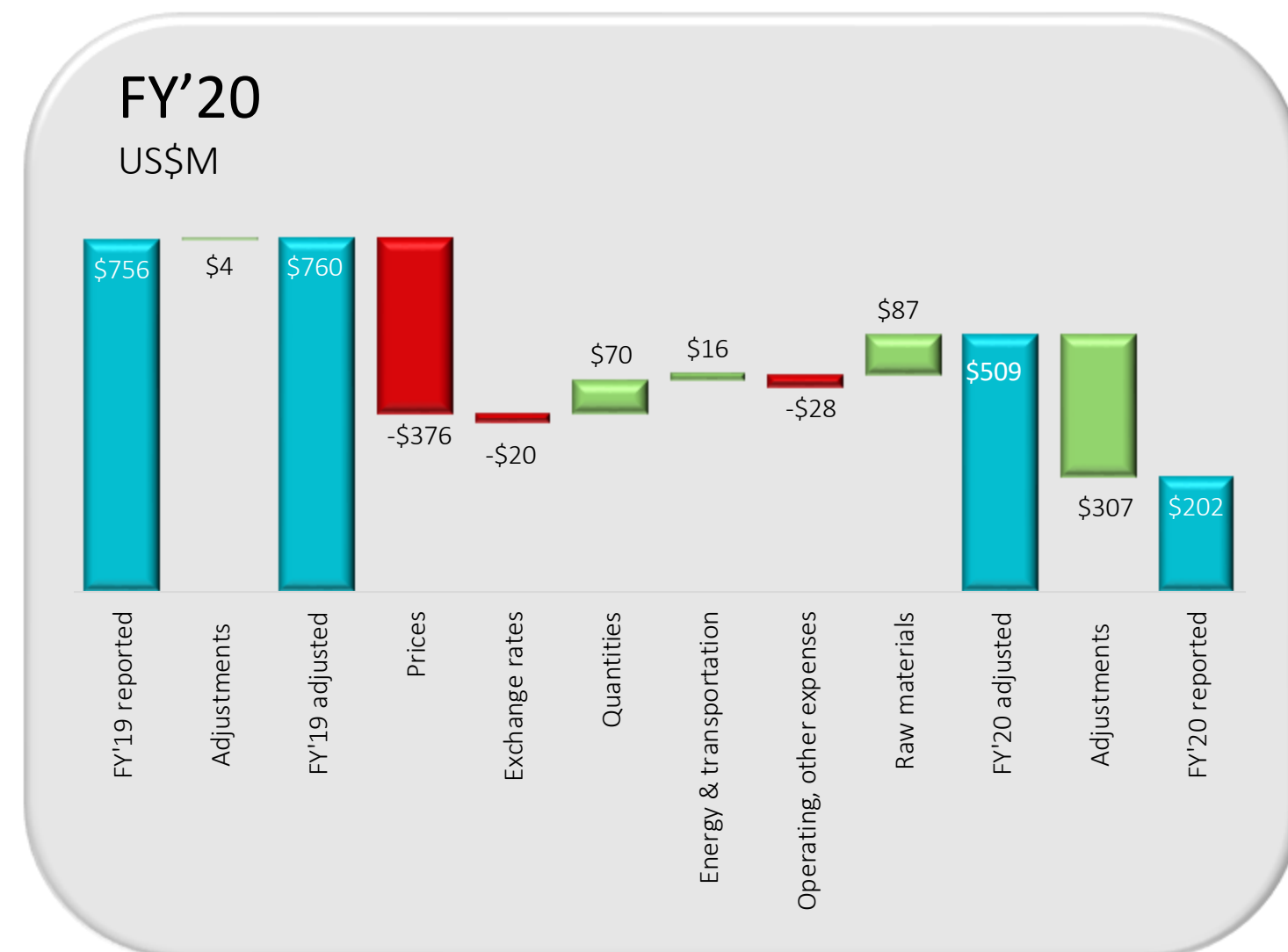
Fourth quarter 2020

Operating income



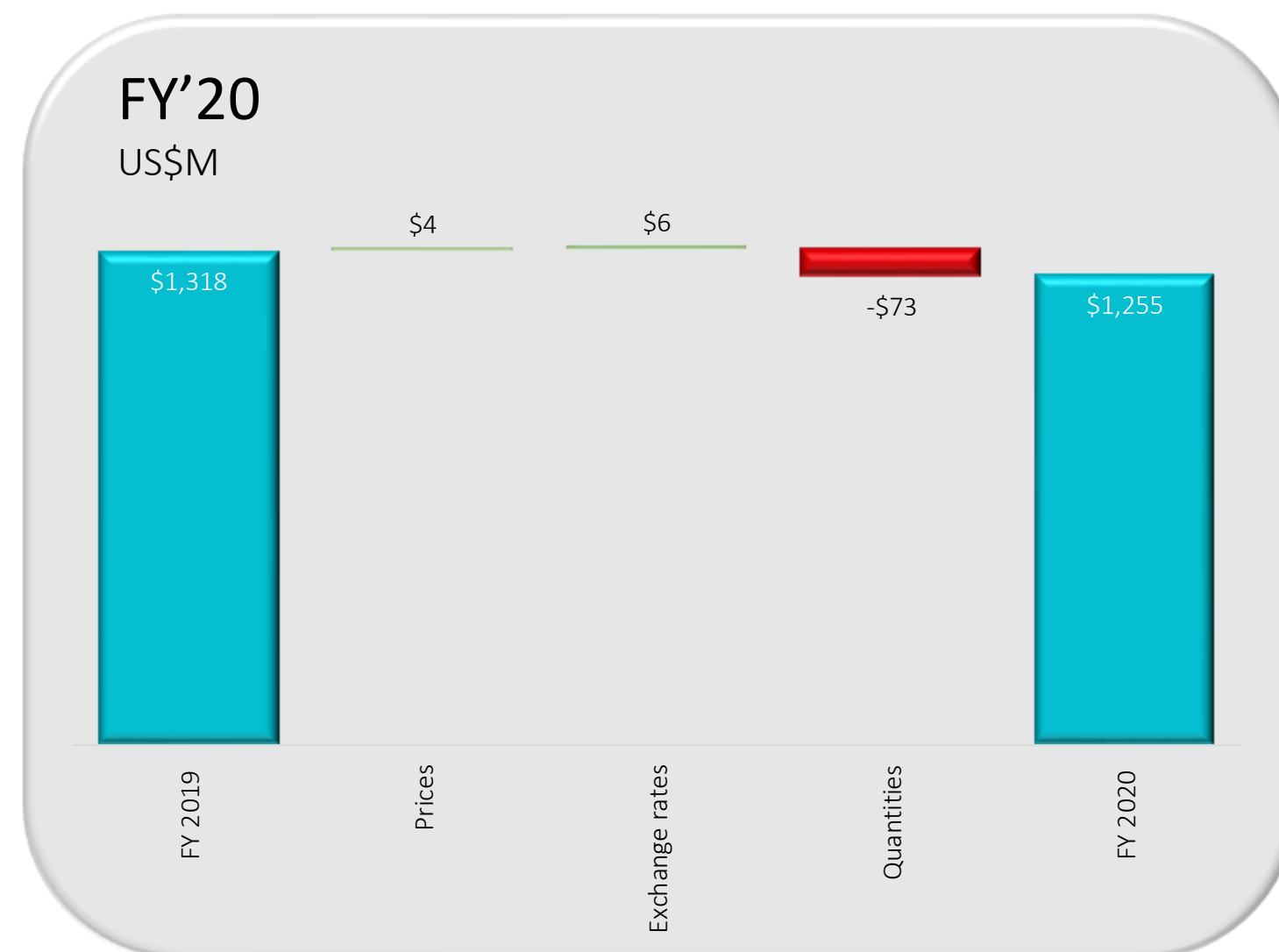
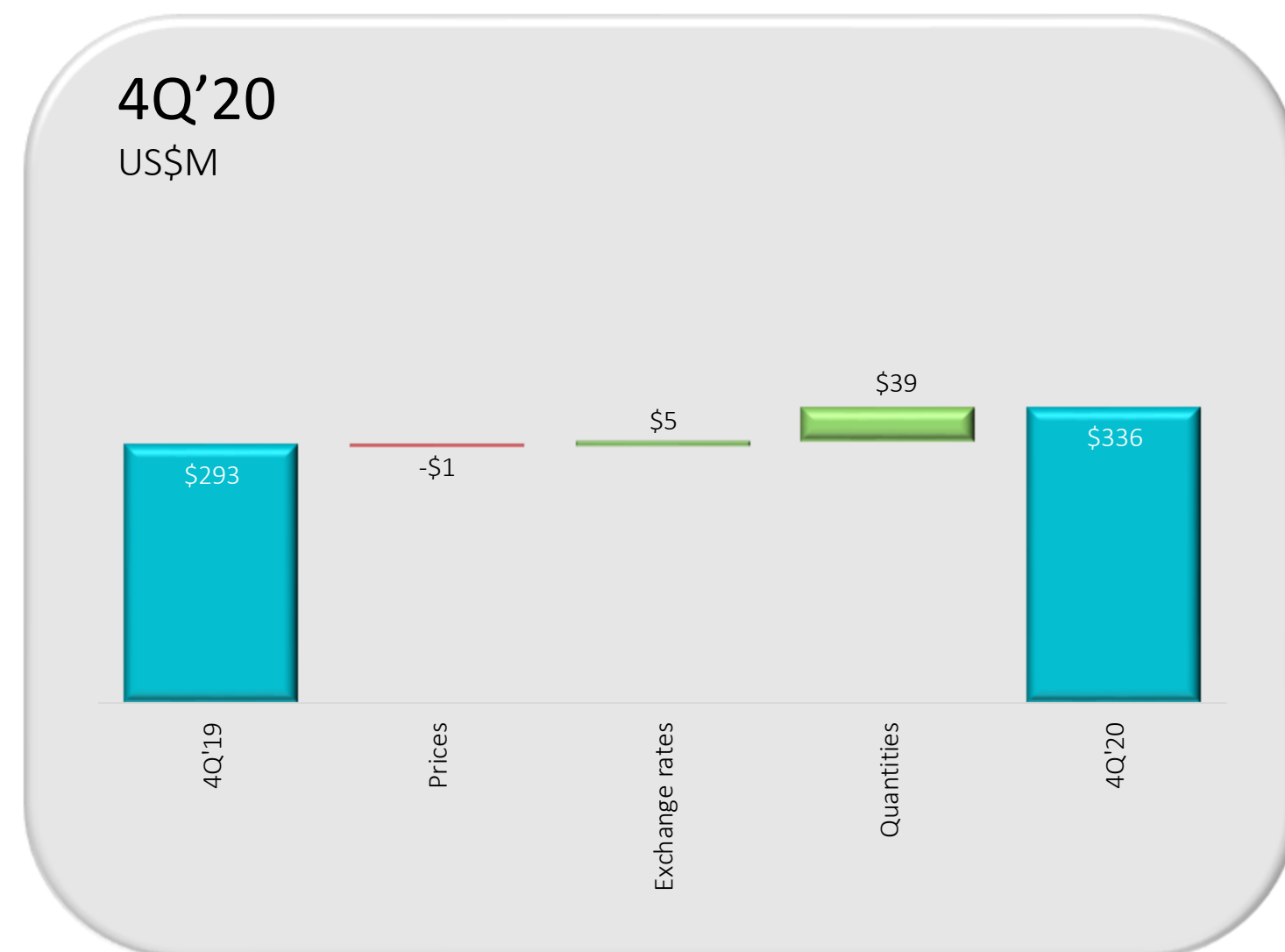
Full year 2020

