



# Report on executive remuneration 2024

February 13, 2025

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## INTRODUCTION

This report outlines the remuneration received by the members of the board and the Executive Leadership Team (ELT), previously known as the Corporate Management Board (CMB) in 2024. The ELT includes the Chief Executive Officer (CEO), the Executive Vice Presidents (EVPs) for the Business Areas, and the EVPs for the corporate staff areas.

The report has been prepared in accordance with section 6-16b of the Public Limited Liability Companies Act. In accordance with the section 6-16 b (2) of the Act, the report will be presented at the Annual General Meeting (AGM) on May 9, 2025, where it will be subject to an advisory vote.

This report should be read in conjunction with Hydro's remuneration policy for executive management, which was last approved by the shareholders at the AGM on May 7, 2024. The policy is available on Hydro's website, [Hydro.com](https://www.hydro.com)

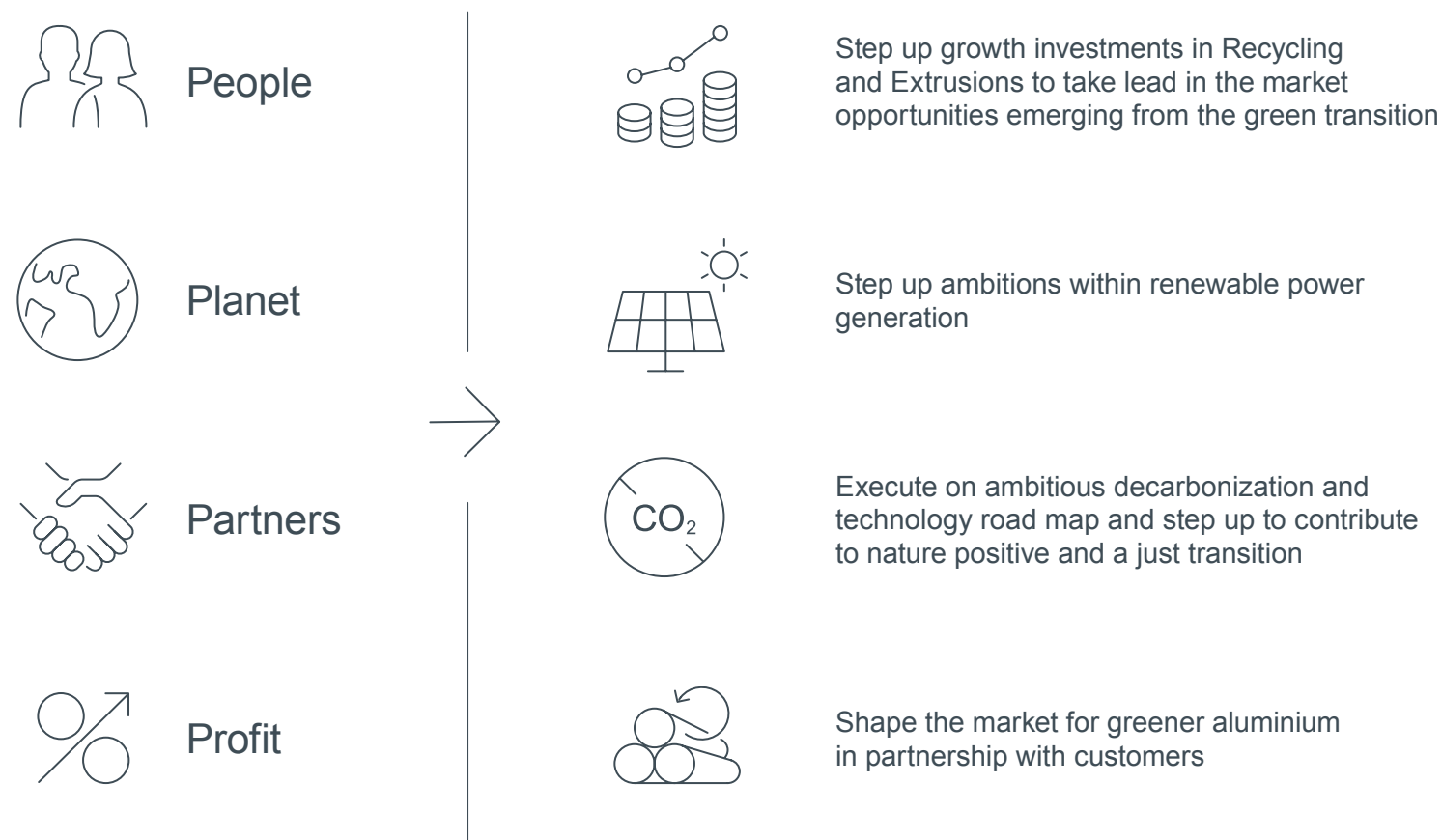
## Dear reader

Hydro understands that success is driven by the employees' dedication and hard work and the company is committed to fostering a workplace where everyone feels valued and rewarded for their contributions, regardless of their background or personal characteristics. Efforts are recognized and rewarded in a way that is both fair and motivating. Hydro's comprehensive reward system is crafted to ensure employees feel appreciated and motivated to excel.

Hydro's remuneration approach is designed to be competitive, ensuring that the reward packages are attractive and aligned with market standards. This helps attracting and retaining the best talents, keeping the workforce strong and capable. Hydro believes in rewarding performance. The compensation system is structured to encourage and recognize outstanding achievements, offering both short-term and long-term incentives that inspire and contribute to reaching the employees' full potential. By doing so, Hydro is able to retain critical competencies and resources within the organization, driving the collective success of the company. While competitive compensation is necessary to attract and retain top talent, moderation ensures that compensation packages are balanced and sustainable. An important tool to ensure competitiveness is through benchmarking.

### Shifting gear to capture opportunities in a new reality

Key steps for Hydro to lead the green aluminium transition towards 2030



Given Hydro’s exposure to international competition, considering the European market is crucial when benchmarking compensation. The benchmark analysis carried out in 2024 provided insight and confirmed the compensation packages in Hydro are moderate in a European perspective. The benchmarking revealed that while the CEO’s compensation was competitive within Norway, it lagged the European market. This finding reassured the board that the compensation level was moderate, aligning with the company’s commitment to fairness and sustainability.

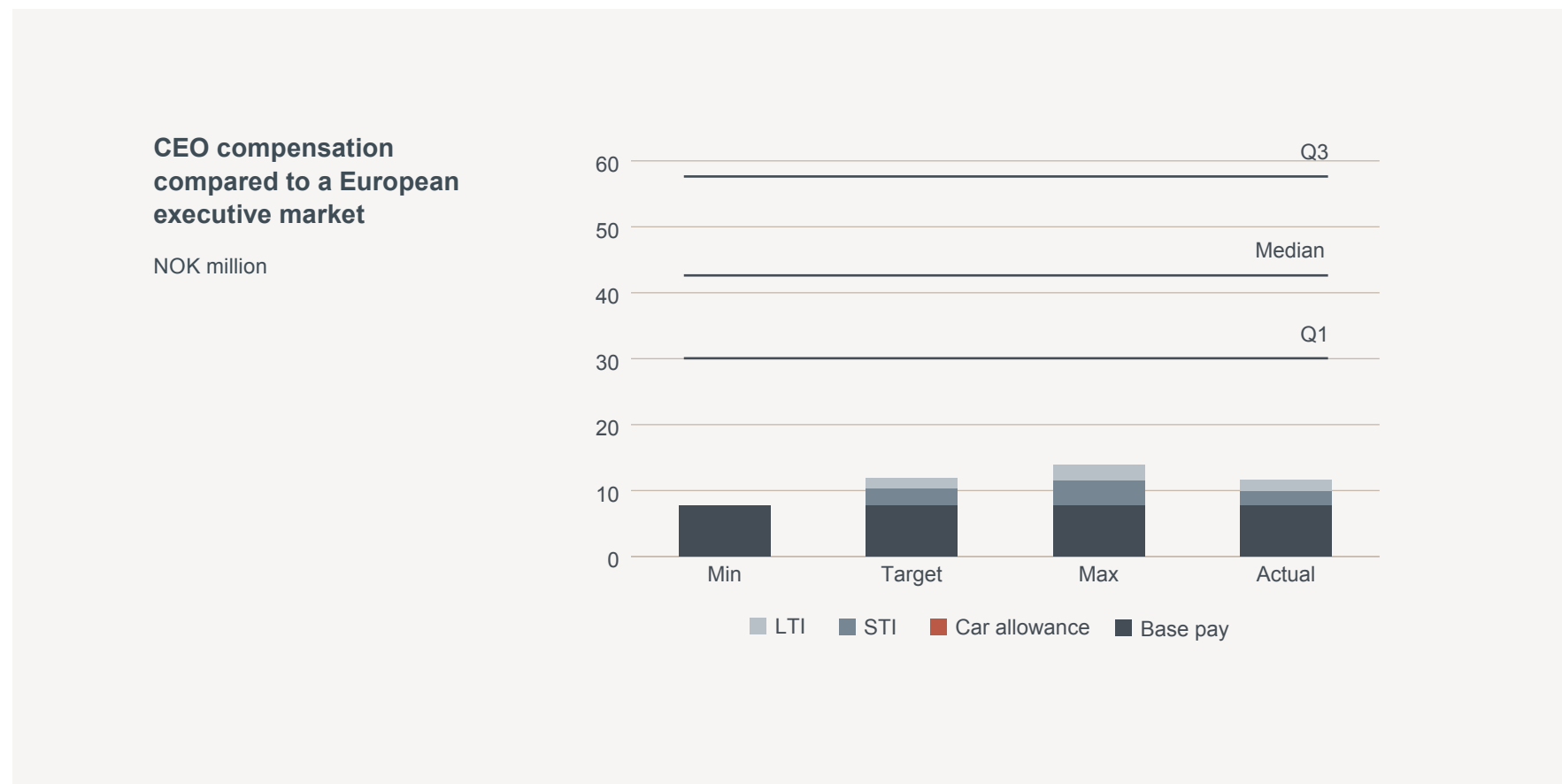
In accordance with the Norwegian State’s expectations as articulated in the 2024 AGM protocol, the board has evaluated the 2024 salary adjustments for the ELT. This evaluation considered nominal value in NOK, moderation, benchmarking, and competitiveness. Hydro’s remuneration policy, which aligns with shareholder interests, underscores the necessity of maintaining competitive compensation levels. To ensure competitiveness, remuneration, including expected annual salary adjustments, must be sufficient to attract and retain top talent. This is particularly pertinent given that one of Hydro’s key markets for critical competencies is the private industry sector, which is not subject to restrictions on annual salary adjustments. Based on extensive benchmarks of comparable positions in relevant Norwegian, Nordic, and general European industry markets, the board concluded that an adjustment based on the average NOK adjustment for all employees would represent a significant retention risk in terms of critical competence in ELT.

Hydro’s Report on Executive Remuneration for 2023 was presented at the 2024 AGM for an advisory vote. Approximately 23 percent of the votes cast were against the report, while around 77 percent were in favor.

To understand the voting results, Hydro engaged with different shareholders to gather their feedback. The goal was to align with their expectations, including those of our

largest shareholder, the Norwegian State, as outlined in their guidelines for executive remuneration.

During the AGM review of Hydro’s remuneration policy in May 2024, the Norwegian State commented on the expectation that the board, within its discretion, should consider whether changes to bonus potentials should also apply to current members of the ELT. The Board has considered



this expectation but decided not to adjust the bonus levels for current ELT members. This decision was based on the following:

- In previous changes to compensation schemes, a “soft-close” approach has been used, meaning employees covered by schemes that are being discontinued or altered retain their existing arrangements. New members are subject to the new terms.
- The State’s guidelines expressed an expectation that a reduction in bonus potentials should not automatically lead to an increase in base salary. The board aims to maintain competitive conditions, and a reduction would result in lower total compensation. The board determined that it is more transparent to retain the bonus potentials for current members of the ELT rather than potentially having to increase base salaries.

Further discussion with shareholders represented by their proxy advisors, provided valuable insight on two main concerns regarding Hydro’s Short-Term Incentive (STI) plan: the relative weight of each performance measure was too low, and there was a need for a clearer ESG (Environmental, Social, and Governance) profile.

To address these issues, Hydro have embarked on a two-phase project. The first phase, set to take effect in 2025, will simplify the structure of performance measures and introduce a balanced climate, ESG and financial-oriented STI plan. This will be implemented within the framework approved by the 2024 Annual General Meeting.

Looking ahead, the second phase, contingent on the approval of the 2026 AGM, will be implemented retroactively from 2026. This phase involves a potential redesign of both the STI and Long-Term Incentive (LTI) plans. The objective is to further align these plans with Hydro’s 2030 ambition, placing a stronger emphasis on climate, ESG and sustainable financial measures.

The remuneration packages for the ELT include both fixed and variable components. The variable elements are carefully designed to encourage behaviors and actions that align with Hydro’s strategic goals. When embarking on the path towards changes of the variable pay plans, Hydro must ensure that any changes contribute to long-term value creation for the shareholders and support a sustainable society, while at the same time ensuring that the leaders are motivated to drive positive outcomes for the company and the community.

In 2024, there were four changes in the ELT, Eivind Kallevik replaced Hilde Merete Aasheim as Chief Executive Officer (Aasheim has retired from Hydro), effective 13 May 2024. Trond Olaf Christophersen replaced Pål Kildemo as Chief Financial Officer (Kildemo has left Hydro), effective 13 May 2024. Hanne Simensen replaced Eivind Kallevik as EVP Aluminium Metal, effective 13 May 2024. Kari Thørud replaced Arvid Moss as EVP Energy (Moss has retired from Hydro), effective 1 July 2024.

