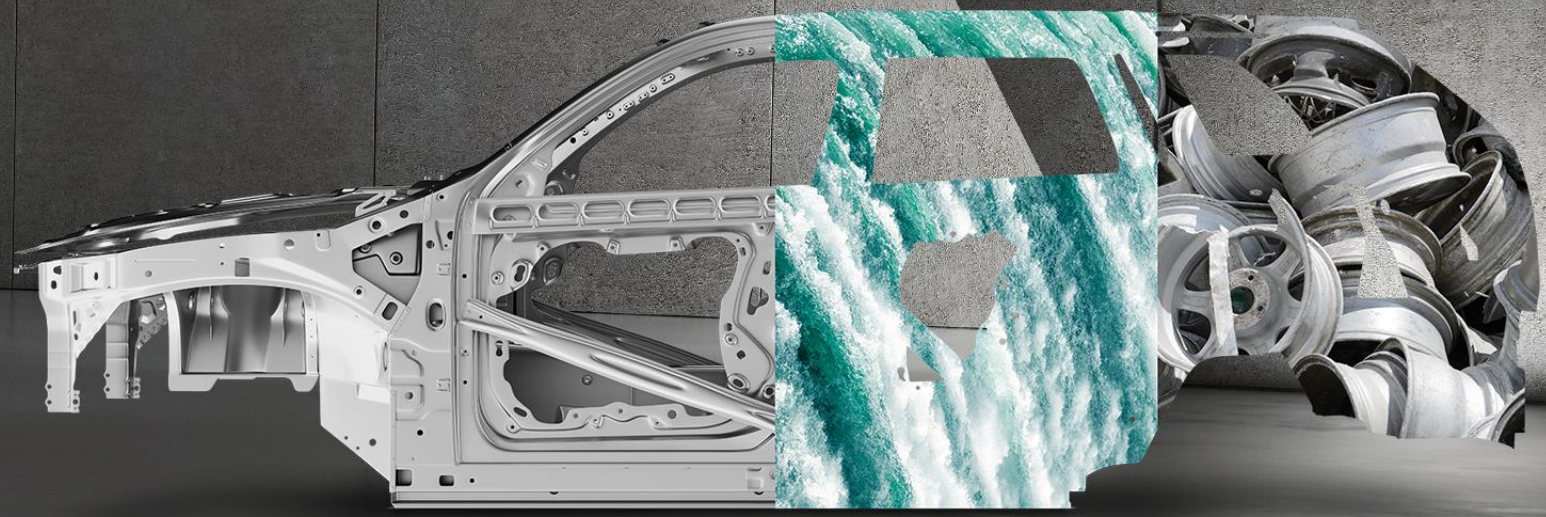
Hydro

Capital Markets Day 2023



Vækerø, Norway

November 29, 2023

Cautionary note

Certain statements included in this announcement contain forward-looking information, including, without limitation, information relating to (a) forecasts, projections and estimates, (b) statements of Hydro management concerning plans, objectives and strategies, such as planned expansions, investments, divestments, curtailments or other projects, (c) targeted production volumes and costs, capacities or rates, start-up costs, cost reductions and profit objectives, (d) various expectations about future developments in Hydro's markets, particularly prices, supply and demand and competition, (e) results of operations, (f) margins, (g) growth rates, (h) risk management, and (i) qualified statements such as "expected", "scheduled", "targeted", "planned", "proposed", "intended" or similar.

Although we believe that the expectations reflected in such forward-looking statements are reasonable, these forward-looking statements are based on a number of assumptions and forecasts that, by their nature, involve risk and uncertainty. Various factors could cause our actual results to differ materially from those projected in a forward-looking statement or affect the extent to which a particular projection is realized. Factors that could cause these differences include, but are not limited to: our continued ability to reposition and restructure our upstream and downstream businesses; changes in availability and cost of energy and raw materials; global supply and demand for aluminium and aluminium products; world economic growth, including rates of inflation and industrial production; changes in the relative value of currencies and the value of commodity contracts; trends in Hydro's key markets and competition; and legislative, regulatory and political factors.