Operating income



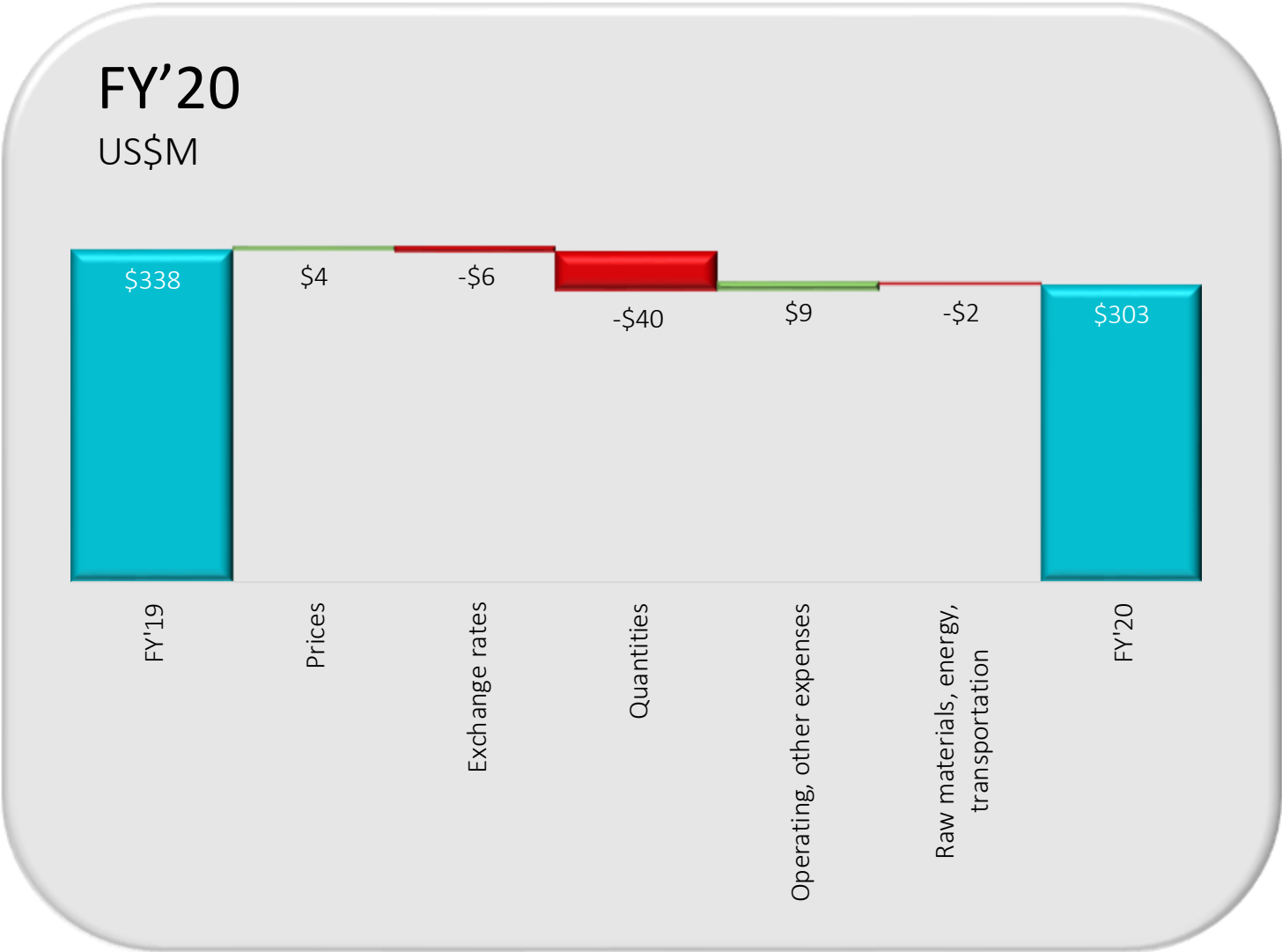
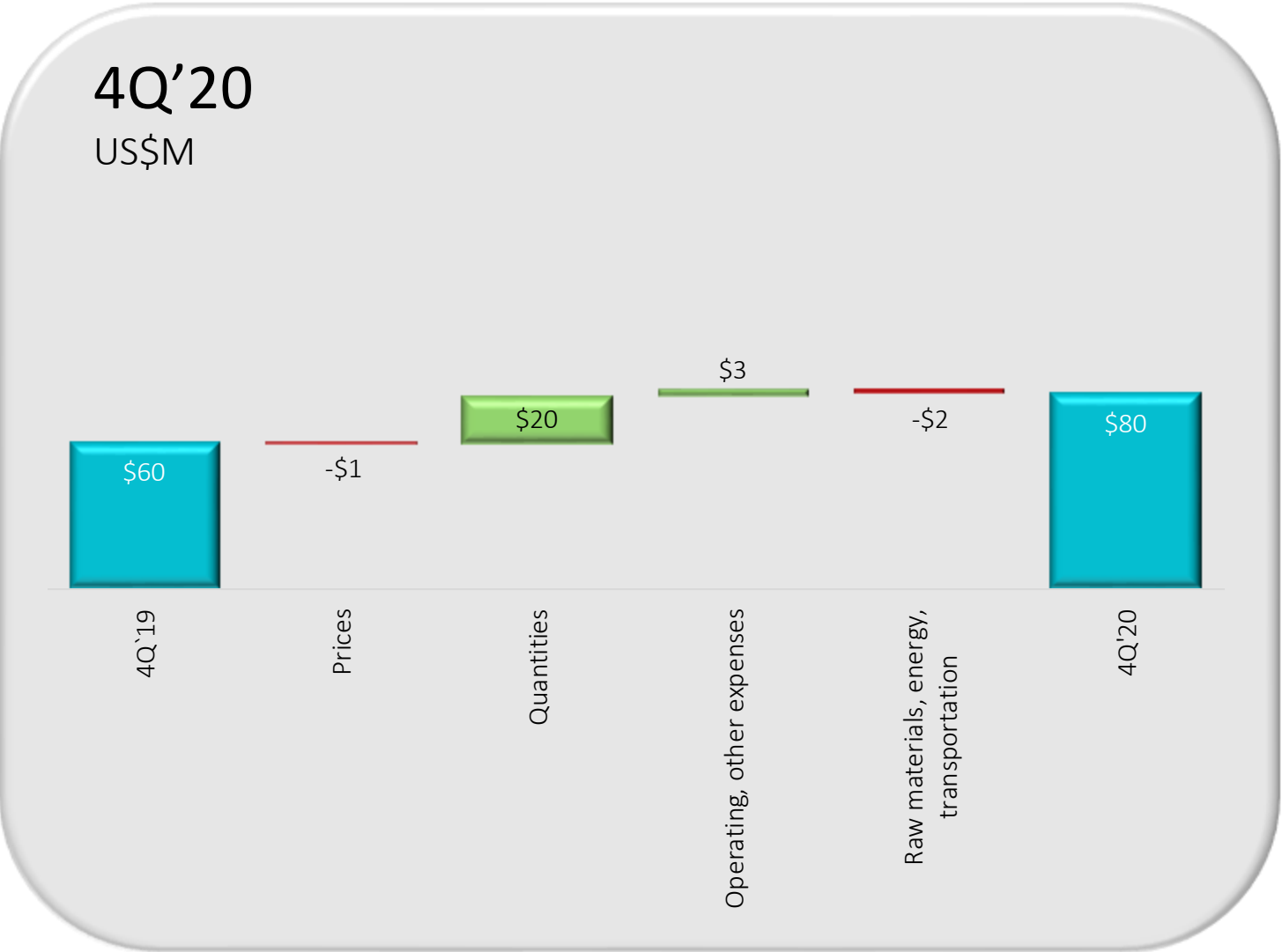
Fourth quarter and full year 2020