Changes in the Board of Directors as of the 2024 AGM, Jane Toogood and Espen Gundersen replaced Dag Mejdell and

Petra Einarsson. Rune Bjerke replaced Dag Mejdell as Chair of the board.

Remuneration of the board and the ELT in 2024 was earned and paid in accordance with the policy for remuneration of executive management.



*Rune Bjerke*  
Rune Bjerke, Board Chair

# Governance

## **The Board's People & Remuneration Committee (formerly Compensation & People Committee)**

The Board's People & Remuneration Committee serves as a preparatory body for the board in matters concerning remuneration of the members of the ELT. The committee also prepares matters for the board's consideration concerning strategic employee processes such as succession planning, management and talent development, and diversity, belonging and inclusion. The committee shall regularly assess whether the salary and remuneration arrangements of the members of the ELT are appropriate and competitive.



## Committee members

### Rune Bjerke

#### *Position*

Adjunct Executive in Residence, Norwegian School of Economics.

#### *Education*

Exam. Oecon., University of Oslo; Master of Public Administration (MPA), Harvard University, Massachusetts USA.

#### *Current directorships*

Chair of Reitan Retail AS, Chair of Merkantilbygg Holding AS; Chair of Dinnergruppen Holding AS; Deputy Chair of Schibstedt ASA; Board member of Kronprinsparets Fond; Chair of Wallenius Wilhelmsen ASA.

#### *Attendance 2024*

9/9

### Kristin F. Kragseth

#### *Position*

CEO of Petoro.

#### *Education*

M. Eng, Ocean Engineering, Texas A&M University, USA; Engineer Marine, Høgskulen på Vestlandet; ExxonMobil Management Program; INSEAD Management Program.

#### *Current directorships*

Board member of Stavanger Sandnes Skøyteklubb, Deputy Board member of ONS (Offshore Nothern Seas).

#### *Attendance 2024*

8/9

### Arve Baade

#### *Position*

Employee representative representing the Norwegian union Industri Energi.

#### *Education*

Certificate of Apprenticeship in Process Studies.

#### *Current directorships*

Chair of Sunndal Chemical Union.

#### *Attendance 2024*

9/9

The committee consists of the following members:

Rune Bjerke (board chair and chair of the committee), Kristin Fejerskov Kragseth (deputy board chair), and Arve Baade (employee representative). Bjerke and Kragseth replaced Dag Mejdell in their respective positions as of the 2024 AGM.

The committee held 9 meetings in 2024, and the attendance rate was 97 percent.

In 2024, the committee's work focused on:

- Hydro's report on remuneration of executive management and revision of the Company's policy for remuneration of executive management.
- The Company's plans for variable remuneration, especially with a view to ensure that the plans encourage positive performance of the members of the ELT in accordance with Hydro's long-term strategy in a sustainable manner, with positive results for Hydro.
- Succession planning for critical positions in the Company.
- People strategy until 2030.

The mandate of the People and Remuneration committee is available on [Hydro.com](https://www.hydro.com).





### **Hydro's Remuneration Policy**

Hydro's current policy for remuneration of executive management was approved by shareholders at the Annual General Meeting on May 7, 2024. This policy explains the plans for variable pay, including detailed information on performance goals and how these plans are connected to Hydro's strategy for 2030. You can find the policy on [Hydro.com](https://www.hydro.com).

The purpose of Hydro's policy is to attract and keep qualified people in the ELT to manage the company sustainably and according to its long-term strategy. To do this, Hydro needs to offer competitive salaries and compensation packages that are in line with what is common in the relevant markets. However, Hydro aims to be competitive without being the highest-paying company.

The compensation for ELT members includes both fixed and variable parts. The variable pay plans are designed to encourage behaviors and actions that help achieve Hydro's strategy, increase long-term value for shareholders, and contribute to a sustainable society. The policy is based on Hydro's global principles for compensation.

## Reward philosophy

Our attitude

At Hydro, we believe that our people drive our success. We recognise that the value we create depends on the effort of each and everyone.

We are committed to creating a workplace that is fair and equitable for all, regardless of background and personal characteristics.

## Reward principles

Our system of belief

### Market competitive

Total reward shall be aligned with local market to ensure competitiveness

### Transparent

A description of the organization's reward elements should be available to all employees, and each employee (and her/his leader) should have a clear understanding of the employee's total reward. The reward should be based on clear and consistent criteria with due regard to the basic needs of the worker

### Performance oriented

The total reward should enhance and encourage performance-oriented behavior, short- and long-term, and retention of critical competence and resources

### Holistic

Total reward should be viewed holistically and be a well-balanced mix of monetary and non-monetary compensation elements, incl. career opportunities and other recognition elements, having the potential for differentiation, immediate and over time

## Our reward fundamentals

How we execute our beliefs

In Hydro, the total reward concept includes all reward elements, both monetary and non-monetary.

The sum of all elements should aim at ensuring the attractiveness of the total reward package.

## Remuneration structure

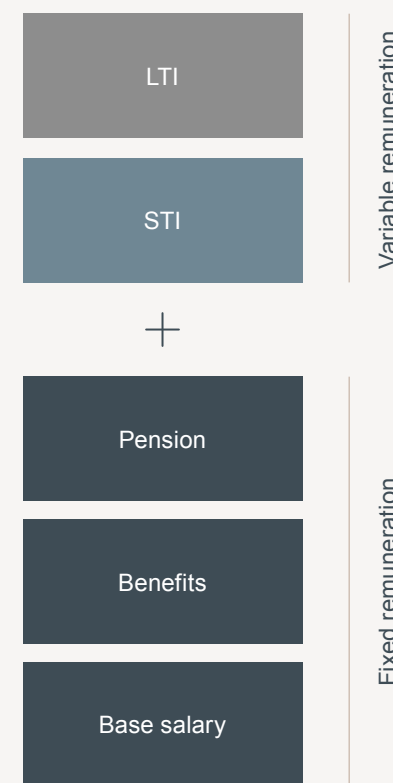
The remuneration package offered to executives in Hydro is designed to be competitive but not market leading and to attract high-performing executives who can deliver on the company’s vision and strategy. The remuneration package is aligned with the local markets the executives operate in, the interests of the shareholders and the long-term value creation of the company. The package consists of four main elements: fixed annual base salary, short-term incentive plan (STI), long-term incentive plan (LTI), pension and benefits.

The members of the ELT do not receive remuneration for management or board roles in Hydro’s subsidiaries or joint venture companies.

### Overview of the various remuneration elements offered to the members of the Executive Leadership Team in Hydro

Element	Purpose	How it operates
Base salary	Attract and retain qualified people for corporate management. Competitive but not market leading.	The base salaries of the members of the ELT are, in general, adjusted annually according to the local salary adjustment framework for all employees. In order to safeguard competitiveness, Hydro regularly carries out an assessment of the salary levels through comparative analyses of market pay for similar positions in relevant markets.
Pension and benefits	Attract and retain qualified people for corporate management. Competitive but not market leading.	In general, members of the ELT participates in the defined contribution scheme offered to all employees. Benefits include a car allowance in addition to work-related benefits such as phone, internet etc.
Short-term incentive (STI)	Drive performance that will help Hydro deliver on its strategic agenda, increase long-term value for our stakeholders and contribute to a sustainable society.	Cash-based with a qualifying period of 12 months that follows the calendar year. Maximum potential for the CEO and other members of the ELT is 25% percent of base salary for members joining the ELT on or after January 1, 2024.
Long-term Incentive (LTI)	Support the Company’s long-term strategy, contribute to the retention of corporate management and align the interest of management and shareholders through share ownership	Performance-based where the members of the ELT must invest the awarded LTI-amount in Hydro shares with a lock-in-period of three years. Maximum potential is 30 percent of base salary.
Employee share purchase plan (ESPP)	Promote share ownership among employees, including the ELT, to align interests with shareholders.	Employees, including members of the ELT with a Norwegian employment contract, can purchase Hydro shares worth up to NOK 30 000 at a 50 percent discount.

## Executive remuneration in Hydro





## Changes in, and remuneration of the members of, the Executive Leadership Team in 2024

### Changes in the position of CEO

Effective 13 May 2024, Eivind Kallevik, the then EVP Aluminium Metal (EVP AM) succeeded Hilde M. Aasheim as CEO of the Company. Aasheim remained an employee of Hydro until she retired with effect from 1 July 2024.

At the time she stepped down as CEO, Aasheim's base salary was NOK 7 776 thousand. Her base salary was not adjusted in 2024. In the period 1 January to 12 May, Aasheim received a total remuneration of NOK 5 884 thousand. She earned no LTI in 2024.

Eivind Kallevik's base salary as CEO is NOK 7 700 thousand. At the time Kallevik took over as CEO, his base salary as EVP AM was NOK 4 376 thousand. None of the base salaries was adjusted in 2024.

Kallevik earned variable pay (STI and LTI) in his position as EVP AM in the period 1 January to 12 May, and in his position as CEO in the period 13 May to 31 December, based on the base salary as EVP AM and the base salary as CEO, respectively.

Kallevik received a total remuneration in aggregate for both positions of NOK 13 615 thousand. Fixed remuneration (paid salary and payment of other benefits) accounted for 71 percent of Kallevik's total remuneration in 2024, while variable remuneration (earned STI and LTI) accounted for 29 percent of total remuneration.

### Changes in other positions in the ELT

Hydro's EVP and Chief Financial Officer (CFO), Pål Kildemo, resigned from his position on 29 February 2024 and stepped down from the role of CFO and member of the ELT effective 6 March. Kildemo remained on garden leave until leaving Hydro effective 1 September. At the time of stepping down from the role of CFO, Kildemo's base salary was NOK 4 206 thousand. The base salary was not adjusted in 2024. Kildemo earned no variable pay (STI and LTI) in 2024, and his LTI earned in 2023 was forfeited. However, he kept his STI that had been earned in 2023, and which was paid out in March 2024.

Trond Olaf Christophersen took on a temporary assignment as EVP and CFO effective 6 March in addition to his role of EVP Corporate Development (EVP CD). During

the term of the temporary assignment, 6 March to 12 May, Christophersen received a monthly compensation of NOK 150 thousand in addition to his remuneration as EVP CD. No pension rights or variable pay (STI and LTI) were earned on the compensation.

Christophersen was appointed EVP and CFO effective 13 May. The role of EVP CD was incorporated into the position of CFO. Christophersen's base salary as EVP and CFO is NOK 4 400 thousand. At the time Christophersen took over as CFO, his base salary as EVP CD was NOK 3 261 thousand. None of the base salaries was adjusted in 2024.

Christophersen earned variable pay (STI and LTI) in his position as EVP CD in the period 1 January to 12 May and in his position as EVP and CFO in the period 13 May to 31 December, based on the base salary as EVP CD and the base salary as EVP and CFO, respectively.

Effective 13 May 2024, Hanne Karine Simensen succeeded Eivind Kallevik as EVP Aluminium Metal. Simensen came from the position of Head of Commercial in Aluminium Metal. Simensen's base salary as EVP AM is NOK 4 400 thousand. The base salary was not adjusted in 2024.

Simensen earned variable pay (STI and LTI) in her position as EVP AM in the period 13 May to 31 December.

Effective 1 July 2024, Kari Ekelund Thørud succeeded Arvid Moss as EVP Energy. Thørud came from the position of Head of VP Ownership Governance in Hydro Energy. Thørud's base salary as EVP Energy is NOK 4 000 thousand. The base salary was not adjusted in 2024. Thørud earned variable pay (STI and LTI) in her position as EVP Energy in the period 1 July to 31 December.

At the time of stepping down from the position as EVP Energy, Arvid Moss's base salary was NOK 3 897 thousand. Moss continued in a different position in the Company until 31 December when he retired. Moss earned STI in his capacity as EVP Energy in the period 1 January to 30 June 2024, but earned no LTI for 2024.

When assessing the compensation offered to Christophersen, Simensen and Thørud, a benchmark was carried out.

Regarding Christophersen, the benchmark showed that the market for CFO positions in Norway justified a new salary

of NOK 4 400 thousand. Besides, combining the EVP Corporate Development and the CFO roles, his responsibility increased.

Regarding Simensen and Thørud, the benchmark for similar EVP roles with P&L responsibility in Norway resulted in a salary range between NOK 3 700 – 4 700 thousand. The main reason for differentiating the salaries of the two EVPs was the difference in size and geographical complexity between the two business areas.

#### **Other members of the ELT**

For other members of the ELT with a Norwegian employment contract, the average base salary increased by NOK 197 278 (5.2 percent) in 2024. The average base salary increase for other employees in Norway increased by NOK 49 713 (6.15 percent) in 2024. Fixed remuneration for members of the ELT accounted for 72 percent on average of total remuneration, while variable elements accounted for 28 percent

See the next page for a detailed overview of total remuneration for each member of the ELT in 2024.