No assurance can be given that such expectations will prove to have been correct. Hydro disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Agenda, November 29

All times CET

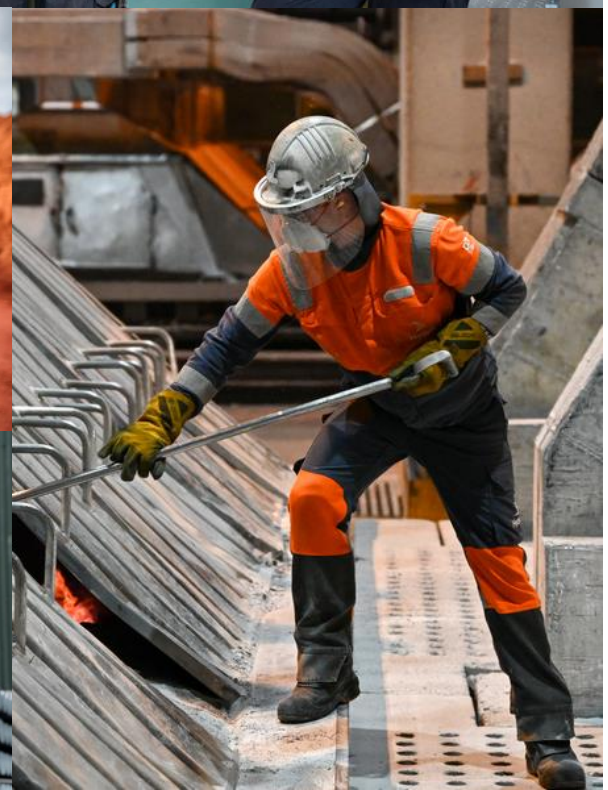
09:00-09:05	Welcome
09:00-09:50	Pioneering the green aluminium transition, powered by renewable energy
09:50-10:10	Hydro going to market
10:10-10:40	Q&A and break
10:40-12:00	Business area presentations
12:00-13:00	Q&A and lunch
13:00-13:40	Strengthened resilience and greener value creation
13:40-14:00	Q&A
14:15-15:00	Sustainability roundtable
15:15-16:00	Finance roundtable