Industrial Products sales



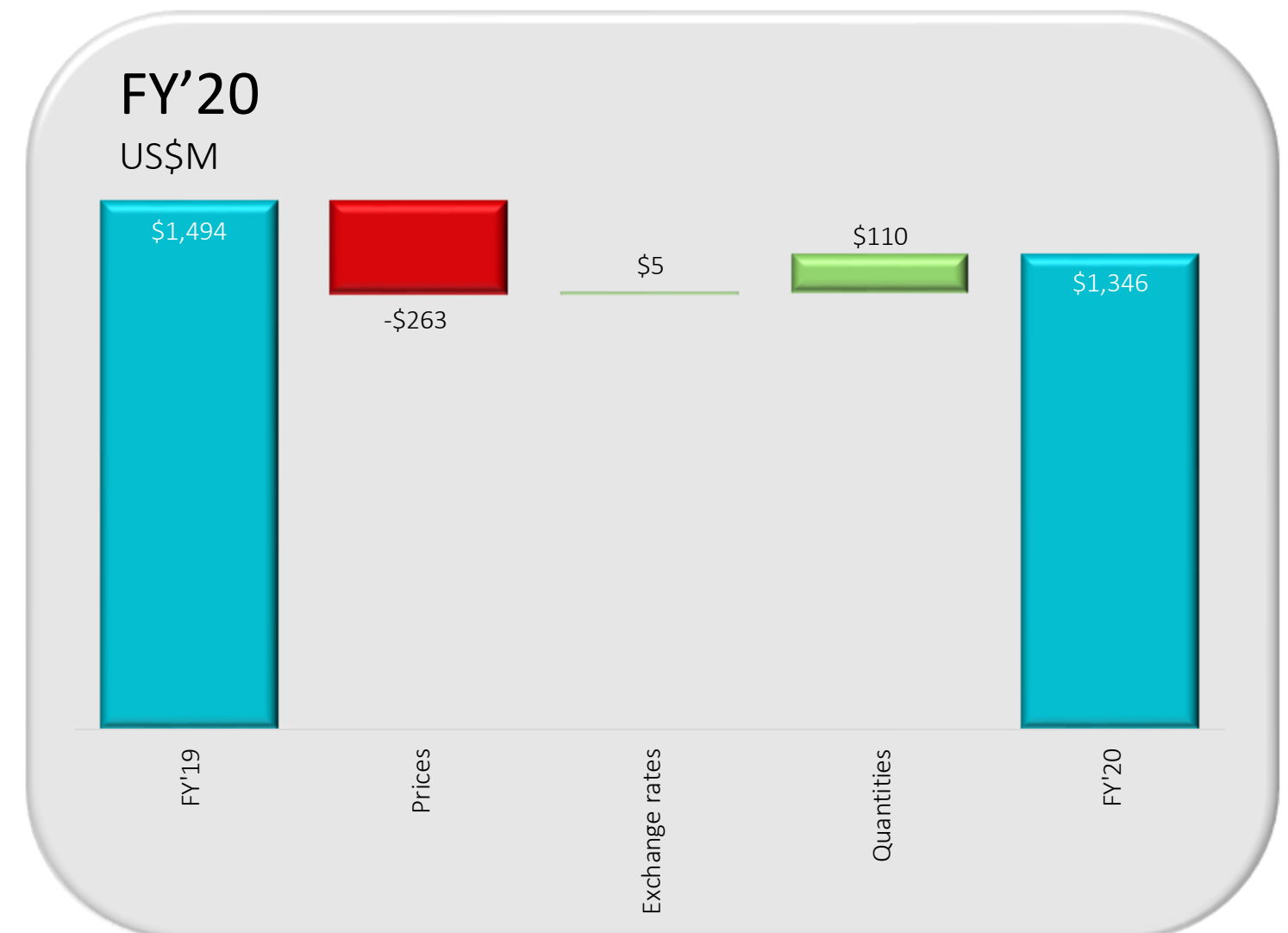
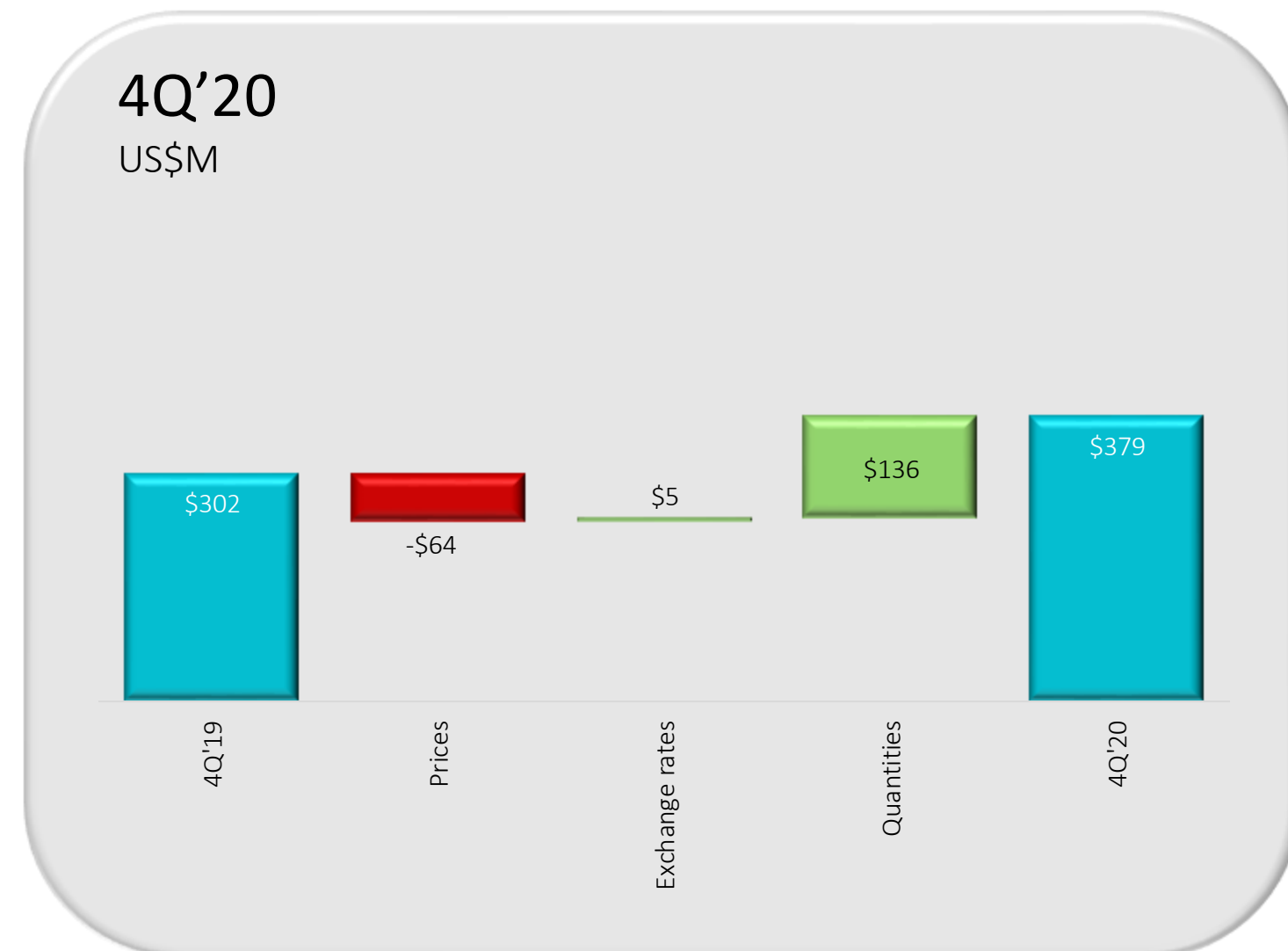
Fourth quarter and full year 2020