## Total remuneration<sup>1</sup>

		Base salary <sup>2</sup>	Salary paid <sup>3</sup>	Other benefits paid <sup>4</sup>	Compensation pension paid <sup>5</sup>	Pension benefits <sup>6</sup>	STI earned <sup>7</sup>	LTI earned <sup>8</sup>	Total compensation <sup>9</sup>	Portion fixed <sup>10</sup>	Portion variable <sup>11</sup>
Eivind Kallevik <sup>12</sup>	2024	7 700	6 817	110	21	2 764	2 187	1 717	13 616	71%	29%
President & Chief Executive Officer	2023	4 376	4 599	478	55	2 257	1 080	1 313	9 782	76%	24%
Trond Olaf Christophersen <sup>13</sup>	2024	4 400	4 033	105	396	1 760	1 111	1 053	8 458	74%	26%
EVP & Chief Financial Officer	2023	3 261	3 347	110	386	819	791	978	6 431	72%	28%
Therese Rød Holm	2024	2 766	2 820	99	0	172	710	692	4 493	69%	31%
EVP Communication & Public Affairs	2023	2 623	2 628	91	0	163	610	787	4 279	67%	33%
Anne-Lene Midseim <sup>14</sup>	2024	3 343	3 462	101	127	1 694	932	907	7 223	75%	25%
EVP Compliance, IP & General Counsel	2023	3 170	3 296	350	124	1 489	769	951	6 979	75%	25%
Hilde Vestheim Nordh	2024	3 073	3 188	94	349	532	832	811	5 806	72%	28%
EVP People & HSE	2023	2 914	3 051	101	341	481	692	874	5 540	72%	28%
Hanne K. Simensen <sup>15</sup>	2024	4 400	3 025	70	72	1 397	479	743	5 786	79%	21%
EVP Hydro Aluminium Metal	2023	N/A									
John G. Thuestad <sup>16</sup>	2024	6 658	10 845	430	632	477	2 120	1 758	16 262	76%	24%
EVP Bauxite & Alumina	2023	6 341	9 557	454	610	381	1 517	1 902	14 421	76%	24%
Kari Thørud <sup>17</sup>	2024	4 000	2 112	59	0	87	357	528	3 143	72%	28%
EVP Hydro Energy	2023	N/A									
Paul Warton <sup>18</sup>	2024	7 831	9 901	940	425	137	4 307	2 141	17 851	64%	36%
EVP Hydro Extrusions	2023	7 185	9 367	827	306	235	3 307	2 123	16 165	66%	34%
Hilde Merete Aasheim <sup>19</sup>	2024	7 776	3 401	42	0	1 461	979	0	5 883	83%	17%
former President & CEO	2023	7 776	8 230	174	0	2 164	2 405	2 333	15 306	69%	31%
Pål Kildemo <sup>20</sup>	2024	4 208	975	16	81	41	0	0	1 113	100%	0%
former EVP & CFO	2023	4 208	4 371	115	437	198	1 062	1 262	7 445	69%	31%
Arvid Moss <sup>21</sup>	2024	4 091	2 175	52	0	3 018	568	0	5 813	90%	10%
former EVP Hydro Energy	2023	3 897	4 038	107	0	1 463	927	1 169	7 704	73%	27%

## Individual terms

### Pension

Hydro shall offer pension plans that are attractive and aligned with local practice. Members of the ELT with a Norwegian employment contract generally participate in Hydro's defined contribution pension plan. Base salary and car allowance are included in the basis for calculation of earned pension.

#### *Defined contribution pension plan*

Hydro's defined contribution pension plan is the only open occupational pension plan in Hydro's Norwegian entities. All new employees, including new members of the ELT, join this plan. The contribution rate in the defined contribution plan is 6 percent of pensionable salary between 0 and 7.1G<sup>22</sup> and 20 percent of pensionable salary between 7.1G and 12G. No pension entitlement is earned on the portion of pensionable salary that exceeds 12G. From 1 January 2025, the contribution rate will increase to 7% between 0 and 7.1G and 21% between 7.1G and 20G for all employees.

#### *Closed pension plans*

Some of the current ELT members participate in pension plans that are closed to new members. This applies to the following plans:

#### *Defined benefit pension plan*

This pension plan was closed to new members in 2010, and from 2014, only current members aged 52 or over were given the opportunity to continue in the plan. Employees who were transferred from a defined benefit to a defined contribution pension plan receive an annual compensation for any calculated loss in pension capital at the age of 67. The compensation is based on pensionable salary at the time of transfer and is adjusted annually by 2.5 percent.

#### *Defined contribution plan for salary above 12G*

Hydro's 12G plan was closed to new members in 2016, but employees with salary above 12G at the time of closing were allowed to continue in the plan. This also applied to those who were members of the ELT at the time the plan was closed.

Any new ELT members who are recruited internally and are already part of the 12G plan will have their 12G earnings put on hold. Any shortfall in earnings in the 12G plan after being appointed to the ELT will be compensated annually with an amount equal to 20 percent of the difference between 12G and base salary at the time of appointment to the ELT (limited to NOK 3.5 million).

Upon assuming the position as EVP AM, Hanne K. Simensen had her 12G plan put on hold, and for this she receives compensation.

### Termination of employment

The members of the ELT normally have a notice period of six months. During the notice period, the agreed remuneration terms continue, though with reservations for STI and LTI, which may lapse in accordance with the rules for the plans in force at any given time.

Upon termination of an employment relationship initiated by the Company, the ELT member concerned is normally entitled to six months' severance pay calculated from the date of termination of the employment relationship. Severance pay is paid monthly and is based on base salary. Remuneration or other income which the outgoing ELT member earns during the severance pay period, is deducted from the severance pay.

If the employment contract terminates as a result of gross breach of duty or other material breach of the employment contract, the right to severance pay will lapse. The right to severance pay will also lapse if the outgoing member of the ELT is entitled to disability benefit, early retirement pension or retirement pension.

In 2024, Pål Kildemo resigned from the position of EVP and CFO. The Company imposed a six-month competition restriction on him with effect from 1 September, which is compensated by a monthly payment of regular base salary for the six months 1 September 2024 to 28 February 2025. Deductions will be made for remuneration that Kildemo receives or earns during the period in which the non-compete is applied, in excess of NOK 1 000 thousand.

#### Employment on terms other than Norwegian terms

ELT members on an international employment contract may receive remuneration that deviates from the provisions in the policy in terms of size, content and character. The remuneration shall, nevertheless, and as far as practical, be in accordance with the purpose and principles of the policy, though taking into account local conditions and/or market practice in the applicable country

#### Pension status for members of the Executive Leadership Team

	Scheme	Pension earning above 12G	Compensation for 12G-earning put on hold	Compensation for transfer from DB to DC
Kallevik Eivind	DC	Yes	No	Yes
Christoffersen Trond Olaf	DC	On hold	Yes	Yes
Holm Therese Rød	DC	No	No	No
Midseim Anne-Lene	DC	Yes	No	Yes
Nordh Hilde V.	DC	On hold	Yes	Yes
Simensen Hanne	DC	On hold	Yes	Yes
Thuestad John G.	DC	On hold	Yes	No
Thørud Kari	DC	No	No	No
Warton Paul	DC (local UK)	N/A	N/A	N/A

DC= Defined contribution

DB = Defined benefit



## Variable remuneration

Variable remuneration shall be linked to performance. The variable remuneration plans shall motivate the members of the ELT to achieve performance targets that are linked to the Company's long-term strategy and sustainability.

The Company's long-term strategic agenda of "pioneering the green aluminium transition, powered by renewable energy" lays the foundation to position the Company as a robust and profitable industrial leader based on innovation and sustainability.

Hydro's track record of renewable, sustainable industrial development and close customer collaboration combined with an interlinked commercial and sustainability agenda provide a solid foundation for the future. Hydro's four key strategic areas for unleashing the green aluminium transition will be focusing on recycling, renewable power generation, decarbonization, and shaping the market for greener aluminium.

The variable pay plans in Hydro will support the long-term strategic agenda through balanced scorecards of performance measures linked to the various aspects of Hydro's strategy. In order to drive the right behaviors and create the desired results, plan design shall be simple and easy to understand, with relevant, transparent, measurable, and influenceable criteria. In the target-setting, the

relevant criteria should reflect performance beyond what is expected.

### Short-term incentive (STI)

The purpose of Hydro's STI plan for members of the ELT is to reward short-term goals that align with the Company's long-term strategic agenda.

The 2024 STI plan is cash based with a performance period

of 12 months that follows the calendar year. Maximum potential for the CEO and other members of the ELT is 25% of base salary for members joining the ELT on or after January 1, 2024. For an overview of the maximum earning potential, see table below.

Hanne K. Simensen and Kari Thørud, who both joined the ELT in 2024, have a maximum STI potential of 25 percent of their base salary.

### STI overview for members of the ELT 31 December 2024

Name	Country	Year joining ELT	Current position	Max STI
Kallevik Eivind	Norway	2013	CEO	50 percent
Kallevik Eivind	Norway	2013	EVP Bus. Area	40 percent
Christoffersen Trond Olaf	Norway	2022	EVP & CFO	40 percent
Holm Therese Rød	Norway	2022	EVP Group Staff	40 percent
Midseim Anne-Lene	Norway	2015	EVP Group Staff	40 percent
Nordh Hilde V.	Norway	2019	EVP Group Staff	40 percent
Simensen Hanne	Norway	2024	EVP Bus. Area	25 percent
Thuestad John G.	Norway	2018	EVP Bus. Area	40 percent
Thørud Kari	Norway	2024	EVP Bus. Area	25 percent
Warton Paul	UK	2021	EVP Bus. Area	75 percent

## The three components of the STI-plan



Financial goal



Performance goals linked to Hydro's long-term ambition



Individual goals

There is no minimum nor guaranteed bonus. Members of the ELT on local contracts outside Norway may have other bonus potentials. Currently, this applies to Paul Warton who is employed on local UK terms with a bonus potential of 75 percent.

The STI plan consists of three components:

- The financial goal
- Performance goals linked to Hydro's long-term strategy.
- Individual goals

Payment according to the STI plan is conditional on the Company having a positive adjusted EBIT.

### *The financial goal*

ARoaCE for STI-purposes is based on market value of equity, which differs from the ARoaCE used to measure the results for the Group as a whole, and within the various operating segments, which is based on book value of equity.

The financial goal is to ensure that the ARoaCE based on market value of equity is higher than the annual internal return requirement of 13 percent. The financial goal is in accordance with Hydro's priority of securing a return on capital that is higher than the cost of capital.

The financial goal is weighted at 35 percent. The earnings profile is linear between a threshold value of 5 percent and a target of 13 percent ARoaCE, where an ARoaCE of

5 percent equals 50 percent earning and an ARoaCE of 13 percent equals 100 percent earning. ARoaCE above 13 percent does not trigger any further payment.

### *Performance goals*

The second component of the STI plan is linked to Hydro's long-term strategy.

The performance goals are divided into four categories: profit, partners, planet and people. The performance criteria are a mix of financial, operational, strategic and organizational goals that support Hydro's long-term strategic ambition.

The long-term strategy and the associated ambitions as well as the 2024 performance goal achievement are presented on [pages 24 to 25](#).

The results are measured both at Group level and for each business area. The performance goals at business area level are derived from the goals for the Group. The specific goals and number of performance criteria in each category may vary from year to year depending on Hydro's priorities. The criteria for the individual years will nevertheless reflect continuous improvement compared with the starting point and will increase from year to year to ensure that Hydro can implement its long-term ambition. The different goals are weighted equally.

Hydro follows a rigorous process when the annual performance goals are determined for the members of the ELT. The process starts after the annual strategy and risk update to ensure compliance with Hydro’s key strategic priorities. Selected goals at Group level are broken down into the various business areas and further down in their organizations. The final goals for the year are determined through a business planning process that works from the bottom up, ensuring sufficiently ambitious goals in which

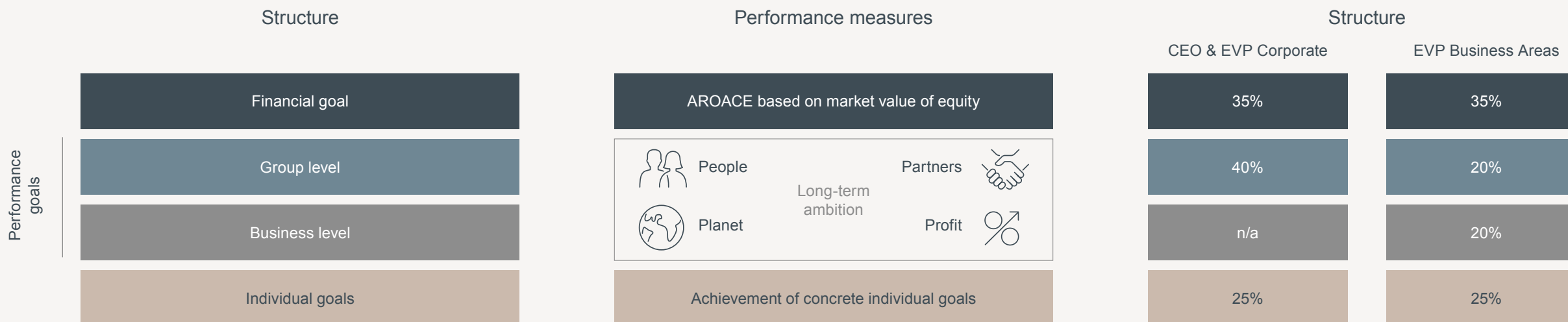
the entire organization has ownership. The goal setting process goes through several rounds in the ELT, and the People & remuneration committee before the goals are presented for final decision by the board.