Pioneering the green aluminium transition, powered by renewable energy

Capital Markets Day 2023

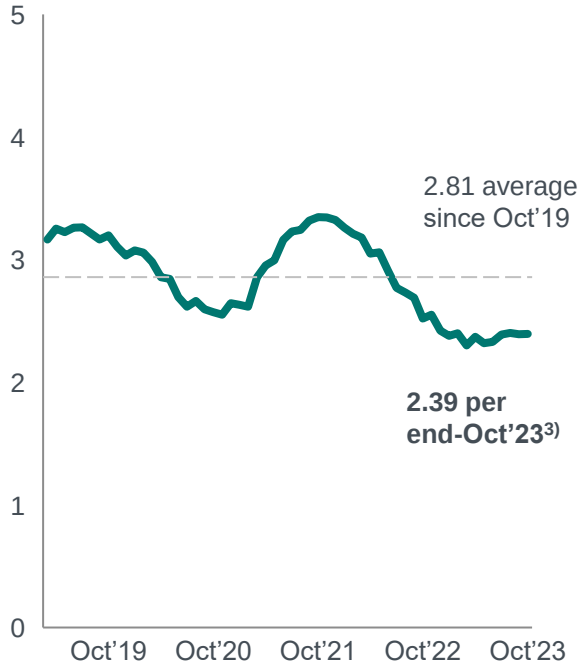
Hilde Merete Aasheim

President and Chief Executive Officer

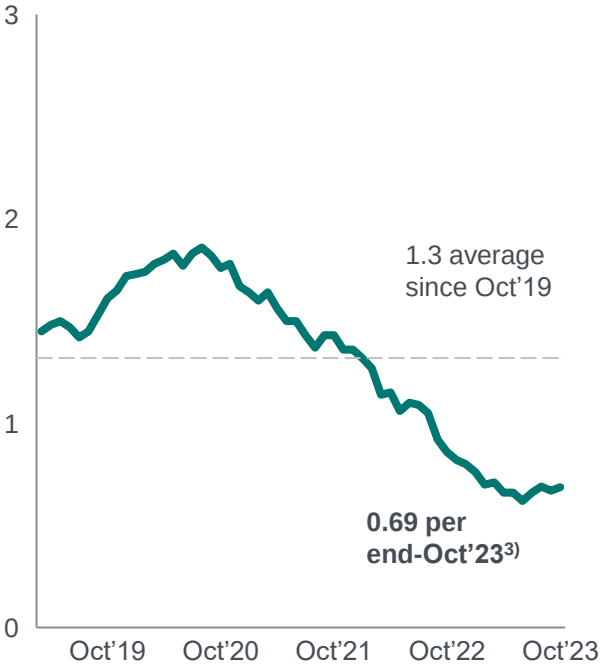


Health and safety #1 priority

TRI[1] per million hours worked
12 months rolling average



HRI[2] per million hours worked
12 months rolling average



1) Total Recordable Injuries includes own employees and contractors
2) High Risk Incidents included own employees and contractors
3) Average over period

2020: Set out a forceful agenda towards 2025

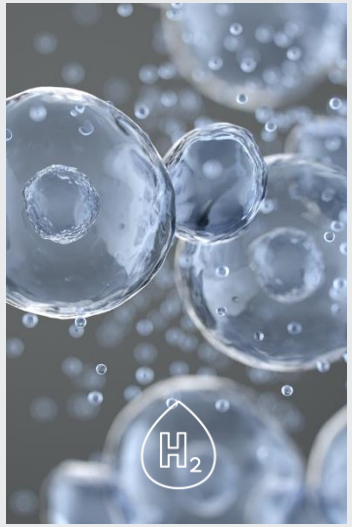
Hydro

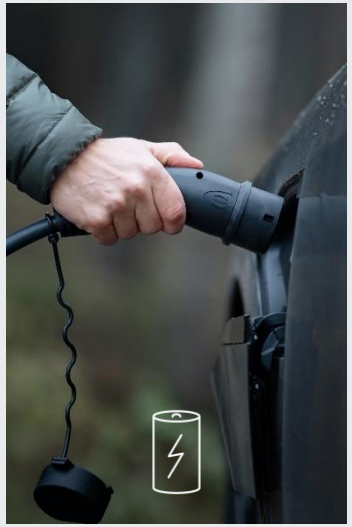
Profitability & Sustainability

1 Strengthen position in low-carbon aluminium



2 Grow in new energy



Develop a more robust, higher earnings and more sustainable company

Delivered on the 2025 agenda

Improved earnings

EBITDA margin podium positions in all business areas compared to our peers

Improved portfolio

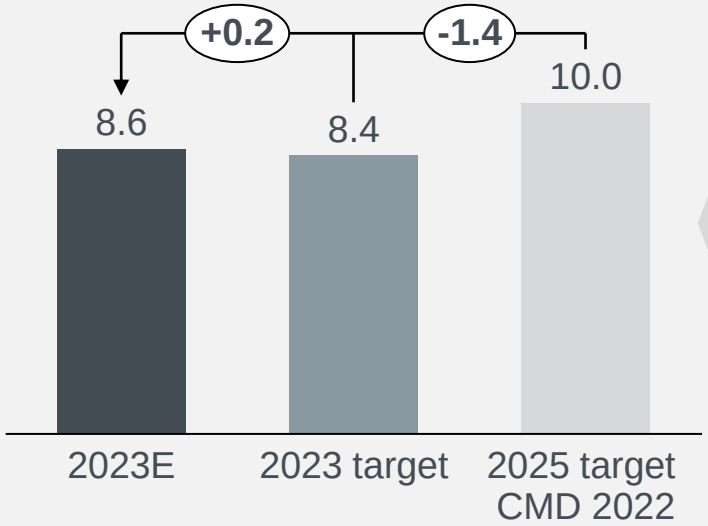
Reducing risks and freeing up cash towards areas with higher profitability

Improved sustainability

Low-carbon aluminium getting a lot of traction, on track to decarbonize portfolio