Industrial Products segment profit analysis



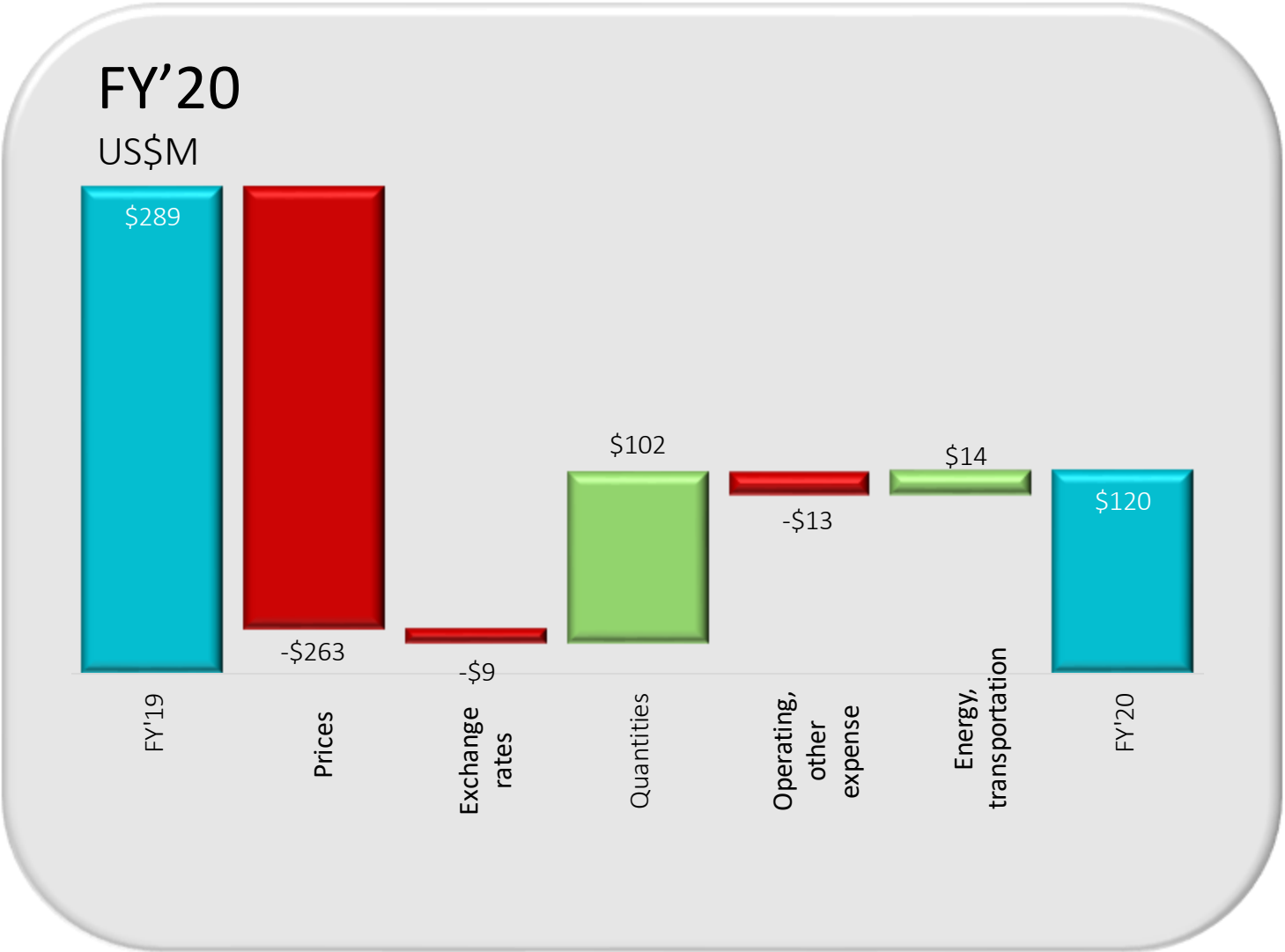
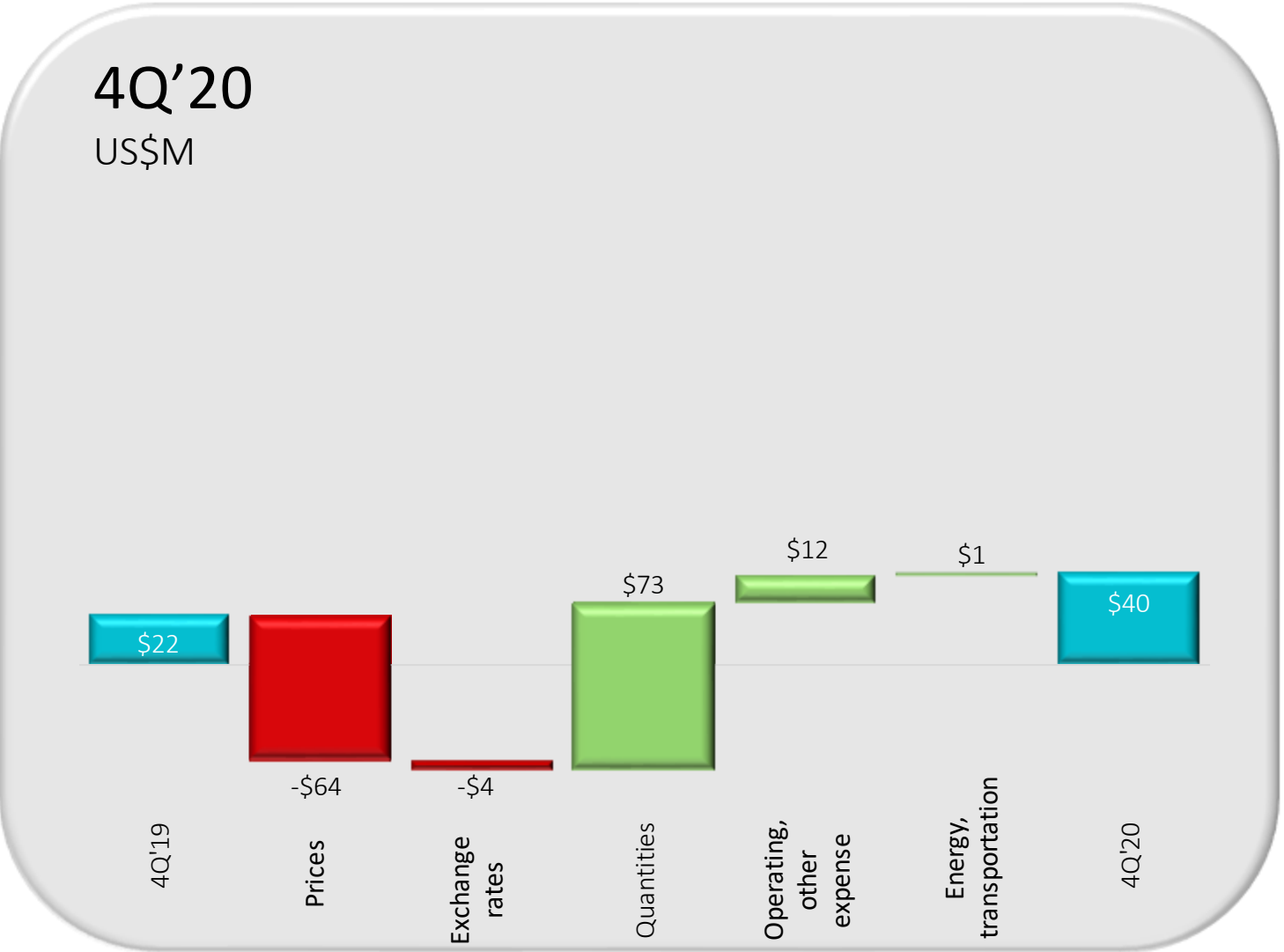
Fourth quarter and full year 2020