The CEO and the EVPs for the Group staff functions are measured on performance goals at Group level. The total weighting is 40 percent. EVPs with business area responsibility are measured on both performance goals at Group

level and on specific goals for their respective business areas. Each component is weighted at 20 percent, with a total weighting of 40 percent.

In 2024, the performance goals were a mixture of binary goals (achieved/not achieved) and goals with a linear earning profile. The starting point for the linear earnings profile is 80 percent (threshold value), which triggers a

## STI-plan with performance measures and weighting



bonus achievement of 75 percent. Thereafter, earnings are linear up to a maximum score of 100 percent.

*Individual goals*

The individual performance criteria aim to measure the individual achievements of the members of the ELT in the areas of safety, leadership, and the implementation of specific strategic initiatives within the executive's functional area. Typical goals can be linked to Hydro's employee survey, succession planning, portfolio structure and technology development, as well as HSE goals. The individual criteria, which are assigned a total weight of 25 percent, include business sensitive goals and individual performance goals that are not disclosed in this report. An overall

assessment is made to determine the achievement of the individual goals. The maximum goal achievement cannot exceed 100 percent.

Hydro applies the STI design as described above to follow up and measure our performance and achievement on the Hydro strategy. The following pages outline how the strategy is incorporated in the STI design, supporting the long-term ambition as well as measuring milestones through yearly targets.

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26.3

billion NOK  
adjusted EBITDA

8.5%


adjusted  
RoaCE

16.0

billion NOK  
net debt



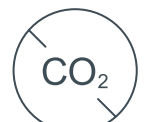
# Group long-term ambition supporting 2030 strategy



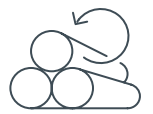
Step up growth investments in Recycling and Extrusions



Step up ambitions within renewable power generation



Execute on decarbonization roadmap, contribute to nature positive and a just transition



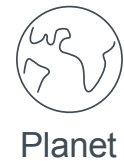
Shape the market for greener aluminium in partnership with customers



**Health and safety**

Hydro follows a zero mindset when it comes to the health and safety of our employees and contractors.

- Zero fatalities and zero life changing injuries.
- Continuous improvement on total recordable injuries (TRI) and high-risk incidents (HRI).



**Climate**

- Reduce CO<sub>2</sub> emissions by 30 percent by 2030 against 2018 baseline, and net zero by 2050.
- Execute decarbonization roadmap in Alunorte, including fuel switch and electrification of boilers, which is a key enabler for GHG and non-GHG emission reduction in Hydro.
- Reduce specific Scope 3 emissions by 30 percent per tonne aluminium by 2030 against 2018 baseline.

**Environment**

- Biodiversity: no net loss of biodiversity in new projects and no net loss of biodiversity for our bauxite mine, from a 2020 baseline.



**Customer satisfaction**

- Hydro aims to ensure high customer satisfaction and measures on time delivery using an internal customer satisfaction index. Hydro will continue to stretch the targets for these metrics toward 2030.



**Improvement ambitions**

- Improvement program target of NOK 14 billion accumulated improvements by 2030 against 2018 baseline.
- Commercial ambition of NOK 6.1 billion accumulated improvements by 2030 against 2018 baseline.

**People, inclusion and diversity**

Hydro shall attract, source and retain talent to enable sustainable strategic growth through building a solid pipeline of future successors for business-critical roles. To support this vision, Hydro aim to improve performance on inclusion, engagement, integrity and collaboration indices in the bi-annual Hydro Monitor survey. Furthermore, stated gender diversity targets for 2025 are:

- 25 percent women in permanent and temporary positions by 2025.
- 25 percent women leaders by 2025.

- Waste: eliminate landfill of recoverable waste (2040), recycle 65 percent of spent pot linings by 2030.
- Non-GHG emissions: Reduce fossil-fuel based, non-GHG emission by 50 percent by 2030 against 2017 baseline.

**Social responsibility**

- Transparency and traceability of key sustainability data for our products by 2025 or earlier.
- Support the just transition by contributing to social and economic development.
- Provide quality education and capacity building for 500,000 people by 2030.

**Greener products**

- Hydro is also focused on meeting and shaping customer demand for greener products and has an ambition to increase greener premiums to NOK 2 billion by 2030.

**Growth ambitions**

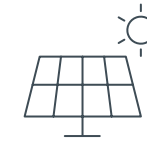
- Growth ambitions in Recycling targeting to lift EBITDA to NOK 5-8 billion and increase use of post-consumer scrap to 850-1200 kt by 2030.
- Growth ambitions in Extrusions targeting to lift EBITDA to NOK 10-12 billion in real 2023 terms.

# Group 2024 targets supporting the ambitions of the 2030 strategy

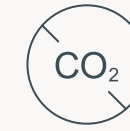
## 2030 strategic focus areas



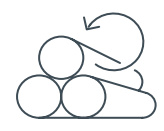
Step up growth investments in Recycling and Extrusions



Step up ambitions within renewable power generation



Execute on decarbonization roadmap, contribute to nature positive and a just transition



Shape the market for greener aluminium in partnership with customers

Strategic focus	KPI #	Definition	Target 2024	Step up growth investments in Recycling and Extrusions	Step up ambitions within renewable power generation	Execute on decarbonization roadmap, contribute to nature positive and a just transition	Shape the market for greener aluminium in partnership with customers
 People	1.	Preventing severe accidents	Zero HSE incidents within defined severity categories	●	●	●	●
	2.	Cyber security	Reduce Cyber Security Risk across selected critical business assets owned by GRIT or Business Areas	●	●	●	●
	3.	Employee experience	Increase score on specific Hydro Monitor indices (engagement, inclusion, integrity culture, and collaboration)	●	●	●	●
 Planet	4.	Climate	Achieve 30% CO <sub>2</sub> emission reduction target by 2030: Reduce Hydro Group CO <sub>2</sub> emissions per ton as planned in 2024		●	●	●
	5.	Nature	1. Biodiversity - achieve targeted land rehabilitation 2. Reduce recoverable waste sent to landfill	●		●	●
 Partners	6.	Customer orientation	Customer satisfaction: OTD and customer satisfaction study in AM	●	●		●
	7.	Greener products	Total upcharge revenue per year from Greener product sales	●		●	●
 Profit	8.	Improvement program	Achieve Hydro Group improvement target, accumulated 2024	●		●	
	9.	Commercial initiatives	Realize commercial ambitions in Extrusions, AM and B&A	●		●	●
	10.	Recycling growth	Develop and pursue profitable projects supporting growth ambitions within Recycling.	●		●	●

*STI results 2024*

2024 was a year characterized by increasing geopolitical tensions and unpredictability. Despite challenging market conditions, we are strengthening our position in the market, supporting our conviction that the long-term opportunities in aluminium remain strong. Hydro is on a solid path executing on our 2030 ambition of pioneering the green aluminium transition, powered by renewable energy.

In 2024, challenging market conditions created headwinds in meeting our EBITDA targets. We delivered an adjusted EBITDA of NOK 26 318 million, and corresponding return on capital (RoCE) of 8.5 percent, below our target of 10 percent over the cycle. For the purpose of calculating the STI and LTI for the members of the ELT, ARoCE based on market value of equity is used. In 2024 this was 6.9 percent.

We delivered NOK 10.1 billion from our improvement program, surpassing the NOK 9.5 billion target set last year. Our commercial initiatives have generated NOK 2.6 billion in value. These initiatives and improvement programs enhance Hydro’s competitive edge and support earnings resilience across economic cycles.

Ambitions		
0	25%	78%
Fatalities or life-changing injuries	Women overall and leadership by 2025	Score on the Inclusion Index by 2024
Results		
1/1	24%/21%	75%
Fatality/life-changing injury in consolidated operations	Women overall/in leadership positions	Score on the Inclusion Index





The four main pillars of our strategy towards 2030 are stepping up growth investments in Recycling and Extrusions, stepping up ambitions within renewable power generation, executing on the decarbonization road map and shaping the market for greener aluminium through partnerships.



The well-being of our employees is fundamental to our success. Achieving our strategic ambition of pioneering the green aluminium transition requires significant efforts across our organization. While machines, technology, and solutions can be bought, our people remain the key differentiator. Their competence, engagement, and well-being are essential to Hydro's competitive advantage.

To strengthen this foundation, we launched a new people strategy in November 2024. This strategy supports Hydro's overall ambitions by placing leadership, growth, innovation, and belonging at the center—ensuring our employees are well-supported and equipped to drive our agenda forward. Additionally, we have a clear roadmap for diversity, equity, and inclusion, reinforcing our commitment to a strong and inclusive work environment. A good work environment leads to better results, and we work systematically to make this a reality.

The next pages contain a presentation of the achievements of the performance goals set for 2024 pursuant to the long-term ambitions.



	Hydro	Bauxite & Alumina	Energy	Aluminium Metal	Extrusions
 <p>People</p>	<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>Target of no fatalities and life changing injuries not achieved.</li> </ul> <p><b>Cyber security</b></p> <ul style="list-style-type: none"> <li>Achieved target to improve control environment effectiveness scores for the top 6 prioritized cyber security risks</li> </ul> <p><b>Employee experience</b></p> <ul style="list-style-type: none"> <li>Did not achieve targeted improvements across collaboration, engagement, inclusion and integrity culture in the annual employee survey</li> </ul>	<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>Achieved target of no fatalities and life changing injuries.</li> </ul> <p><b>Cyber security</b></p> <ul style="list-style-type: none"> <li>Achieved target for cyber security risk mitigation.</li> </ul> <p><b>People, inclusion and diversity</b></p> <ul style="list-style-type: none"> <li>Target of 24.5% female and 5.5% disabled in B&amp;A organization met.</li> <li>Development Program and Individual Plan for Candidate Pool achieved.</li> </ul>	<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>Fulfilled all targets within health and safety.</li> </ul> <p><b>Compliance</b></p> <ul style="list-style-type: none"> <li>Targets on governance compliance and Code of conduct training &amp; awareness building reached</li> </ul> <p><b>People, inclusion and diversity</b></p> <ul style="list-style-type: none"> <li>Target on enabling organizational strategic growth was achieved</li> </ul>	<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>Target not achieved due to one fatal accident in our Joint Venture in Albras, July 2024 and one life-changing accident in Albras, December 2024.</li> </ul> <p><b>Cyber security</b></p> <ul style="list-style-type: none"> <li>Target achieved for reduction in vulnerability in Industrial Control Systems.</li> </ul> <p><b>People, inclusion and diversity</b></p> <ul style="list-style-type: none"> <li>Target not achieved as only one of three indices showed improvement from 2023 Hydro Monitor baseline.</li> </ul>	<p><b>Health and safety</b></p> <ul style="list-style-type: none"> <li>Achieved target of no fatalities and life changing injuries.</li> </ul> <p><b>Cyber security</b></p> <ul style="list-style-type: none"> <li>Achieved target where all controls were implemented to mitigate Cyber security Risk.</li> </ul> <p><b>People, inclusion and diversity</b></p> <ul style="list-style-type: none"> <li>2 out of 3 targets achieved</li> </ul>
Achievement	33%	100%	100%	33%	100%
 <p>Planet</p>	<p><b>Climate</b></p> <ul style="list-style-type: none"> <li>CO<sub>2</sub> emissions scope 1 and 2 on track to realizing midterm carbon emission reduction targets.</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>Achieved target to rehabilitate an additional 100 hectares in its legal reserve, which comprises degraded land not impacted by Hydro operations.</li> <li>Achieved reduction target for recoverable waste sent to landfill</li> </ul>	<p><b>Climate</b></p> <ul style="list-style-type: none"> <li>Target for CO<sub>2</sub> emissions per tons of alumina achieved.</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>Achieved target to rehabilitate an additional 100 hectares in its legal reserve, which comprises degraded land not impacted by Hydro operations.</li> <li>Reduction target for recoverable waste sent to landfill achieved.</li> </ul>	<p><b>Sustainability</b></p> <ul style="list-style-type: none"> <li>Reached target on implementing sustainability across the Energy agenda and roles</li> </ul>	<p><b>Climate</b></p> <ul style="list-style-type: none"> <li>Target achieved for reduction in CO<sub>2</sub> emissions. On track to realizing mid-term carbon emission reduction targets.</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>Target achieved for reduction of recoverable waste sent to landfill.</li> </ul>	<p><b>CO<sub>2</sub> emissions</b></p> <ul style="list-style-type: none"> <li>Target not achieved partly due to the production mix of recycled aluminium and extrusion manufacturing.</li> </ul> <p><b>Environment</b></p> <ul style="list-style-type: none"> <li>The 2024 target was achieved, and Hydro Extrusion is on the way to execute towards our long-term ambition.</li> </ul>
Achievement	100%	100%	100%	100%	50%