Improvement program

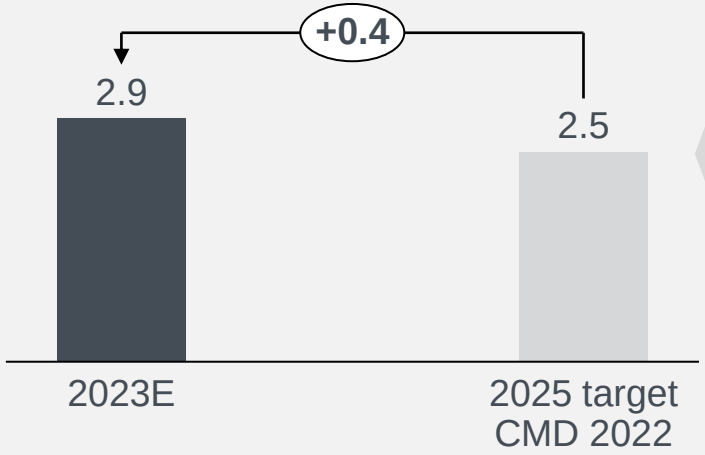
NOK billion



- Operational excellence
- Fixed cost
- Procurement

Commercial initiatives

NOK billion



- Green premiums
- Product mix and margins
- Market share growth

Delivered on the 2025 agenda

Improved earnings

EBITDA margin podium positions in all business areas compared to our peers

Improved portfolio

Reducing risks and freeing up cash towards areas with higher profitability

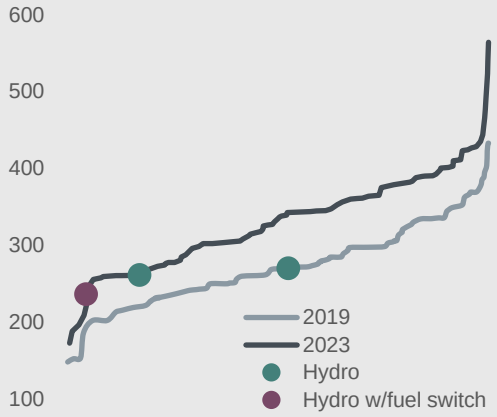
Improved sustainability

Low-carbon aluminium getting a lot of traction, on track to decarbonize portfolio

Podium positions in all business areas

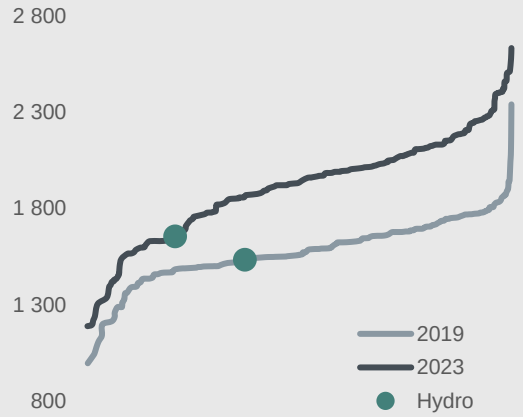
Bauxite & Alumina

Alumina Cost Curve, USD per tonne[1)]



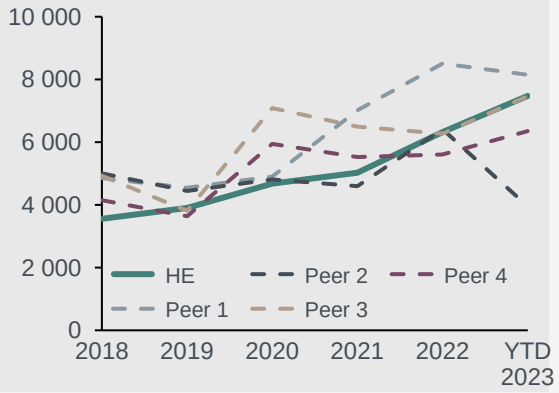
Aluminium Metal

Smelter Cost Curve, USD per tonne[1) 2)]



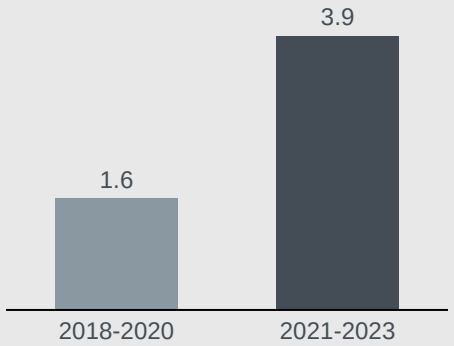
Extrusions

EBITDA, NOK per tonne



Energy

Average AEBITDA, NOK billion[3)]