Potash sales



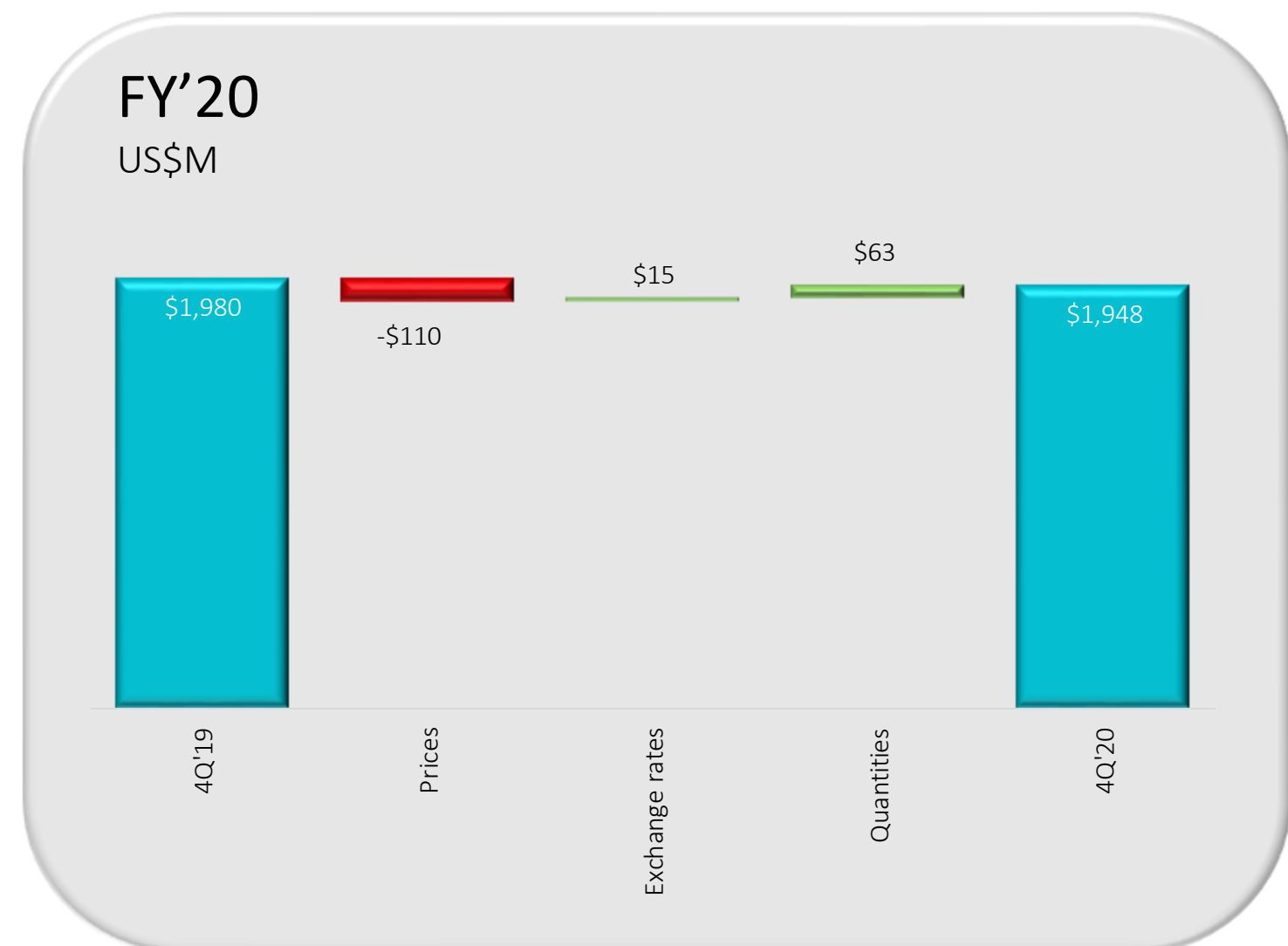
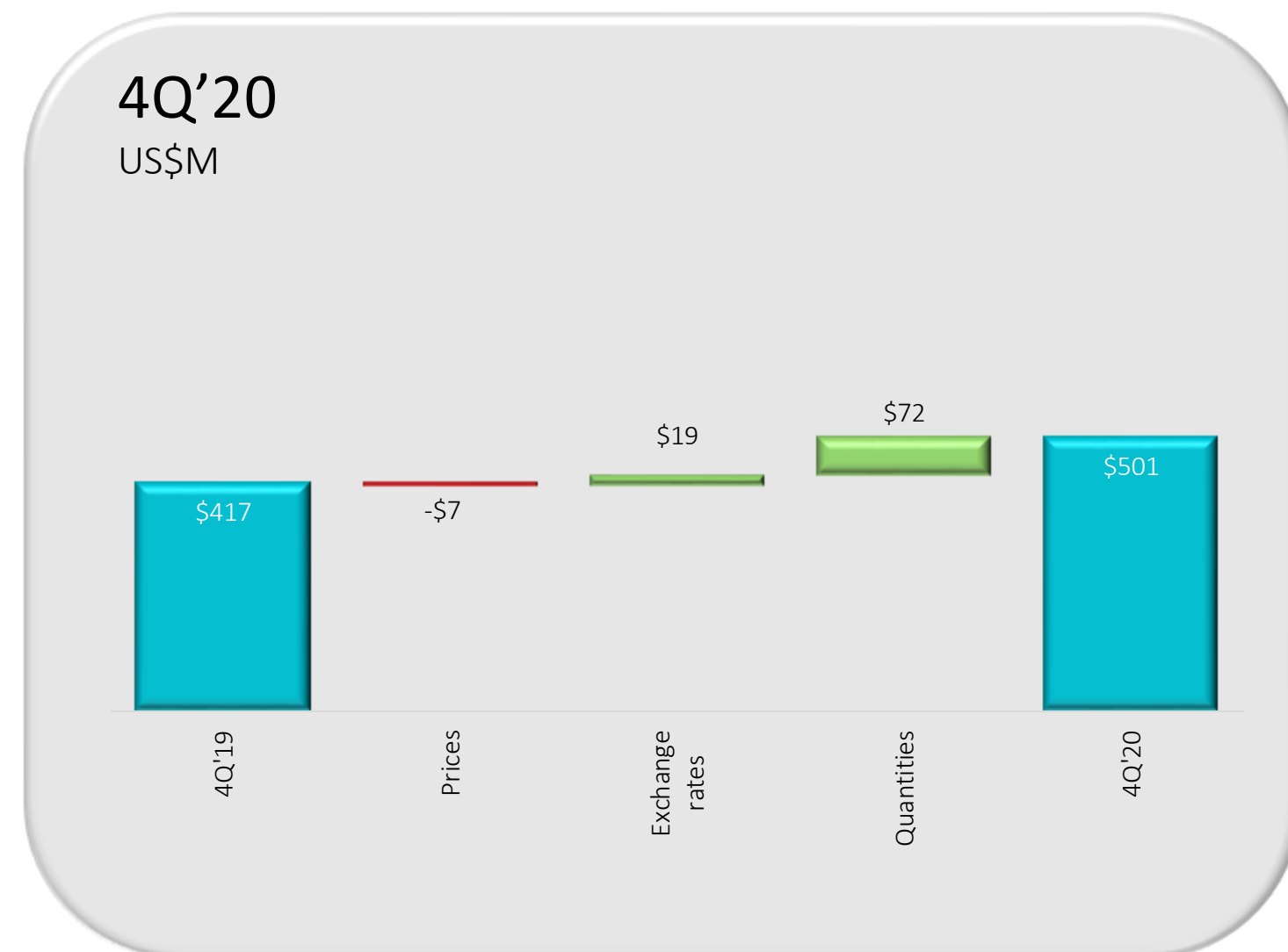
Fourth quarter and full year 2020