	Hydro	Bauxite & Alumina	Energy	Aluminium Metal	Extrusions
 <p><b>Partners</b></p>	<p><b>Customer satisfaction</b></p> <ul style="list-style-type: none"> <li>Achieved target to be ranked as the number one on customer satisfaction study, however target for on-time delivery not achieved.</li> </ul> <p><b>Greener products</b></p> <ul style="list-style-type: none"> <li>Target achieved for upcharge revenue from greener products.</li> </ul>			<p><b>Customer satisfaction</b></p> <ul style="list-style-type: none"> <li>Target met for PIMs Score, where AM continued to be ranked as the number one quality supplier on relative value compared to peers in customer satisfaction study. However, KPI not achieved due to logistical challenges caused by poor weather conditions impacted on-time-delivery (OTD).</li> </ul> <p><b>Greener products</b></p> <ul style="list-style-type: none"> <li>Target achieved for sale of greener products</li> </ul>	<p><b>Customer satisfaction</b></p> <ul style="list-style-type: none"> <li>On-time delivery above target due to strong performance in Europe and North America.</li> </ul>
<b>Achievement</b>	50%	NA	NA	50%	100%
 <p><b>Profit</b></p>	<p><b>Improvement ambitions</b></p> <ul style="list-style-type: none"> <li>Accumulated improvements at NOK 10 billion, achieving target.</li> <li>Target for commercial improvements did not achieve stretch ambition of NOK 2.7 billion, KPI partly achieved.</li> </ul> <p><b>Growth ambitions</b></p> <ul style="list-style-type: none"> <li>Investment decisions made in recycling above targeted NPV, which includes the Henderson and Atessa projects.</li> </ul>	<p><b>Improvement ambitions</b></p> <ul style="list-style-type: none"> <li>Target for accumulated improvements achieved at NOK 3.6 billion.</li> <li>Target for accumulated commercial improvements achieved at NOK 0.5 billion.</li> </ul> <p><b>Operational reliability</b></p> <ul style="list-style-type: none"> <li>Target for operational Reliability in B&amp;A met, measured using risk engineering report.</li> </ul> <p><b>Project Execution</b></p> <ul style="list-style-type: none"> <li>Target for execution of key projects achieved.</li> </ul>	<p><b>Commercial excellence</b></p> <ul style="list-style-type: none"> <li>Delivered below stretch ambition on commercial market operations, KPI partly achieved.</li> </ul> <p><b>Growth ambitions</b></p> <ul style="list-style-type: none"> <li>Lower than target value uplift in the Battery portfolio</li> </ul> <p><b>Project execution</b></p> <ul style="list-style-type: none"> <li>The project execution targets were missed in Classic due to cost increase and delays in individual projects.</li> <li>Delivered on the project execution targets for REIN projects.</li> <li>Delivered on target for Høyanger Green H2 pilot plant as first installation milestone was reached.</li> </ul>	<p><b>Improvement ambitions</b></p> <ul style="list-style-type: none"> <li>Target for accumulated improvements achieved at NOK 3.2 billion.</li> <li>Target for accumulated commercial improvements achieved at NOK 0.48 billion.</li> <li>Target for AM Inventories management achieved. Stock levels at or below target optimal stock levels for all inventory categories in scope.</li> </ul> <p><b>Project execution</b></p> <ul style="list-style-type: none"> <li>Target for project execution not achieved due to project delays, including ramp-up of Høyanger Recycling.</li> </ul>	<p><b>Improvement ambitions</b></p> <ul style="list-style-type: none"> <li>Accumulated improvements of NOK 3.1 billion, driven by strong performance in Procurement, achieving target.</li> <li>Target for commercial improvements not achieved due to market downturn driven by exposure to automotive and transport segments.</li> </ul> <p><b>Financial performance</b></p> <ul style="list-style-type: none"> <li>Target for AEBITDA not achieved.</li> <li>Target for Net Operating Capital days not met due to the volatile market environment and an overall declining extrusion demand.</li> </ul>
<b>Achievement</b>	92%	100%	56%	75%	25%
<b>Total achievement</b>	67.5%	100%	76%	60%	60%

Results for the CEO for 2024<sup>23</sup>

STI Performance component	Performance measure	Relative weighting	Max. Performance	Max award	Total STI %	STI earned
Financial goal	RoaCE	35%	100%	860 185	62.6%	538 476
Performance goals	People	12%			33%	
	Planet	8%			100%	
	Partner	8%			50%	
	Profit	12%			92%	
		40%	100%	983 068	67.5%	663 571
Individual goals	Safety, leadership, execution on strategy	25%	100%	614 418	90%	552 976
<b>Total</b>		<b>100%</b>		<b>2 457 671</b>	<b>71.4%</b>	<b>1 755 023</b>

## Results for members of the Executive Leadership Team 2024

## EVP Business Areas

STI Performance component	Performance measure	Relative weighting	Bauxite & Alumina	Energy	Aluminium Metal	Extrusions
Financial	RoaCE	35%	62.6%	62.6%	62.6%	62.6%
Performance goals	CEO scorecard	20%	67.5%	67.5%	67.5%	67.5%
	BA scorecard	20%	100.0%	76.0%	60.0%	60.0%
<b>Total financial &amp; Performance</b>		<b>75%</b>	<b>55.4%</b>	<b>50.6%</b>	<b>47.4%</b>	<b>47.4%</b>
STI earned on financial & performance goals			811 341	667 182	633 052	111 610

EVP Corporate Staffs<sup>24</sup>

STI Performance component	Performance measure	Relative weighting	CEO	CFO	Legal & Compliance	People & HSE	Communication
Financial	RoaCE	35%	62.6%	62.6%	62.6%	62.6%	62.6%
Performance goals	CEO scorecard	40%	67.5%	67.5%	67.5%	67.5%	67.5%
<b>Total financial &amp; Performance</b>		<b>75%</b>	<b>48.9%</b>	<b>48.9%</b>	<b>48.9%</b>	<b>48.9%</b>	<b>48.9%</b>
STI earned on financial & performance goals			687 709	780 244	654 064	601 182	513 066

## All EVPs

STI Performance component	Relative weighting	Max Performance	Max. award (in total)	STI individual achievement (average)	STI earned (in total)
Individual goals	25%	100%	4 451 717	81.00%	3 605 891

*Individual target 2024: assessment of the CEO's results*

The board is pleased to report that the CEO has achieved an individual performance rating of 90% of the maximum target for 2024. This evaluation is a result of the CEO's leadership and strategic mindset. The CEO has successfully taken the 2030 strategy into execution phase and is well on track with delivering on the major strategic focus areas.

The CEO has driven forward commercial initiatives, positioning the company for sustained growth. The finalization of the REIN transaction under the CEO's guidance marks a major milestone for the company. Steps have been taken in the growth agenda for recycling and extrusion, reflecting the CEO's forward-thinking approach.

Moreover, the board wishes to highlight the CEO's instrumental role in transforming the corporate management board into a highly collaborative Executive Leadership Team. This restructuring has fostered a culture of teamwork and innovation, further enhancing the Company's overall performance.

# CEO Compensation linked to ESG targets and achievements

To provide transparency, the table below gives an overview of the targets in the Group 2024 STI plan that support the ESG agenda. Previously, ESG targets have been embedded in the four P's (People, Planet, Partners and Profit).

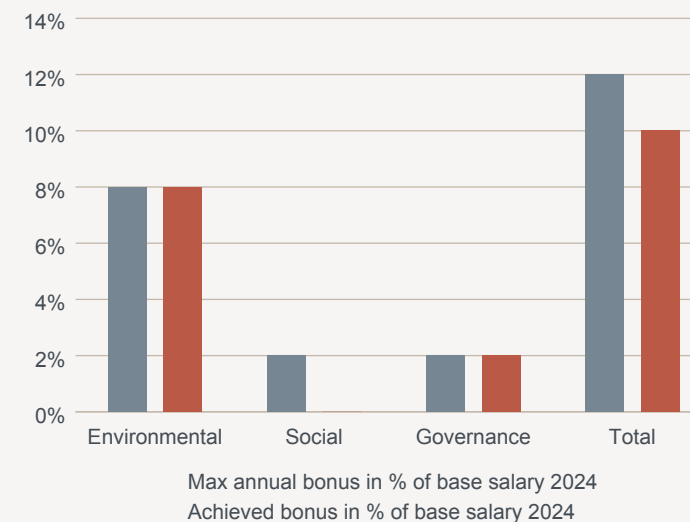
In 2024, the CEO could earn up to the equivalent of 12% of his annual base salary based on achieving these targets, with an actual return of 10%. By making ESG more visible than before, Hydro demonstrates its support for sustainable development, transparency, and accountability in its

operations. This commitment reflects Hydro's dedication to addressing environmental, social, and governance issues, ensuring that their business practices contribute positively to the global community

Group targets 2024 linked to ESG	Max annual bonus in % of base salary	Achieved bonus in % of base salary
<b>Environmental</b>	<b>8%</b>	<b>8%</b>
Nature	2%	2%
Climate	2%	2%
Greener products	2%	2%
Recycling growth	2%	2%
<b>Social</b>	<b>2%</b>	<b>0%</b>
Preventing severe accidents	2%	0%
<b>Governance</b>	<b>2%</b>	<b>2%</b>
Cyber security	2%	2%
<b>Total</b>	<b>12%</b>	<b>10%</b>

Our CEO earned 10% of his base salary based on result linked to ESG target for 2024

CEO compensation linked to ESG



*Long-term incentive plan (LTI)*

The purpose of Hydro’s LTI plan for members of the ELT is to support the Company’s strategic goals that ensure satisfactory returns over time.

The LTI plan is share based and consists of a performance period prior to awarding and a mandatory lock-in period after. The maximum potential in the LTI plan is 30 percent of base salary for all members of the ELT. The board decides annually whether the LTI plan will be in force and who will be invited to participate. Normal practice is that all members of the ELT participate. The annual LTI award depends on the achievement of two performance goals, both of which are weighted at 50 percent. In addition, payment according to the LTI plan is conditional on the Company having a positive adjusted EBIT.

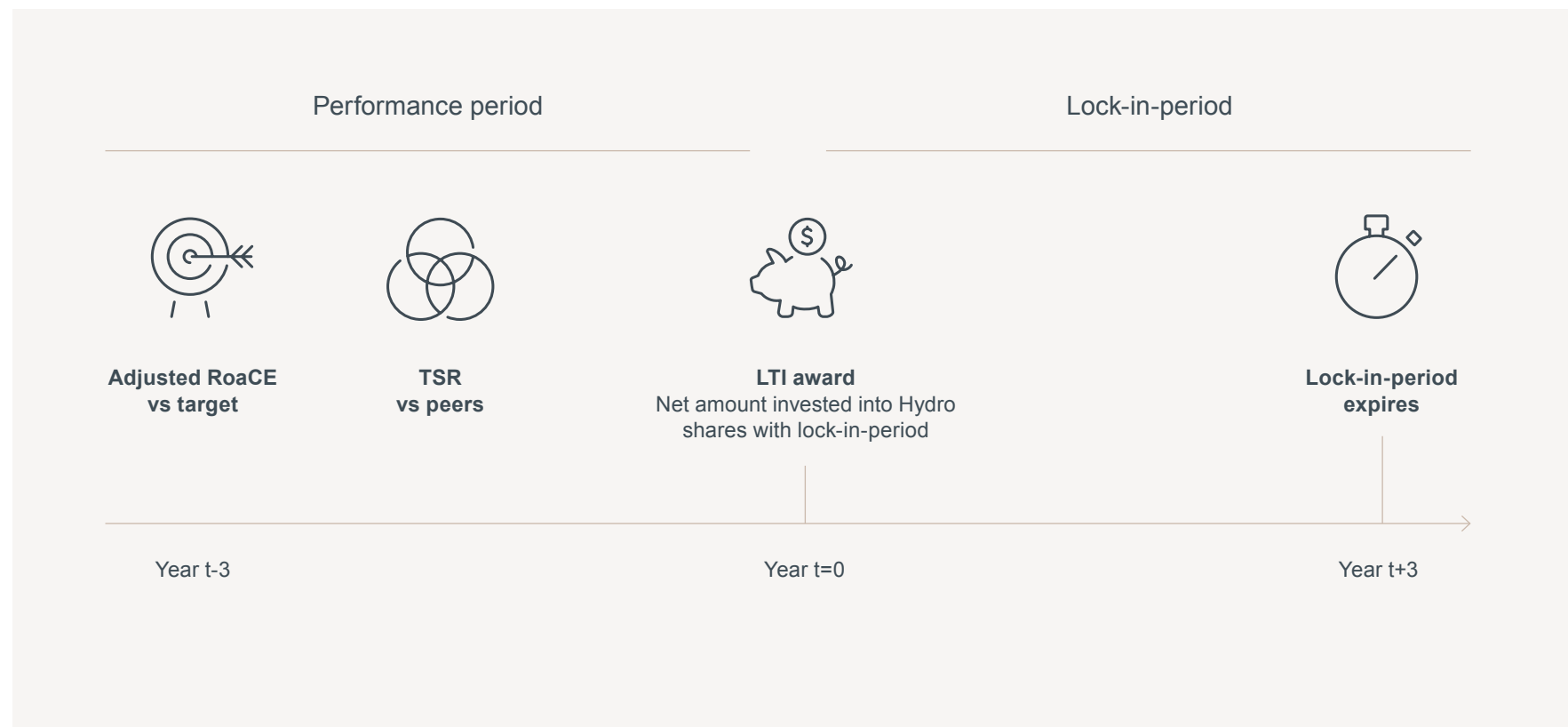
*LTI performance goals*

- The average of Hydro’s ARoaCE calculated over a three-year period (the plan year and two preceding years) is measured against Hydro’s internal target of 10 percent over the business cycle. From 2023, ARoaCE in the LTI plan has been based on market value of equity.
- Hydro’s annual total return to shareholders over a three-year period, measured against the equivalent return for selected comparable companies. The result is measured as the difference in percentage points (pp) between Hydro’s TSR result and the TSR result for the selected

comparable companies. A bonus will be awarded if Hydro achieves a TSR result which, measured against the selected comparable companies, falls in the interval between -5 and 10 pp (or above).