1) Source: CRU, global cost curves. 2) Hydro position: 50% Qatalum, 20% Alouette, 12.4% Tomago, 100% Albras, Slovalco and Norwegian smelters. 3) Excluding Aluminium Metal repurchase / internal buy-back contract, 2023 Q3 YTD annualized

Delivered on the 2025 agenda

Improved earnings

EBITDA margin podium positions in all business areas compared to our peers

Improved portfolio

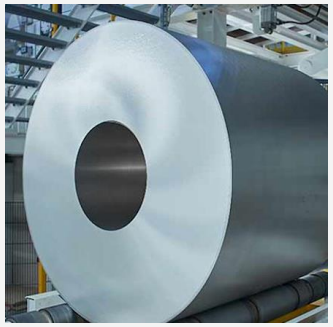
Reducing risks and freeing up cash towards areas with higher profitability

Improved sustainability

Low-carbon aluminium getting a lot of traction, on track to decarbonize portfolio

Reallocating capital

2021



Sale of rolling business

2023

Sell down at Alunorte

Deliver on strategic priorities

Grow in recycling

Grow in Extrusions

Grow in Hydro Rein capital light

Delivered on the 2025 agenda

Improved earnings

EBITDA margin podium positions in all business areas compared to our peers

Improved portfolio

Reducing risks and freeing up cash towards areas with higher profitability

Improved sustainability

Low-carbon aluminium getting a lot of traction, on track to decarbonize portfolio

Climate

On track to achieve **10%** GHG emissions reduction by 2025

Pursuing **HalZero & CCS** For new capacity and existing smelters

Nature

Deliver on our **1:1 rehabilitation target**

On track to **eliminate landfilling** of recoverable waste by 2040

Social

Progressing on education goal targeting **500,000 people** YTD 180,000 by 2030

Just transition framework implemented in 2023

2025: Strategic resilience in a world in transition

Improved earnings

EBITDA margin podium positions in all business areas compared to our peers

Improved portfolio

Reducing risks and freeing up cash towards areas with higher profitability

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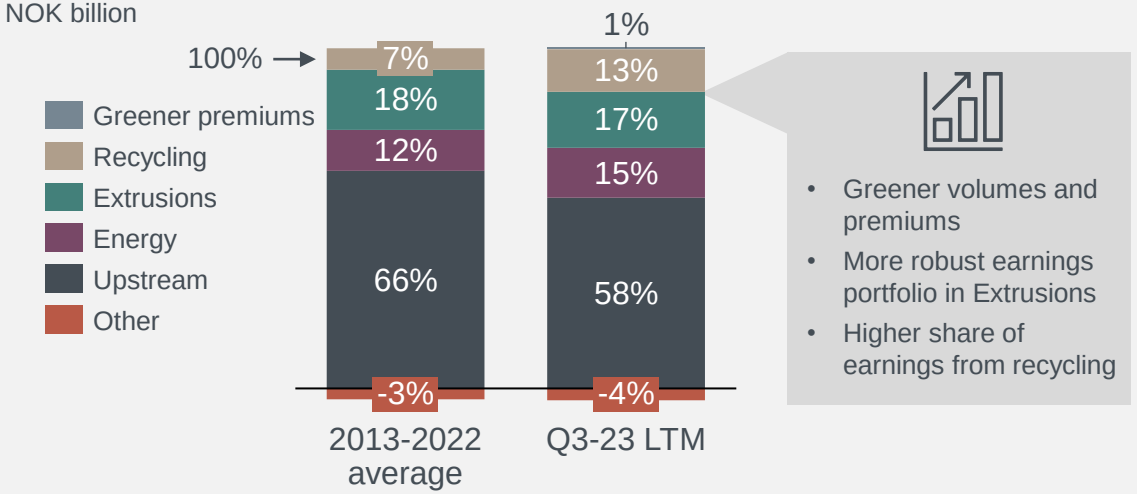
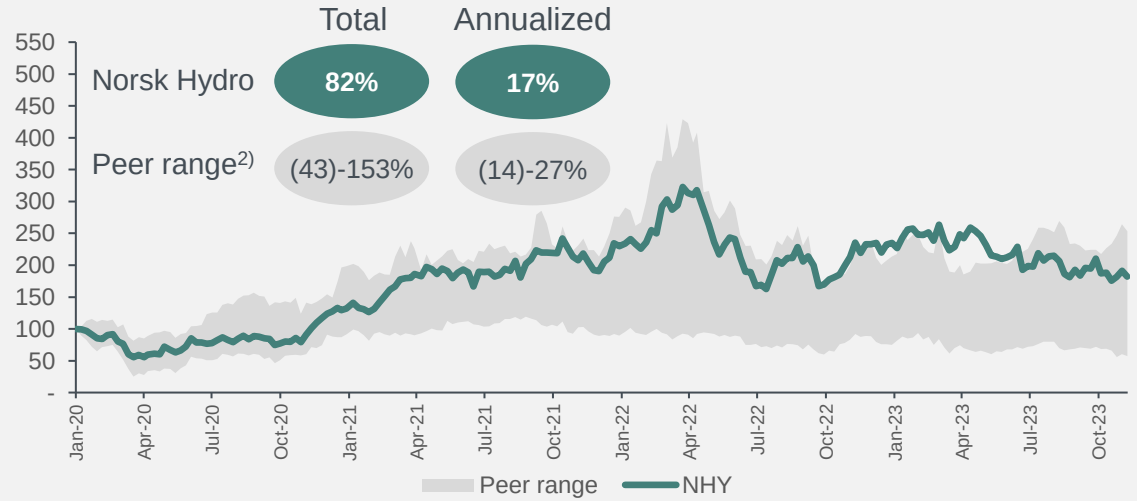
Low-carbon aluminium getting a lot of traction, on track to decarbonize portfolio