Potash segment profit analysis



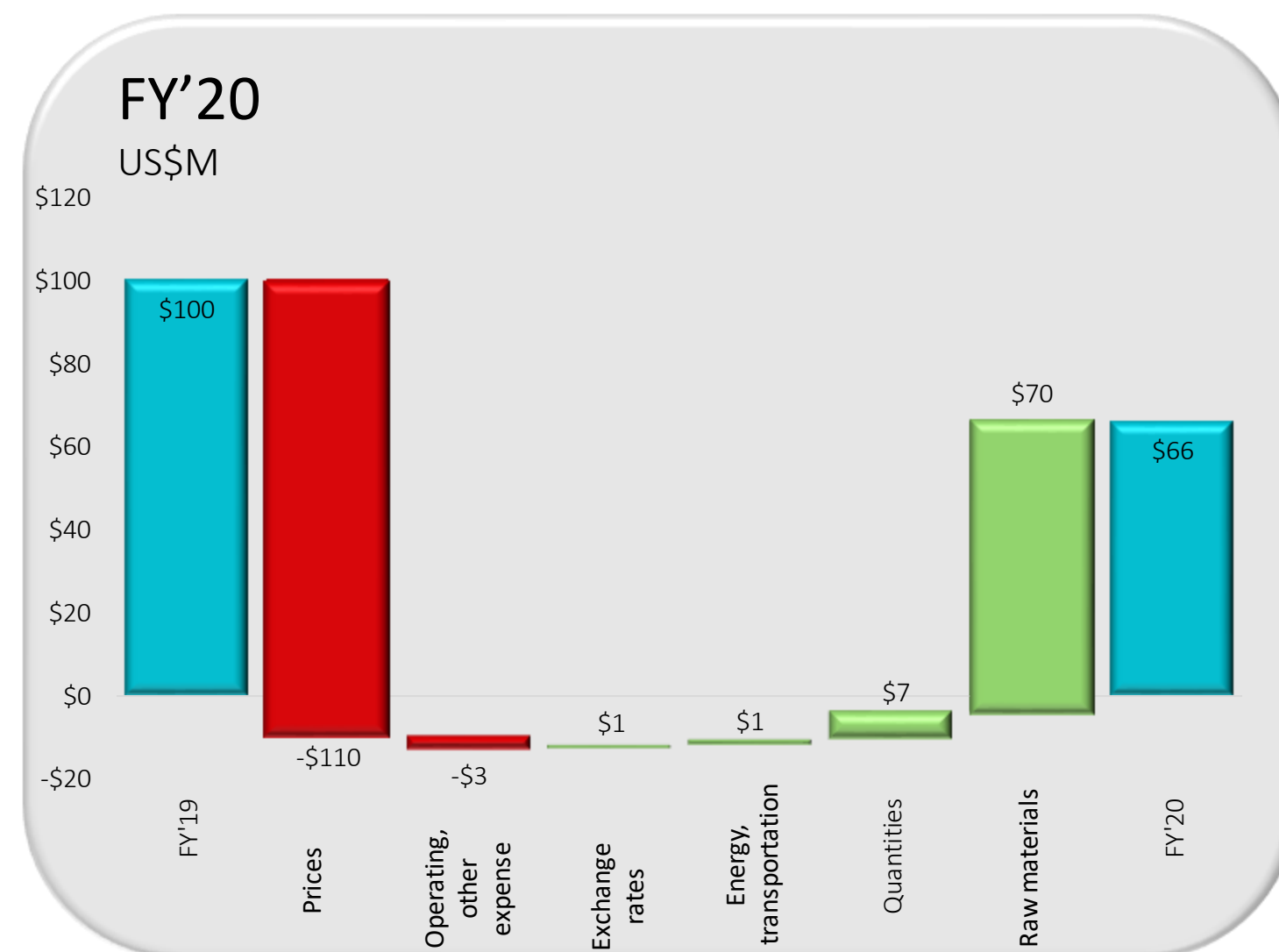
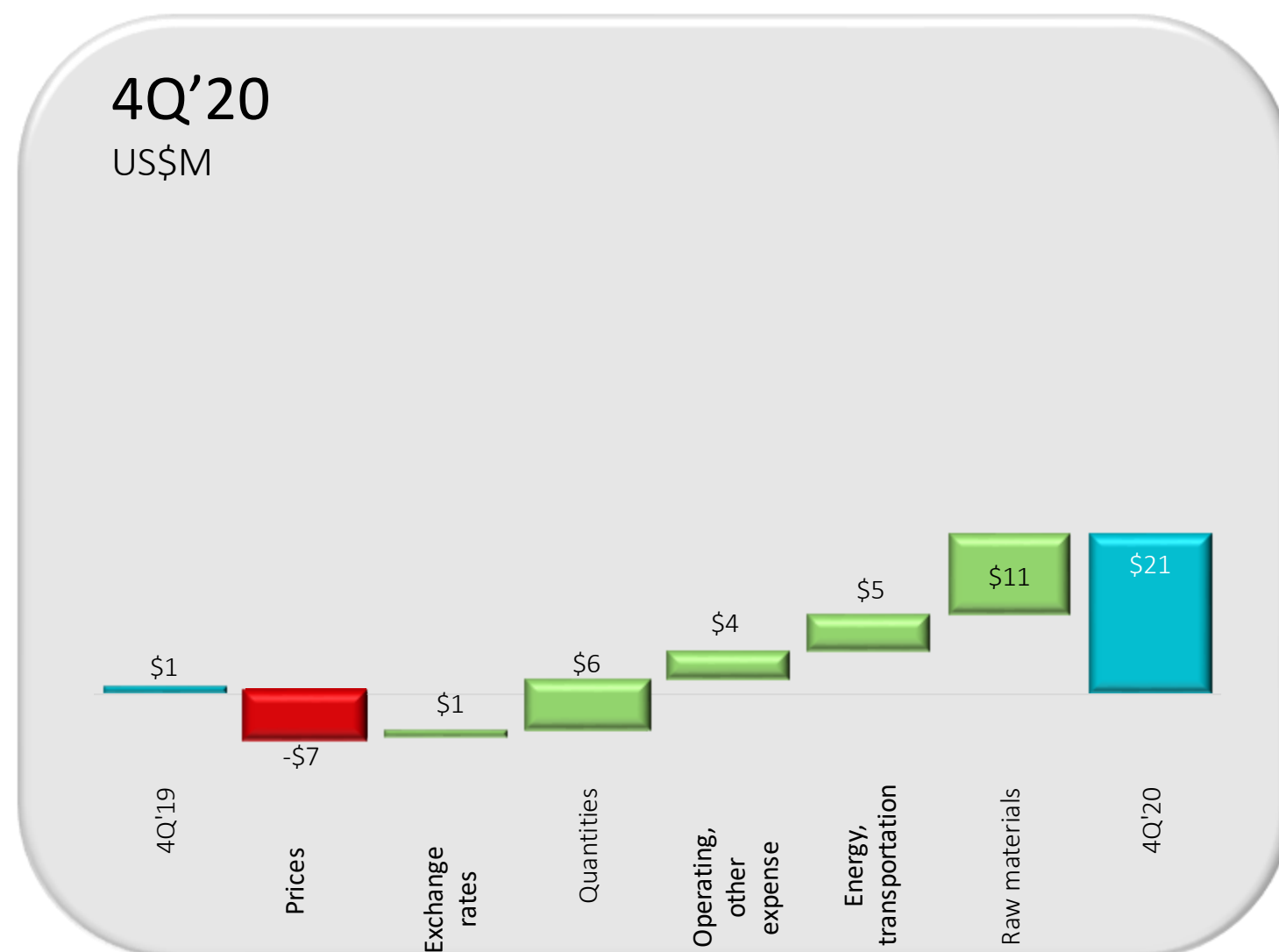
Fourth quarter and full year 2020

Phosphate Solutions sales



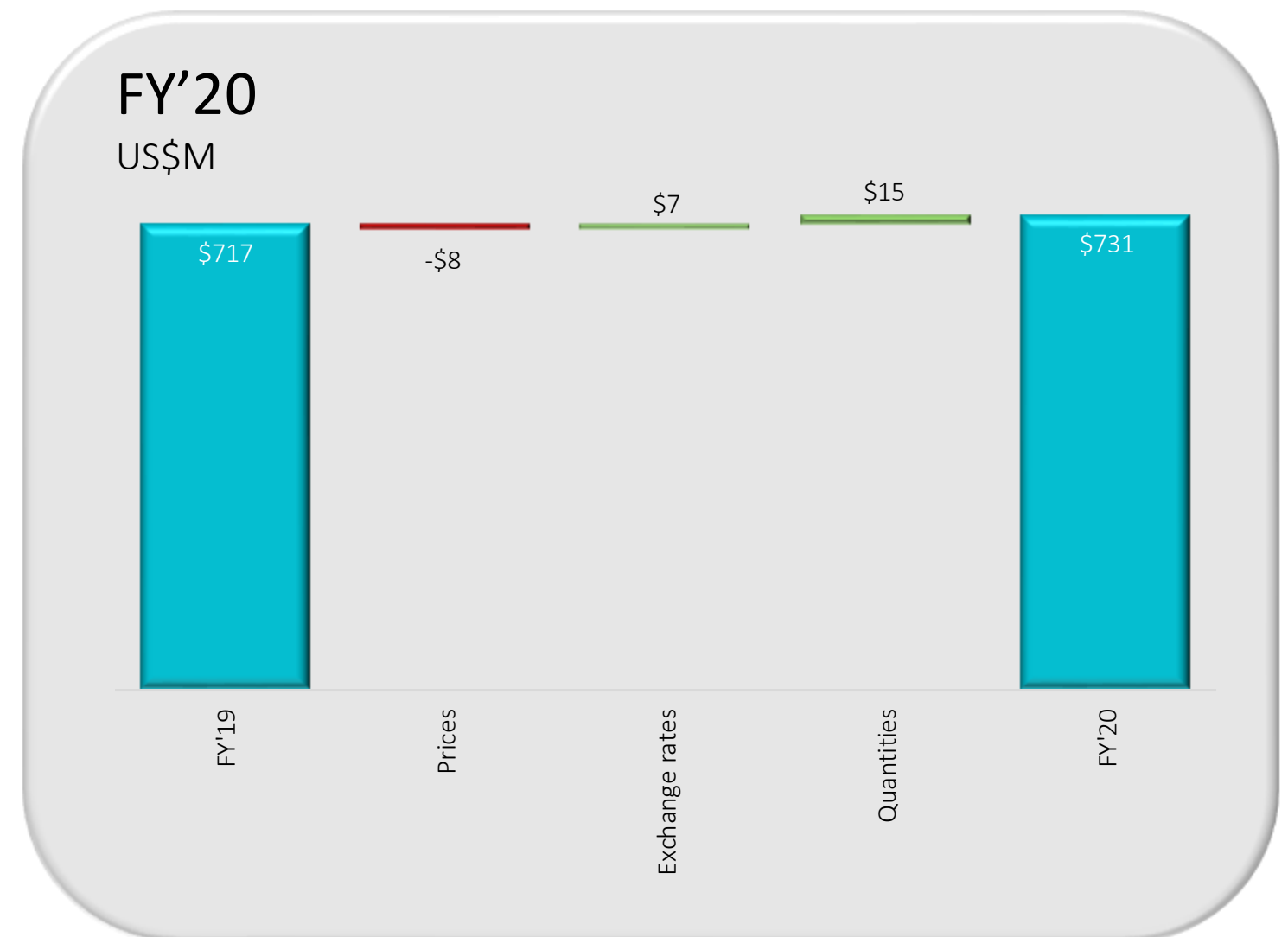
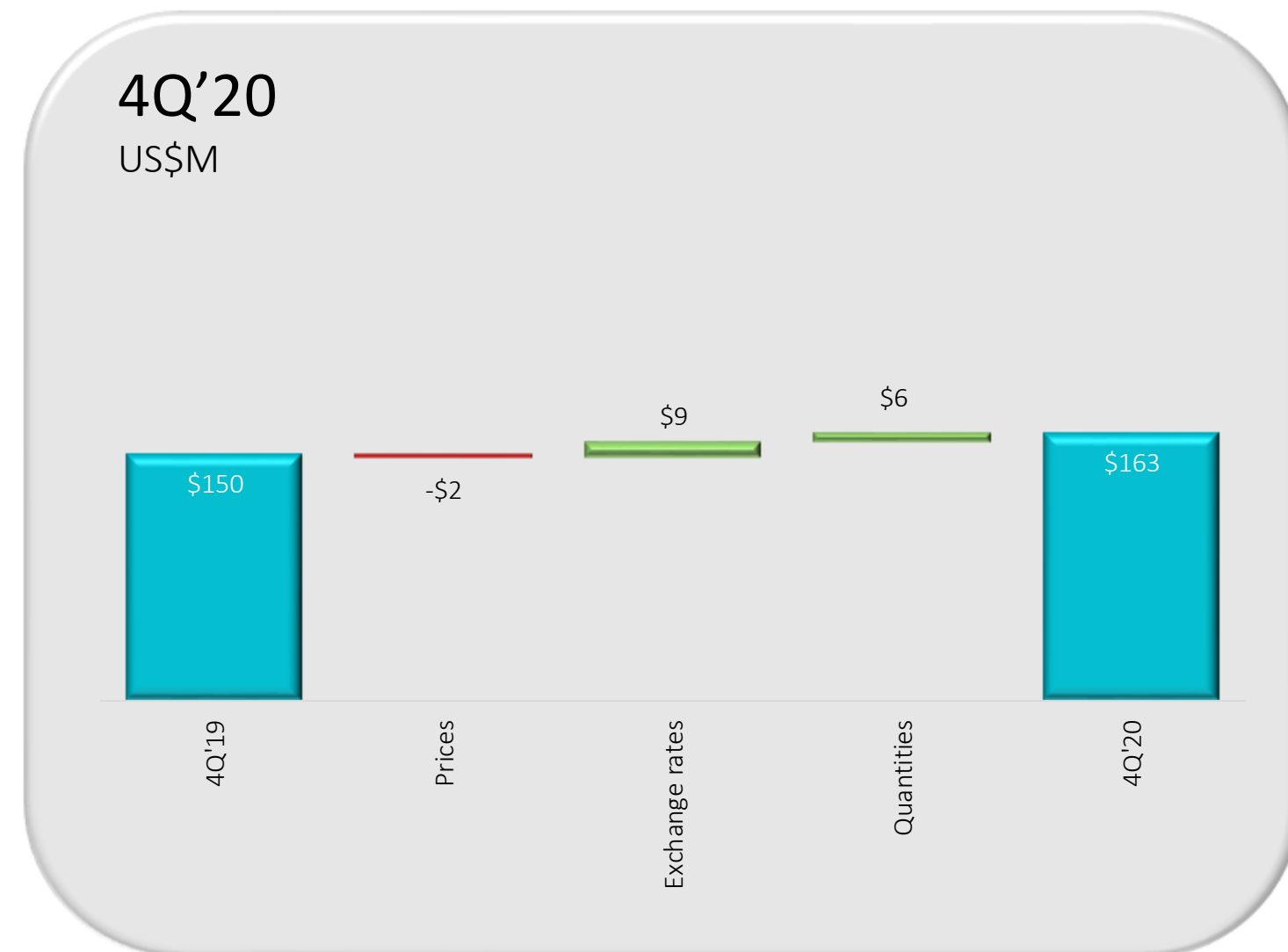
Fourth quarter and full year 2020