The participants in the LTI plan are obliged to invest the earned LTI amount (net after deduction of calculated marginal tax) in Hydro shares with a lock-in period of three years.

Members of the ELT who leave the Hydro Group on their own initiative or as a result of termination or dismissal by the Company, must at the time of leaving repay an amount to the Company corresponding to the value of the shares that do not meet the three-year requirement, adjusted for tax (gain or loss) on the difference between the initial value of the shares and the value of the shares upon leaving.



*LTI results for 2024*

In the period 2016-2022 the ARoaCE was calculated based on book value of equity, whereas from 2023, it has been calculated based on market value of equity.

For the purpose of calculating the average ARoaCE for the period 2022 to 2024, the nominal results for the respective years (2022: 22.2%, 2023: 5.46% and 2024: 6.9%) will be

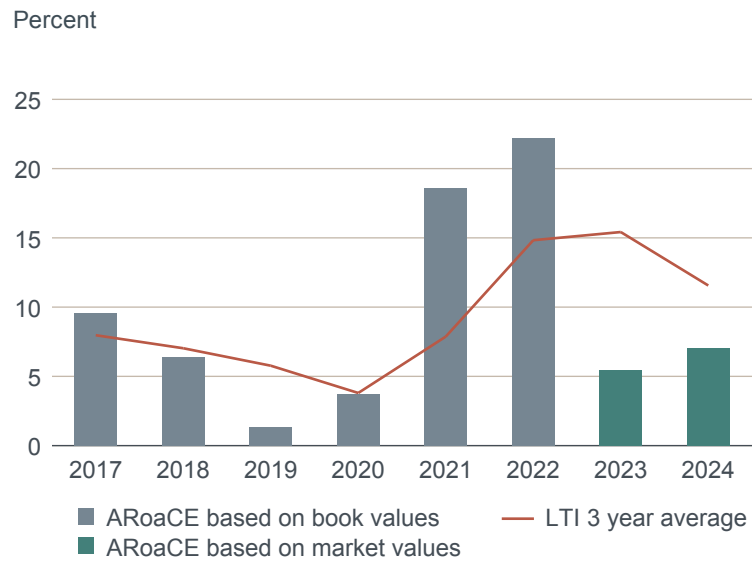
used. Thus, Hydro's average ARoaCE is 11.52%, which, compared with the goal of 10 percent gives a goal achievement of 100 percent.

Hydro's TSR increased by 3.8% in the period from 2022 to 2024, while the weighted average of TSR for the selected comparable companies decreased with 2.6% in the same period. This corresponds to a difference of 6.4 pp, which is

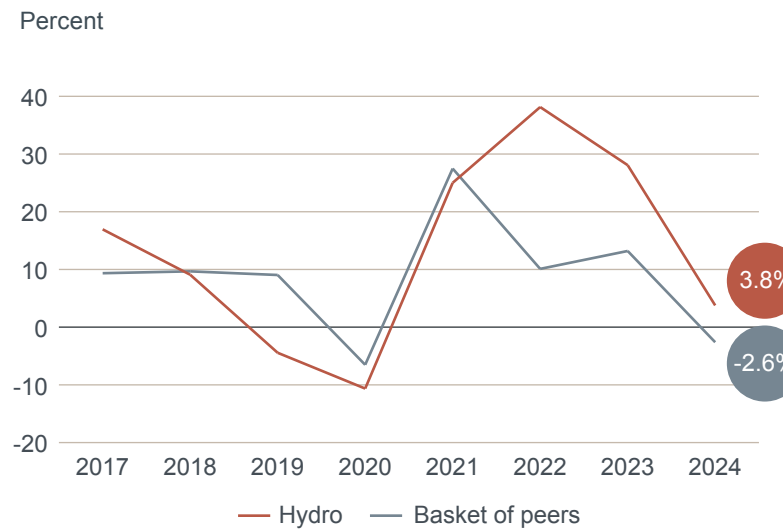
below maximum value of 10 pp, thus giving a goal achievement of 76%.

Total goal achievement on the LTI plan component was 88%, giving a total LTI allocation of 26.4% of the base salary for the CEO and the other ELT members.

3-year average ARoaCE



Total 3-year shareholder return (TSR), annualized







# Revised STI structure effective from including performance year 2025

In the introduction, we discuss a two-phase project aimed at strengthening the Short-Term Incentive (STI) program for the ELT. One of the strategic decisions made was to focus on fewer goals with higher weight. This approach ensures that

the targets have a meaningful impact on compensation, while at the same time ensuring that the Company does not lose track of its long-term ambitions.

The design remains the same, with 35% weight on the financial element, 40% on performance targets (split between Group and BA), and 25% on individual performance.

*The table below outlines the performance targets for Group and BAs in 2025.*

RoaCE					35%
	 People	 Planet	 Partners	 Profit	
Group and BA	Preventing severe accidents	Achieve CO <sub>2</sub> emission reduction	Greener products	Improvement programs	40%/20%
B&A AM HE Energy	BA specific	BA specific	BA specific	BA specific	20%
Individual	Overall assessment based on Group and BA specific targets that support the 2030 long-term strategy				25%

## Shares granted and released in the LTI plan

The main conditions of the LTI plan				Opening balance	During the year			Closing balance
Specification of plan	Performance period <sup>25</sup>	Date of award of LTI-shares	End of lock-in-period	No of shares held (subject to lock-in) as of January 1 of the reporting year	No of shares awarded (subject to lock-in) <sup>26</sup>	Market value of awarded LTI-shares at time of calculation (NOK) <sup>27</sup>	No of shares released (lock-in lifted)	No of shares (subject to lock-in) as of 31 December of the reporting year
<b>Kallevik, Eivind, President &amp; CEO</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	11 157	12 227	56.48	0	23 384
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	7 457	8 483	77.24	4 783	11 157
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	9 594	2 674	88.03	4 811	7 457
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	16 088	-	N/A	6 494	9 594
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	19 527	4 783	29.62	8 222	16 088
LTI plan 2018	2016 - 2018	01/04/2019	01/04/2022	26 504	4 811	34.57	11 788	19 527
<b>Christoffersen, Trond Olaf, EVP &amp; Chief Financial Officer</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	1 056	9 111	56.48	0	10 167
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	-	1 056	77.24	-	1 056
<b>Holm, Therese Rød, EVP Communication &amp; Public Affairs</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	1 277	7 327	56.48	0	8 604
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	-	1 277	77.24	-	1 277
<b>Midseim, Anne-Lene, EVP Compliance, IP &amp; General Counsel</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	8 036	8 858	56.48	0	20 825
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	5 348	6 139	77.24	3 451	8 036
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	6 957	1 897	88.03	3 506	5 348
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	11 688	-	N/A	4 731	6 957
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	14 808	3 451	29.62	6 571	11 688
LTI plan 2018	2016 - 2018	01/04/2019	01/04/2022	20 724	3 506	34.57	9 422	14 808



The main conditions of the LTI plan				Opening balance	During the year			Closing balance
Specification of plan	Performance period <sup>25</sup>	Date of award of LTI-shares	End of lock-in-period	No of shares held (subject to lock-in) as of January 1 of the reporting year	No of shares awarded (subject to lock-in) <sup>26</sup>	Market value of awarded LTI-shares at time of calculation (NOK) <sup>27</sup>	No of shares released (lock-in lifted)	No of shares (subject to lock-in) as of 31 December of the reporting year
<b>Nordh, Hilde Vestheim, EVP People &amp; HSE</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	7 411	8 141	56.48	-	15 552
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	2 929	5 670	77.24	1 188	7 411
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	1 188	1 741	88.03	-	2 929
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	1 188	-	N/A	-	1 188
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	-	1 188	29.62	-	1 188
<b>Simensen, Hanne K., EVP Hydro Aluminium Metal</b>								
LTI plan 2023	2021 - 2023	Did not participate						
<b>Thuestad, John, EVP Hydro Bauxite &amp; Alumina</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	16 392	17 715	56.48	-	34 107
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	11 497	12 314	77.24	7 419	16 392
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	11 817	4 078	88.03	4 398	11 497
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	11 817	-	N/A	-	11 817
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	4 398	7 419	29.62	-	11 817
LTI plan 2018	2016 - 2018	01/04/2019	01/04/2022	-	4 398	34.57	-	4 398
<b>Thørud, Kari, EVP Hydro Energy</b>								
LTI plan 2023	2021 - 2023	Did not participate						
<b>Warton, Paul, EVP Hydro Extruded Solutions</b>								
LTI plan 2023	2021 - 2023	01/04/2024	01/04/2027	16 431	19 767	56.48	-	36 198
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	3 838	12 593	77.24	-	16 431
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	-	3 838	88.03	-	3 838

The main conditions of the LTI plan				Opening balance	During the year			Closing balance
Specification of plan	Performance period <sup>25</sup>	Date of award of LTI-shares	End of lock-in-period	No of shares held (subject to lock-in) as of January 1 of the reporting year	No of shares awarded (subject to lock-in) <sup>26</sup>	Market value of awarded LTI-shares at time of calculation (NOK) <sup>27</sup>	No of shares released (lock-in lifted)	No of shares (subject to lock-in) as of 31 December of the reporting year
<b>Aasheim, Hilde M., former President and CEO</b>								
LTI plan 2023	2021 - 2023	Not awarded						Retired - shares released
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	12 232	15 101	77.24	7 363	19 970
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	12 074	4 869	88.03	4 711	12 232
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	18 433	-	N/A	6 359	12 074
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	19 903	7 363	29.62	8 833	18 433
LTI plan 2018	2016 - 2018	01/04/2019	01/04/2022	27 854	4 711	34.57	12 662	19 903
<b>Kildemo, Pål, former EVP and Chief Financial Officer</b>								
LTI plan 2023	2021 - 2023	Not awarded						Resigned - shares paid out
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	3 831	7 641	77.24	1 436	10 036
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	1 436	2 395	88.03	-	3 831
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	1 436	-	N/A	-	1 436
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	-	1 436	29.62	-	1 436
<b>Moss, Arvid, former EVP Hydro Energy</b>								
LTI plan 2023	2021 - 2023	Not awarded						Retired - shares released
LTI plan 2022	2020 - 2022	01/03/2023	01/03/2026	6 684	7 567	77.24	4 313	9 938
LTI plan 2021	2019 - 2021	01/04/2022	01/04/2025	8 697	2 371	88.03	4 384	6 684
LTI plan 2020	2018 - 2020	01/04/2021	01/04/2024	14 614	-	N/A	5 917	8 697
LTI plan 2019	2017 - 2019	01/04/2020	01/04/2023	18 523	4 313	29.62	8 222	14 614
LTI plan 2018	2016 - 2018	01/04/2019	01/04/2022	25 927	4 384	34.57	11 788	18 523

## Shares granted and released in the LTI plan

The table on the previous page shows the number of shares granted in the LTI plan for the members of the ELT in the period 2018 to 2023.

### Compensation recovery / claw-back

The Company may reclaim, cancel or withdraw (“claw back”), in full or in part, any STI pending or already paid to, and/or any unvested or vested LTI awards made, to ELT members, in the event of misconduct or bad faith on the part of the ELT member (including, but not limited to, material breach of obligation and violation of Hydro’s Code of Conduct or other ethical guidelines, policies or standards, or applicable law or regulations), or if STI and/or LTI is awarded, granted, earned or paid based on accounts that prove to be materially misstated or otherwise based on information which subsequently proves to be incorrect. Enforcement of any claw-back is subject to local law but does not preclude Hydro from also claiming for any loss in accordance with tort law, nor is it affected by the recipient having left the Group’s employ.

Hydro made no claims for recovery of variable remuneration in 2024.

### Share ownership

The table “Share ownership” shows the number of shares owned by the members of the ELT on 31 December 2024. The table includes shares granted through the LTI plan, shares purchased through the Company’s share purchase plan for employees, and shares otherwise purchased privately, including shares owned by related parties.

Share ownership as a percentage of base salary shows the value of the shares based on the share price at the end of the year, compared with the base salary in 2024.

The CEO owned 97 874 Hydro shares on 31 December 2024. The shares had a total value of NOK 6 121 040, which corresponds to approximately 79 percent of annual base salary. The total number of shares owned by other ELT members on 31 December 2024 was 250 401, with a total value of NOK 15 660 079. This corresponds to approximately 43 percent of the total annual base salary for other ELT members.

### Share ownership

Name	Number of shares <sup>28</sup>	Shareholding as percentage of base salary <sup>29</sup>
Kallevik, Eivind, President & CEO	97 874	79%
Christoffersen, Trond Olaf, EVP & Chief Financial Officer	15 148	22%
Holm, Therese Rød, EVP Communication & Public Affairs	8 869	20%
Midseim, Anne-Lene, EVP Compliance, IP & General Counsel	51 542	96%
Nordh, Hilde Vestheim, EVP People & HSE	44 038	90%
Simensen, Hanne K., EVP Hydro Aluminium Metal	815	1%
Thuestad, John, EVP Hydro Bauxite & Alumina	93 403	88%
Thørud, Kari, EVP Hydro Energy	388	1%
Warton, Paul, EVP Hydro Extrusions	36 198	29%

# Remuneration of the Board of Directors

Remuneration of the board members consists of board fees and travel allowance. The members of the board's two committees, the Audit Committee and the People and remuneration committee receive a fixed annual fee in addition to the ordinary board fee. Travel allowance is paid to board

members who live outside Norway and are present at the meetings to the amount of NOK 37 100 (2023: NOK 32 300) per meeting. The annual fees are based on a recommendation from the Company's Nomination Committee (the guidelines for the Nomination Committee are available on Hydro.com).