Simplified operating cash flow development

NOK billion



Stock price index (incl. dividend) / TSR[1)]

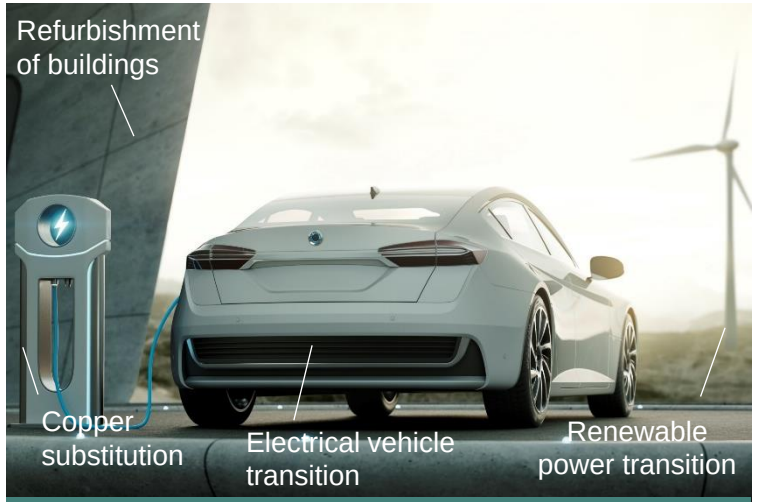


1) TSR calculated including reinvesting dividends and Hydro and all peers shown in same currency (USD).
2) Peer group includes Nalco, Rusal, Alcoa, Century Aluminium, Hindalco, Chalco, Grupa Kety, Constellium, Kaiser, ProfilGruppen, Tredegar Corporation.
Source: Refinitiv Workspace

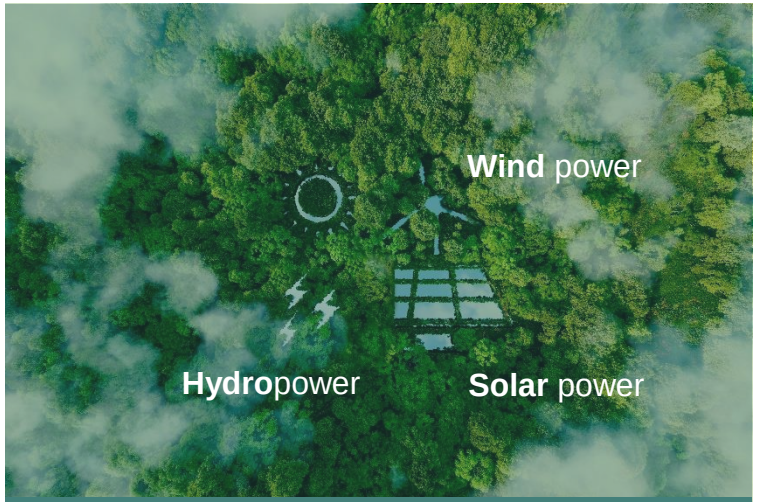
The world around us has changed since 2020