Phosphate Solutions segment profit analysis



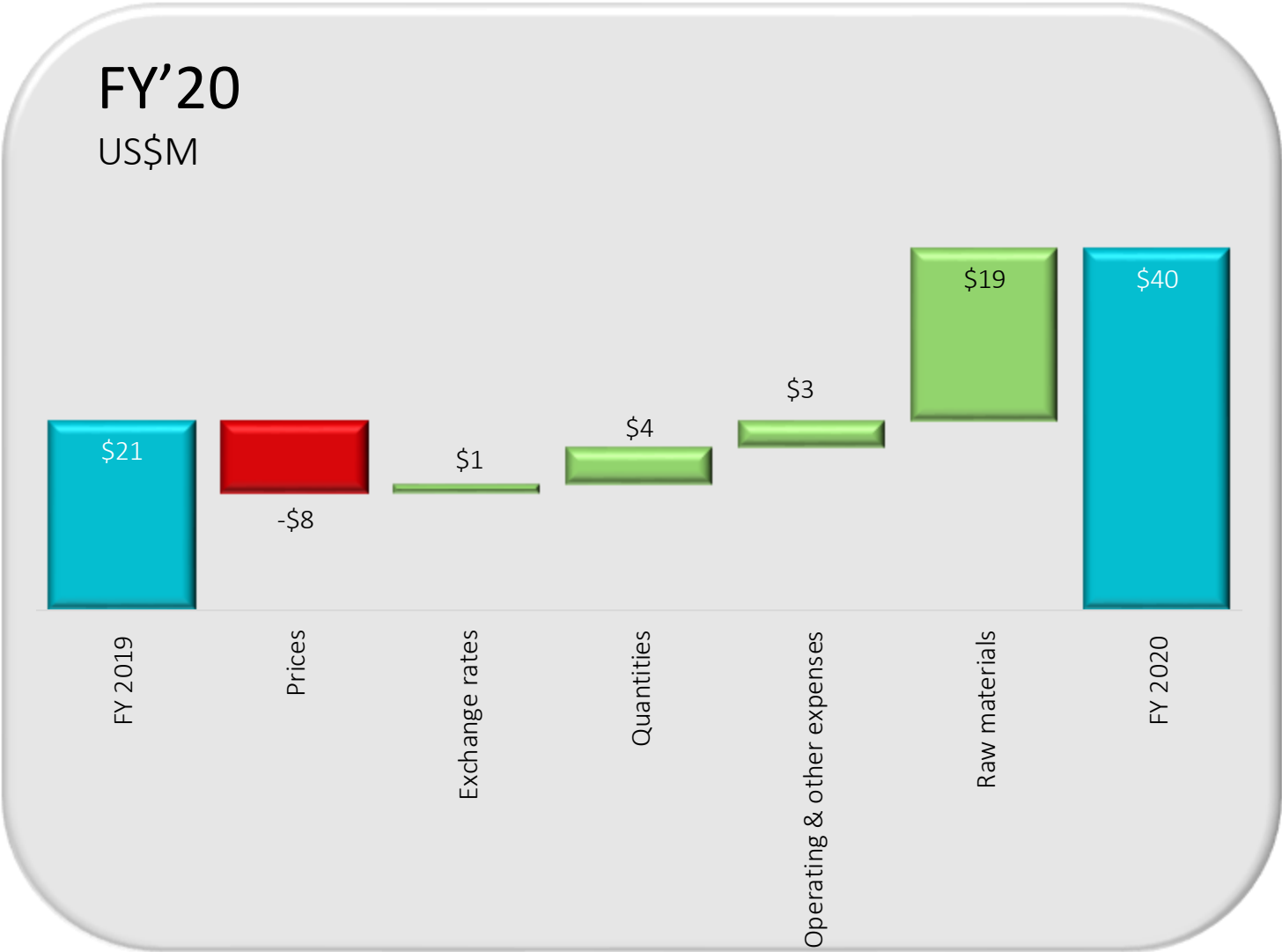
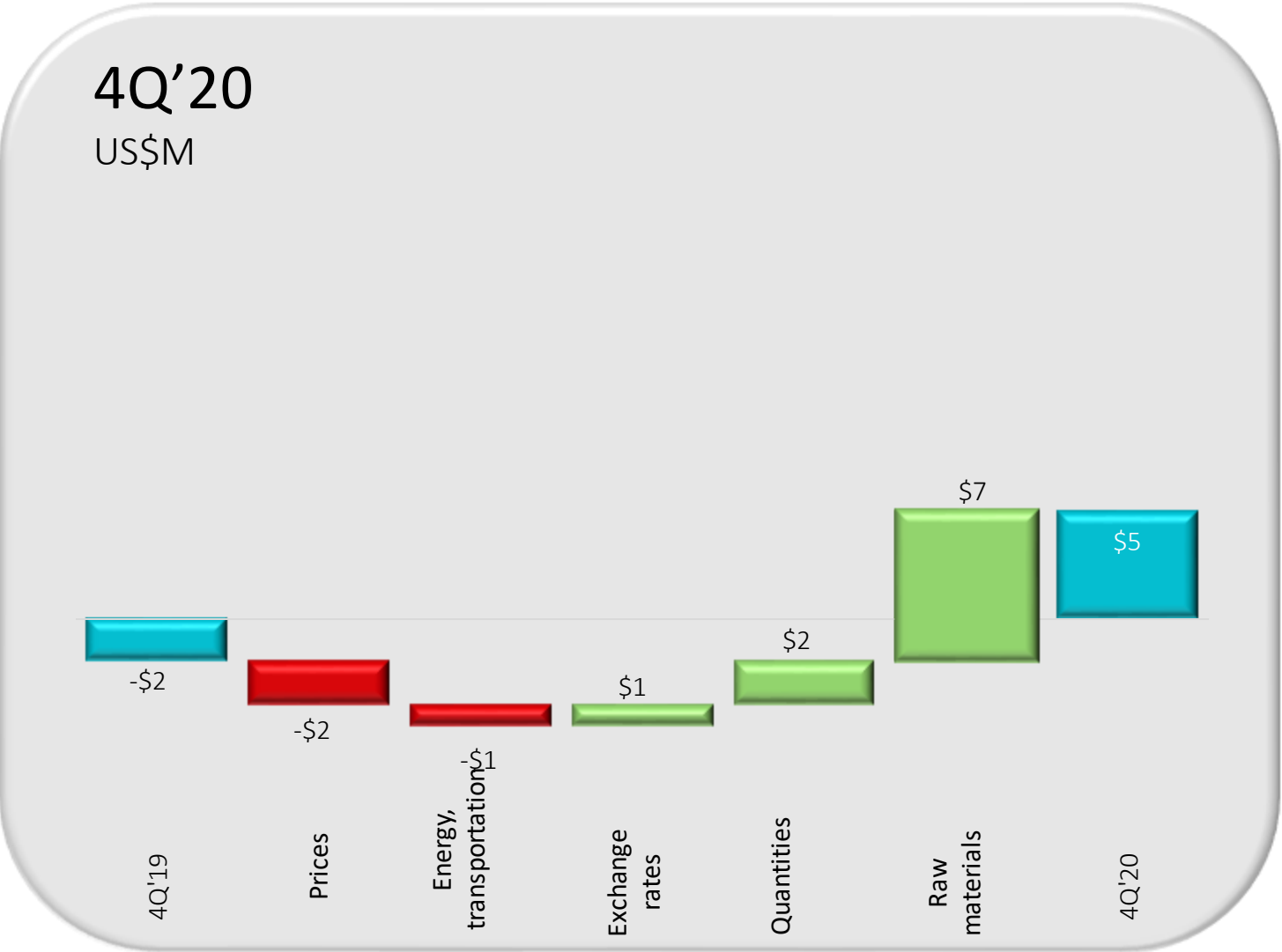
Fourth quarter and full year 2020