The board members do not receive variable remuneration from the Company. Board members elected from among the employees are included in the Company's general annual short-term incentive program for all employees. Pension contributions and vacation pay are not paid on the fees for board members.

		Board fees	Audit Committee fees	People & Remuneration Committee	Travel compensation	Total compensation	Number of Hydro-shares <sup>30</sup>
<b>Rune Bjerke</b> <sup>31</sup>	2024	766	129			895	26 700
	2023	460		100		560	20 500
	2022	421	48	65		534	20 500
	2021	373	140			513	20 500
	2020	194	73			267	15 000
<b>Kristin Fejerskov Kragseth</b> <sup>32</sup>	2024	463		106		569	1 200
	2023	403		100		503	1 200
	2022	247		62		308	700
	2021	N/A					
<b>Marianne Wiinholt</b> <sup>33</sup>	2024	424	256		223	903	-
	2023	403	232		162	796	-
	2022	386	222		186	794	-
	2021	373	215		120	708	-
	2020	362	175		23	560	-
	2019	362	136		115	613	-

		Board fees	Audit Committee fees	People & Remuneration Committee	Travel compensation	Total compensation	Number of Hydro-shares <sup>30</sup>
<b>Peter Kukielski</b>	2024	424			260	684	8 000
	2023	403	69		162	633	8 000
	2022	386	93		248	726	8 000
	2021	373			0	373	3 000
	2020	362			23	385	-
	2019	211			115	326	-
<b>Philip Graham New<sup>34</sup></b>	2024	424	167		260	851	1 598
	2023	403	82		226	711	799
	2022	247			186	433	-
	2021	N/A					
<b>Espen Gundersen<sup>35</sup></b>	2024	275	108			383	10 000
	2023	N/A					
<b>Jane Toogood<sup>36</sup></b>	2024	275			185	460	-
	2023	N/A					
<b>Arve Baade<sup>37, 38</sup></b>	2024	424		106		530	6 771
	2023	403		100		503	6 506
	2022	386		52		438	6 118
	2021	373				373	5 778
	2020	362				362	5 130
	2019	362				362	4 708
<b>Bjørn Petter Moxnes<sup>34, 37</sup></b>	2024	424	167			591	993
	2023	403	151			554	728
	2022	247	79			326	340
	2021	N/A					

		Board fees	Audit Committee fees	People & Remuneration Committee	Travel compensation	Total compensation	Number of Hydro-shares <sup>30</sup>
<b>Torleif Sand</b> <sup>37</sup>	2024	424				424	1
	2023	403				403	1
	2022	247				247	1
	2021	N/A					
<b>Margunn Sundve</b> <sup>37</sup>	2024	424				424	1 262
	2023	403				403	997
	2022	247				247	609
	2021	N/A					
<b>Dag Mejdell</b> <sup>39</sup>	2024	324		50		374	45 000
	2023	800		134		934	45 000
	2022	731		128		859	45 000
	2021	707		124		831	45 000
	2020	686		121		807	45 000
	2019	686		121		807	35 000
<b>Petra Einarsson</b> <sup>39</sup>	2024	143	65		74	282	-
	2023	403	151		226	780	-
	2022	247	93		124	463	-
	2021	N/A					

# Independent auditor's assurance report on report on salary and other remuneration to directors



To the General Meeting of Norsk Hydro ASA

## Independent auditor's assurance report on report on salary and other remuneration to directors

### Opinion

We have performed an assurance engagement to obtain reasonable assurance that Norsk Hydro ASA report on salary and other remuneration to directors (the remuneration report) for the financial year ended 31 December 2024 has been prepared in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

In our opinion, the remuneration report has been prepared, in all material respects, in accordance with section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation.

### Board of directors' responsibilities

The board of directors is responsible for the preparation of the remuneration report and that it contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and for such internal control as the board of directors determines is necessary for the preparation of a remuneration report that is free from material misstatements, whether due to fraud or error.

### Our Independence and Quality Management

We are independent of the company as required by laws and regulations and the International Ethics Standards Board for Accountants' Code of International Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We apply the International Standard on Quality Management (ISQM) 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, and accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

### Auditor's responsibilities

Our responsibility is to express an opinion on whether the remuneration report contains the information required in section 6-16 b of the Norwegian Public Limited Liability Companies Act and the accompanying regulation and that the information in the remuneration report is free from material misstatements. We conducted our work in accordance with the International Standard for Assurance Engagements (ISAE) 3000 (revised) – "Assurance engagements other than audits or reviews of historical financial information".

We obtained an understanding of the remuneration policy approved by the general meeting. Our procedures included obtaining an understanding of the internal control relevant to the preparation of the remuneration report in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. Further we performed procedures to ensure completeness and accuracy of the information provided in the remuneration report, including whether it contains the information required by the law and accompanying regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Oslo, 13 February 2025  
KPMG AS

Monica Hansen  
State Authorized Public Accountant

# Appendix

## Remuneration trends and the Company's results

The table on the next pages show the annual change in remuneration to the members of the ELT in the period 2019-2024. For consistency and comparability, remuneration is only stated for the years the persons in question held these positions.

For selected company performance measures, both financial and nonfinancial performance measures are included to provide a holistic view on how Hydro has performed over the last five years.

For details on remuneration figures and company performance figures of previous years, please see the respective Hydro annual reports.





		2024	2023	2022	2021	2020	2019
<b>Kallevik, Eivind, President and Chief Executive Officer</b>							
Total remuneration	NOK'000	13 615	9 782	7 513	7 989	5 687	6 914
	% change	39%	30.20%	-6%	40%	-18%	-
Base salary	NOK'000	7 700	4 376	4 152	3 796	3 685	3 685
	% change	76%	5.39%	9%	3%	0%	-
STI	NOK'000	2 187	1 080	1 345	1 382	-	801
	% change	103%	-19.70%	-3%	-	-100%	-
LTI	NOK'000	1 717	1 313	1 246	448	-	264
	% change	31%	5.38%	178%	-	-100%	-
<b>Christoffersen, Trond Olaf, EVP and Chief Financial Officer</b>							
Total remuneration	NOK'000	8 458	6 431	1 562	-	-	-
	% change	32%	311.72%	-	-	-	-
Base salary	NOK'000	4 400	3 261	3 100	-	-	-
	% change	35%	5.19%	-	-	-	-
STI	NOK'000	1 111	791	169	-	-	-
	% change	40%	368.05%	-	-	-	-
LTI	NOK'000	1 053	978	155	-	-	-
	% change	8%	530.97%	-	-	-	-
<b>Holm, Therese Rød, EVP Communication &amp; Public Affairs</b>							
Total remuneration	NOK'000	4 493	4 279	1 101	-	-	-
	% change	5%	288.65%	-	-	-	-
Base salary	NOK'000	2 766	2 623	2 500	-	-	-
	% change	5%	4.92%	-	-	-	-
STI	NOK'000	710	610	201	-	-	-
	% change	16%	203.48%	-	-	-	-
LTI	NOK'000	692	787	188	-	-	-
	% change	-12%	318.62%	-	-	-	-

		2024	2023	2022	2021	2020	2019
<b>Midseim, Anne-Lene, EVP Compliance, IP &amp; General Counsel</b>							
Total remuneration	NOK'000	7 223	6 979	5 714	5 711	4 019	4 887
	% change	3%	22.14%	0%	42%	-18%	2%
Base salary	NOK'000	3 343	3 170	3 005	2 693	2 614	2 614
	% change	5%	5.49%	12%	3%	0%	2%
STI	NOK'000	932	769	998	980	-	548
	% change	21%	-22.95%	2%	-	-100%	3%
LTI	NOK'000	907	951	902	318	-	191
	% change	-5%	5.43%	184%	-	-100%	-15%
<b>Nordh, Hilde Vestheim, EVP People &amp; HSE</b>							
Total remuneration	NOK'000	5 806	5 540	5 291	4 661	3 448	4 609
	% change	5%	4.71%	14%	35%	-25%	-
Base salary	NOK'000	3 073	2 914	2 775	2 472	2 400	2 400
	% change	5%	5.01%	12%	3%	0%	-
STI	NOK'000	832	692	894	863	-	459
	% change	20%	-22.60%	4%	-	-100%	-
LTI	NOK'000	811	874	833	291	-	66
	% change	-7%	4.92%	186%	-	-100%	-
<b>Simensen, Hanne K., EVP Hydro Aluminium Metal</b>							
Total remuneration	NOK'000	5 786					
	% change						
Base salary	NOK'000	4 400					
	% change						
STI	NOK'000	479					
	% change						
LTI	NOK'000	743					
	% change						

		2024	2023	2022	2021	2020	2019
<b>Thuestad, John G., EVP Hydro Bauxite &amp; Alumina</b>							
Total remuneration	NOK'000	16 261	14 421	13 759	12 592	9 640	11 585
	% change	13%	4.81%	9%	31%	-17%	25%
Base salary	NOK'000	6 658	6 341	6 027	7 386	6 810	6 384
	% change	5%	5.21%	-18%	8%	7%	5%
STI	NOK'000	2 120	1 517	2 054	2 237	-	1 351
	% change	40%	-26.14%	-8%	-	-100%	70%
LTI	NOK'000	1 758	1 902	1 808	682	-	370
	% change	-8%	5.20%	165%	-	-100%	47%
<b>Thørud, Kari, EVP Hydro Energy</b>							
Total remuneration	NOK'000	3 143					
	% change						
Base salary	NOK'000	4 000					
	% change						
STI	NOK'000	357					
	% change						
LTI	NOK'000	528					
	% change						
<b>Paul Warton, EVP Hydro Extrusions</b>							
Total remuneration	NOK'000	17 850	16 165	15 190	13 432	-	-
	% change	10%	6.42%	13%	-	-	-
Base salary	NOK'000	7 831	7 149	6 160	7 513	-	-
	% change	10%	16.06%	-18%	-	-	-
STI	NOK'000	4 307	3 307	3 975	3 723	-	-
	% change	30%	-16.81%	7%	-	-	-
LTI	NOK'000	2 141	2 123	1 849	642	-	-
	% change	1%	14.82%	188%	-	-	-

		2024	2023	2022	2021	2020	2019
<b>Aasheim, Hilde M, former President and CEO</b>							
Total remuneration	NOK'000	5 883	15 306	15 686	12 301	9 143	7 919
	% change	-62%	-2.42%	28%	35%	15%	-
Base salary	NOK'000	7 776	7 776	7 392	6 911	6 710	6 710
	% change	0%	5.19%	7%	3%	0%	-
STI	NOK'000	979	2 405	3 114	3 145	-	1 589
	% change	-59%	-22.77%	-1%	-	-100%	-
LTI	NOK'000	0	2 333	2 218	815	-	407
	% change	-100%	5.18%	172%	-	-100%	-
<b>Kildemo, Pål, former EVP and CFO</b>							
Total remuneration	NOK'000	1 113	7 445	6 822	5 866	3 726	3 292
	% change	-85%	9.13%	16%	57%	13%	-
Base salary	NOK'000	4 208	4 208	3 740	3 400	2 900	2 900
	% change	0%	12.51%	10%	17%	0%	-
STI	NOK'000	0	1 062	1 279	1 272	-	280
	% change	-100%	-16.97%	1%	-	-100%	-
LTI	NOK'000	0	1 262	1 122	401	-	79
	% change	-100%	12.48%	180%	-	-100%	-
<b>Moss, Arvid, former EVP Hydro Energy</b>							
Total remuneration	NOK'000	5 813	7 704	6 853	5 367	3 312	7 988
	% change	-25%	12.42%	28%	62%	-59%	4%
Base salary	NOK'000	4 091	3 897	3 704	3 365	3 267	3 267
	% change	5%	5.21%	10%	3%	0%	2%
STI	NOK'000	568	927	1 234	1 163	-	772
	% change	-39%	-24.88%	6%	-	-100%	-15%
LTI	NOK'000	0	1 169	1 111	397	-	238
	% change	-100%	5.22%	180%	-	-100%	-16%

## Board of Directors - Remuneration - Fixed fees

		2024	2023	2022	2021	2020	2019
Chair of the Board	NOK 1 000	920	800	731	707	686	686
	% change	15%	9.4%	3.4%	3%	0%	3%
Deputy Chair of the Board	NOK 1 000	484	460	440.5	426	413	413
	% change	5%	4.4%	3.4%	3%	0%	3%
Board member	NOK 1 000	424	403	385.7	373	362	362
	% change	5%	4.5%	3.4%	3%	0%	3%

Average employee remuneration<sup>40</sup>

		2024	2023	2022	2021	2020	2019
Total compensation <sup>41</sup>	NOK 1 000	1 064	928	861	813	793	775
	% change	14.7%	7.8%	5.9%	3%	2%	2%
Base salary <sup>42</sup>	NOK 1 000	814	763	706	671	650	634
	% change	6.7%	8.1%	5.2%	3%	3%	2%
STI <sup>43</sup>	NOK 1 000	62	61	58	45	42	43
	% change	1.6%	5.2%	28.9%	7%	-2%	-10%
No of employees		3 880	3 685	3 548	3 387	3 320	3 278