Megatrends of geopolitical tensions and sustainability converge, driving new risks and opportunities

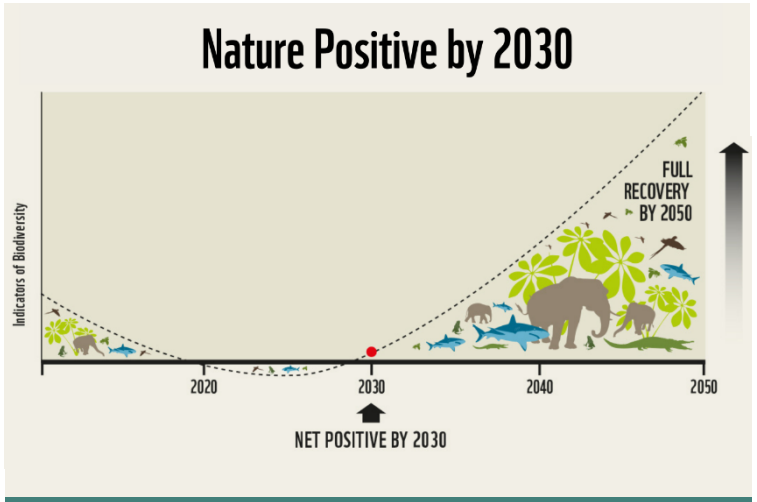
The future of aluminium in the green transition



Aluminium a key enabler for the green transition



Renewable energy is at the core of green transition



Greener is more than low-carbon

Hydro has a unique position to succeed in this new reality

118 years of industrial experience, solving global challenges through innovation, technological advances and strong commercial mindset

- Market leading position in low-carbon aluminium with a concrete roadmap towards zero
- Unique position with captive renewable energy resources and competence
- Low and robust cost position and strong track record on shareholder value creation
- Preferred supplier and sustainability partner on the way to zero, integrated value chain enables traceability “under one roof”
- Strong positions within the main markets in the EU and North America

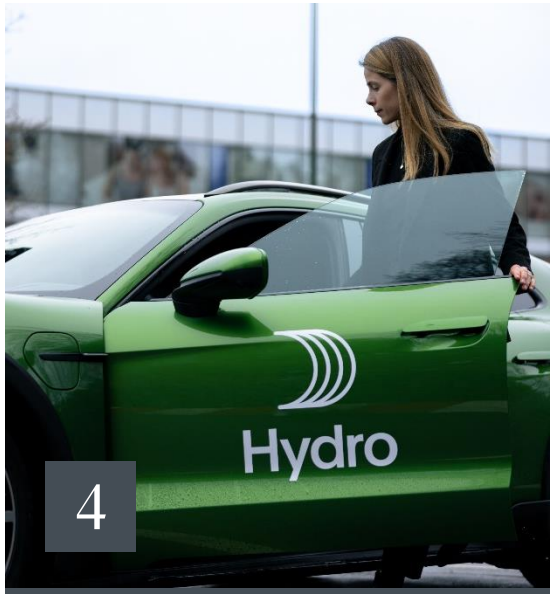
Shifting gear to capture opportunities in a new reality

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

Step up growth investments in Recycling and Extrusions to take lead in the market opportunities emerging from the green transition

Step up ambitions within renewable power generation

Execute on ambitious decarbonization and technology road map and step up to contribute to nature positive and a just transition



Shape the market for greener aluminium in partnership with customers

Step up growth investments in Extrusions

1 2 3 4

- Increase market share in high-growth, non-commoditized segments leveraging innovation and solution offerings