Innovative Ag Solutions sales



Fourth quarter and full year 2020

Innovative Ag Solutions segment profit analysis



Finance expenses

US\$M	4Q'20	4Q'19	FY'20	FY'19
Liabilities ⁽¹⁾	\$2,750	\$2,520	\$2,800	\$2,700
Interest rate	3.9%	4.2%	3.8%	4.2%
Interest expenses	\$27	\$27	\$107	\$114
Interest capitalization	(\$7)	(\$6)	(\$24)	(\$19)
Interest expenses, net	\$20	\$21	\$83	\$95
Total hedging transactions, balance sheet revaluation	(\$11)	\$1	\$20	(\$18)
Interest and exchange rate impact on long term liabilities of leasing and employees and other	\$37	\$3	\$55	\$52
Net financial expenses	\$46	\$25	\$158	\$129

(1) Average liabilities during given quarter.

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

Effective tax rate

US\$M	4Q'20	4Q'19	FY'20	FY'19
Adjusted income before tax ⁽¹⁾	\$98	\$63	\$356	\$632
Normalized tax rate	20%	22%	20%	21%
Normalized tax expenses	\$19	\$14	\$72	\$131
Carryforward losses not recorded for tax purposes	(\$2)	(\$1)	\$0	\$2
Exchange rate impact and other items	\$8	\$2	\$13	\$14
Adjusted tax expenses	\$25	\$15	\$85	\$147
Adjusted effective tax rate	26%	21%	24%	23%
Tax adjustments	(\$1)	-	(\$60)	-
Reported provision for income taxes	\$24	\$15	\$25	\$147

(1) See calculation in appendix.

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

Reconciliation tables

Slide one of three

Calculation of adjusted income before tax US\$M	4Q'20	4Q'19	FY'20	FY'19
Adjusted operating income ⁽¹⁾	\$143	\$88	\$509	\$760
Finance expenses	(\$46)	(\$25)	(\$158)	\$129
Share in earnings (losses) of equity-accounted investees and adjustments to financial expenses	\$1	-	\$5	\$1
Adjusted income before tax	\$98	\$63	\$356	\$632

Calculation of segment EBITDA and margin US\$M	Industrial Products		Potash		Phosphate Solutions		Innovative Ag Solutions	
	4Q'20	4Q'19	4Q'20	4Q'19	4Q'20	4Q'19	4Q'20	4Q'19
Segment profit	\$80	\$60	\$40	\$22	\$21	\$1	\$5	(\$2)
Depreciation and amortization	\$23	\$18	\$43	\$38	\$54	\$44	\$6	\$6
Segment EBITDA	\$103	\$78	\$83	\$60	\$75	\$45	\$11	\$4
Segment EBITDA margin	31%	27%	22%	20%	15%	11%	7%	3%

(1) See detailed reconciliation table – Adjustments to reported operating and net income (Non-GAAP) – in corresponding quarters' earnings release.
Note: Numbers may not add, due to rounding and set-offs.

Reconciliation tables

Slide two of three

Calculation of adjusted EBITDA US\$M	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20	FY'20	FY'19
Net income attributable to shareholders of the company	\$48	\$60	(\$168)	\$54	\$65	\$11	\$475
Financing expenses, net	\$25	\$52	\$31	\$29	\$46	\$158	\$129
Taxes on income	\$15	\$20	(\$33)	\$14	\$24	\$25	\$147
Minority and equity profit, net	-	-	<u>\$1</u>	<u>\$3</u>	<u>\$4</u>	<u>\$8</u>	<u>\$5</u>
Operating income	\$88	\$132	(\$169)	\$100	\$139	\$202	\$756
Minority and equity profit, net	-	-	(\$1)	(\$3)	(\$4)	(\$8)	(\$5)
Depreciation and amortization	\$113	\$118	\$119	\$123	\$129	\$489	\$443
Adjustments ⁽¹⁾	-	-	\$297	\$6	\$4	\$307	\$4
Adjusted EBITDA	\$201	\$250	\$246	\$226	\$268	\$990	\$1,198

Net debt to adjusted EBITDA US\$M	4Q'20
Net debt	2,463
Adjusted EBITDA	990
Net debt to adjusted EBITDA	2.5

(1) See detailed reconciliation table – Adjustments to reported operating and net income (Non-GAAP) – in corresponding quarters' earnings release.
Note: Numbers may not add, due to rounding and set-offs.

Reconciliation tables

Slide three of three

Calculation of free cash flow US\$M	4Q'20	4Q'19	FY'20	FY'19
Cash flow from operations	\$258	\$212	\$804	\$992
Additions to property, plant and equipment, and dividends from equity-accounted investees ⁽¹⁾	(\$178)	(\$155)	(\$616)	(\$546)
Free cash flow	\$80	\$57	\$188	\$446

Calculation of adjusted net income to income US\$M	4Q'20	4Q'19	FY'20	FY'19
Net income attributable to shareholders of the company	\$65	\$48	\$11	\$475
Total adjustments to operating income ⁽²⁾	\$4	-	\$307	\$4
Adjustments to finance expenses ⁽²⁾	-	-	-	-
Total tax impact of above operating income and finance expenses adjustments ⁽²⁾	(\$1)	-	(\$60)	-
Total adjusted net income - shareholders of the company	\$68	\$48	\$258	\$479

Calculation of adjusted operating income US\$M	4Q'20	4Q'19	FY'20	FY'19
Operating income	\$139	\$88	\$202	\$756
Impairment loss (reversal), provision for site closure and restoration costs	\$4	\$7	\$229	(\$3)
Provision for early retirement	-	-	\$78	-
Provision for prior legal proceedings	-	(\$7)	-	\$7
Total adjustments	\$4	-	\$307	\$4
Adjusted operating income	\$143	\$88	\$509	\$760

(1) Also includes proceeds from sale of Property, Plants and Equipment (PP&E).

(2) See detailed reconciliation table – Adjustments to reported operating and net income (Non-GAAP) – in corresponding quarters' earnings release.

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

Non-GAAP Financial Measures

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 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). 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 news release or to reflect actual outcomes, unless required by law.

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 present 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 above and 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 above and in the reconciliation table "Adjustments to reported operating and net income (Non-GAAP)" in the accompanying press release, excluding the total tax impact of such adjustments and adjustments attributable to the non-controlling interests. We calculate our adjusted EBITDA by adding back to the adjusted operating income the depreciation and amortization. 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 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 that such non-GAAP measures provide useful information to both management and investors by excluding certain expenses that management believes are not indicative of our ongoing operations. In particular for free cash flow, we adjust our CAPEX to include any Proceeds from 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 that 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 following discussion on our financial statements. You should read the following discussion together with our financial statements.