Company performance<sup>44</sup>

		2024	2023	2022	2021	2020	2019
Adjusted EBITDA	MNOK	26 318	22 258	39 664	28.010	13.106	11.832
Adjusted RoaCE	%	8.5%	7.1%	22.2%	18.6%	3.7%	1.3%
Adjusted Earnings per share (EPS) from continuing operations	NOK	2.90	4,26	10.70	6.77	1.32	0.52
Adjusted net income from continuing operations	MNOK	9 278	7 835	23 145	14.905	2.848	708

Recycling<sup>45</sup>

1,000 tonnes	2024	2023	2022	2021	2020	2019
Recycled post-consumer scrap	451	444	321	335	104	98
Recycled pre-consumer scrap	771	812	963	1 018	317	340
Total recycled metal	1 222	1 256	1 285	1 353	421	438

Total recordable injuries, lost-time injuries, fatal accidents and sick leave<sup>46</sup>

	2024	2023	2022	2021	2020	2019
Total recordable injuries (TRI)	196	237	227	296	224	278
Employees	131	174	186	251	188	229
Contractors	65	63	41	45	36	49
Total recordable injuries rate (TRI) <sup>47</sup>	2.0	2.4	2.4	3.3	2.7	3.0
Employees	2.2	2.8	2.9	3.9	3.0	3.3
Contractors	1.7	1.7	1.3	1.8	1.7	2.2
Lost-time injuries (LTI)	110	128	115	155	119	119
Employees	75	95	90	125	102	101
Contractors	35	33	25	30	17	18
Lost-time injuries rate (LTI) <sup>48</sup>	1.1	1.3	1.2	1.7	1.4	1.3
Employees	1.2	1.6	1.4	1.9	1.6	1.5
Contractors	0.9	0.9	0.8	1.2	0.8	0.8
Total number of fatal accidents <sup>49</sup>	1	1	0	0	0	0
Employees	0	0	0	0	0	0
Contractors	1	1	0	0	0	0
Sick leave, percent	3.3%	3.5%	4.1%	3.8%	4.2%	3.7%
Sick leave, Norway	4.4%	4.2%	5.8%	4.9%	4.5%	4.5%
Women	5.2%	4.8%	7.1%	5.7%	5.3%	5.7%
Men	4.1%	4.0%	5.4%	4.7%	4.5%	4.2%

Community investments <sup>50</sup>

NOK million	2024	2023	2022	2021	2020	2019
Community investments	75	48	51	30	42	50
Charitable donations and Sponsorships	50	48	25	25	14	9
TerPaz peace houses	175	27	179			
Total community investments, charitable donations and sponsorships	300	123	255	55	56	59

# Notes

- <sup>1</sup> Amounts in NOK thousand. Salary amounts in currencies other than NOK will be converted to NOK at the annual average exchange rate for the earning year for full year members of the Executive Leadership Team (ELT), and the average exchange rate prorated to the time of service on the ELT for members entering or leaving the ELT in the earning year. Conversion of amounts in currencies other than NOK related to variable pay (Short-term incentive (STI) and Long-term incentive (LTI)) will be made according to the exchange rate on the last Norwegian banking day of the earning year. All exchange rates as published by Bank of Norway (Norges Bank). In 2024, only Paul Warton had salary elements that were subject to conversion to NOK from a foreign currency (in Warton's case, British pounds).
- <sup>2</sup> Nominal annual base salary per 31 December 2024 or per the date of stepping down from the ELT.
- <sup>3</sup> 'Salary paid' is the amount of salary paid to the individual in 2024 (including vacation pay).
- <sup>4</sup> 'Other benefits paid' includes the total of all other cash and non-cash related benefits received by the individual in 2024, including, but not limited to, the taxable portions of insurance premiums, per diem allowance, car and mileage allowances, and electronic communication items.
- <sup>5</sup> 'Pension compensation paid' includes amounts paid to compensate for, as applicable, (i) future pension shortfall estimated at the time of transition from Hydro's defined benefit pension plan to the defined contribution plan in line with an arrangement applicable to all affected employees in Norway; and (ii) 12G earnings (G is the base amount in the National Insurance in Norway) being put on hold while serving on the ELT.
- <sup>6</sup> 'Pension benefits' includes the estimated change in the value of defined pension benefits and reflects both the effect of earning an additional year's pension benefit and the adjustment to present value of previously earned pension rights (interest element). It is calculated as the change in the Defined Benefit Obligations (DBO) calculated with stable assumptions. Pension benefits also include contributions to defined contribution plans.
- <sup>7</sup> 'STI earned' is the short-term incentive amount (annual bonus) earned in 2024 based on performance achievement as a member of the ELT.
- <sup>8</sup> 'LTI earned' is the gross (pre-tax) long-term incentive amount earned in 2024 based on performance achievement as a member of the ELT, resulting in LTI shares being awarded (based on after-tax amounts) in the following year.
- <sup>9</sup> 'Total remuneration' summarizes salary paid, other benefits, pension compensation paid, pension benefits, STI earned and LTI earned.
- <sup>10</sup> 'Portion fixed' is the sum of salary paid, other benefits paid, compensation pension paid, and pension benefits as a percentage of total remuneration.
- <sup>11</sup> 'Portion variable' is the sum of STI earned and LTI earned as a percentage of total remuneration.
- <sup>12</sup> The amounts attributed to Kallevik are the sum of all salaries, bonus, and benefits earned in his previous position as EVP Aluminum Metal in the period 1 January to 12 May 2024 and salaries, bonus, and benefits earned in his position as President & CEO in the period 13 May to 31 December 2024. Kallevik is active member of Hydro's defined contribution plan for pensionable salary above 12G. The annual return on benefits earned under this plan is linked to a portfolio of investments that fluctuate with market developments. Such fluctuations can impact the number presented as Pensions significantly from one year to another. In both 2024 and 2023, the annual return on the portfolio was positive, resulting in increased benefits earned by the individuals with a corresponding increase in pension liabilities for Hydro.
- <sup>13</sup> The amounts attributed to Christophersen are the sum of all salaries, interim allowance, bonus, and benefits earned in his previous position as EVP Corporate Development in the period 1 January to 12 May 2024 and salaries, bonus, and benefits earned in his position as EVP & CFO in the period 13 May to 31 December 2024.
- <sup>14</sup> Midseim is active member of Hydro's defined contribution plan for pensionable salary above 12G. The annual return on benefits earned under this plan is linked to a portfolio of investments that fluctuate with market developments. Such fluctuations can impact the number presented as Pensions significantly from one year to another. In both 2024 and 2023, the annual return on the portfolio was positive, resulting in increased benefits earned by the individuals with a corresponding increase in pension liabilities for Hydro.
- <sup>15</sup> Hanne Simensen became a member of the ELT as of 13 May 2024. Her remuneration as set out in this report including (where applicable), but not limited to, salary paid, other benefits paid, pension, STI earned and LTI earned, is prorated to the period as a member of the ELT in 2024 (13 May to 31 December).
- <sup>16</sup> Thuestad's previous retention agreement that vested over a 60-month period expired on 31 May 2023 and was replaced with a new 12-month agreement from 1 August 2023 (to 31 July 2024). In 2024, Thuestad received NOK 2 383 thousand under the new agreement. This amount is included in 'Salary paid' in the table. A new agreement was entered into with effect from 1 August 2024.
- <sup>17</sup> Kari Thørud became a member of the ELT as of 1 July 2024. Her remuneration as set out in this remuneration report including (where applicable), but not limited to, salary paid, other benefits paid, pension, STI earned and LTI earned, is prorated to the period as a member of the ELT in 2024 (1 July to 31 December).
- <sup>18</sup> In 2024, Warton's nominal gross home salary was GBP 570 000, which has been converted to NOK 7 831 230. Warton has an STI potential of 75 percent of base salary in line with UK market. As Warton receives his remuneration in GBP, the foreign exchange rate will influence amounts when converting to NOK.
- <sup>19</sup> Aasheim stepped down from her position as President & CEO effective 13 May 2024. Her remuneration as set out in this remuneration report (where applicable), but not limited to, salary paid, bonus, other benefits paid (including pension), is prorated to the period as President & CEO in 2024. Upon Aasheim's retirement, her LTI shares that were still subject to lock-in, were released.
- <sup>20</sup> Kildemo stepped down from his position as EVP & CFO effective 6 March 2024. His remuneration as set out in this remuneration report (where applicable), but not limited to, salary paid, bonus, other benefits paid (including pension), is prorated to the period as EVP & CFO in 2024. Upon termination of his employment with Hydro, Kildemo had to make payment to Hydro for 10 036 non-vested LTI shares.
- <sup>21</sup> Moss stepped down from his position as EVP Hydro Energy effective 1 July 2024. His remuneration as set out in this remuneration report (where applicable), but not limited to, salary paid, bonus, other benefits paid (including pension), is prorated to the period as EVP Hydro Energy in 2024. Upon Moss's retirement, his LTI shares that were still subject to lock-in, were released.
- <sup>22</sup> "G" corresponds to the basic amount in the National Insurance in Norway, which as of 1 May 2024 amounts to NOK 124 028.
- <sup>23</sup> The current CEO, Eivind Kallevik, took up the position on 13 May 2024, and the table only shows his results (performance achievement) for the period 13 May to 31 December 2024. Kallevik is included in the table "EVP Business Areas" under "Results for members of the Executive Leadership Team for 2024" with his results (performance achievement) in his previous role as EVP Aluminium Metal in the period 1 January to 12 May 2024.
- <sup>24</sup> Hilde Aasheim is included in this table for the period she held the position of CEO.
- <sup>25</sup> See the section on Long-term incentives (LTI) plan for a description of performance measures and performance period.
- <sup>26</sup> In 2020, the CEO and the other members of the then CMB (now ELT) waived variable pay (STI and LTI) and any salary adjustment. Consequently, no LTI shares were awarded in 2021.
- <sup>27</sup> The average of the closing prices for the Hydro share on the Oslo Stock Exchange on the sixth to tenth trading day after, and including, the day of publication of the Company's annual financial results for 2024. The share price is calculated and confirmed by the Company's external auditor.
- <sup>28</sup> The number of shares in Hydro owned as of 31 December 2024. In addition to shares held directly by the respective member of the ELT, the number of shares include shares held by related parties (i.e. defined family and/or controlled entities).
- <sup>29</sup> The value of the shareholding based on the closing price of the Hydro share on the last trading day in 2024 on Oslo Stock Exchange (NOK 62.54) as a percentage of base salary as of 31 December 2024.
- <sup>30</sup> The number of shares in Hydro owned as of 31 December 2024 by members of the board (or the number of shares owned as of the date the individual stepped down from the board). In addition to shares held directly by the respective member of the board, the number of shares include shares held by related parties (i.e. defined family and/or controlled entities).
- <sup>31</sup> Chair of the board and Chair of the board's People and Remuneration Committee.
- <sup>32</sup> Deputy Chair of the board and member of the board's People and Remuneration Committee.
- <sup>33</sup> Chair of the board's Audit Committee.
- <sup>34</sup> Member of the Board's Audit Committee.
- <sup>35</sup> New member of the board as of 7 May 2024 and member of the Board's Audit Committee.
- <sup>36</sup> New member of the board as of 7 May 2024.



<sup>37</sup> Employee representative on the board elected by the employees in accordance with Norwegian company laws. As such, the representative is also paid regular salary, remuneration in kind and pension benefits that are not included in the table 'Board of Directors' Remuneration'.

<sup>38</sup> Member of the board's People and Remuneration Committee.

<sup>39</sup> Stepped down as member of the board as of 7 May 2024.

<sup>40</sup> Permanent employees as of 31 December 2024, on Norwegian payroll (excl. members of the ELT).

<sup>41</sup> Total salary, fixed allowances, holiday pay, and bonus (STI), paid in 2024, divided by the number of salaried FTEs (Full Time Equivalents) as of 31 December 2024. The figures for 2024 include holiday pay, which was not the case previously.

<sup>42</sup> The sum of all nominal base salaries as of 31 December 2024, divided by the number of FTEs (Full Time Equivalents) as of 31 December 2024.

<sup>43</sup> Total bonus (STI) paid in 2024, divided by the number of employees eligible for bonus (STI).

<sup>44</sup> Information regarding the financial figures featured below may be found in Hydro's annual report section Alternative Performance Measures. The definitions of Alternative Performance Measures (i.e. Adjusted EBITDA, Adjusted Net Income, and ROACE) have been modified during the five-year period with limited impact and are featured on an as-reported basis. Amounts referred to in Hydro's financial reporting as "Adjusted" were referred to as "Underlying" in 2019.

<sup>45</sup> The amount for 2023 is adjusted compared to the 2023 report due to a change in calculation methodology. The same method has been used for 2023 and 2024 in this report. Recycling data from Hydro Extrusions was consolidated into the table for the first time in 2021, making the 2021 results not directly comparable to previous years' data.

<sup>46</sup> The numbers include discontinued operations.

<sup>47</sup> Number of recordable injuries per million working hours.

<sup>48</sup> Number of lost-time injuries per million working hours.

<sup>49</sup> A contractor fatality occurred at Hydro's consolidated operations at Albras in Brazil.

<sup>50</sup> Hydro Extrusions was included in the reported numbers as of 2021.



*Industries that matter*

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