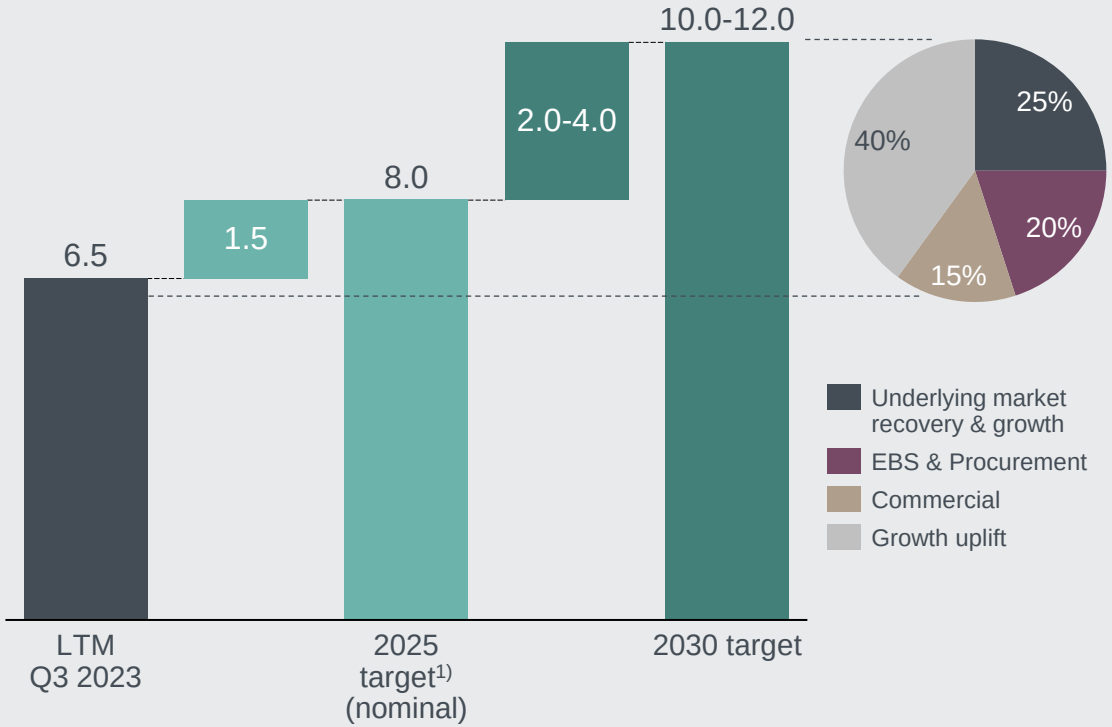
- Develop and grow capacity and capabilities through investments in new presses, fabrication, value added services and recycling

- Commercial opportunities from sustainability, through segmentation and greener offerings

- Increase digitalization and standardization to drive procurement excellence and reduce energy consumption

Extrusions EBITDA

NOK billion (real 2023)



1) Target 2025 in nominal terms as communicated in 2021. Range target for 2030 in real terms

Step up growth investments in Recycling

1 2 3 4

Strengthen scrap sorting capabilities; secure feedstock

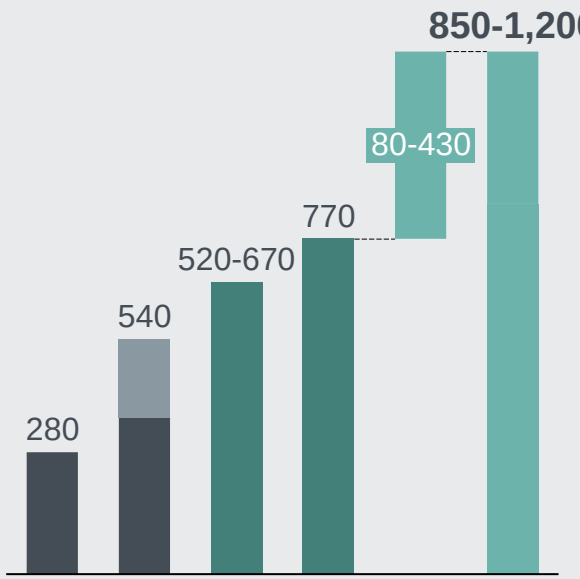
Expand global asset base across the value chain

Diversify product portfolio, develop innovative solutions

Shape market for recycled products in partnership with customers

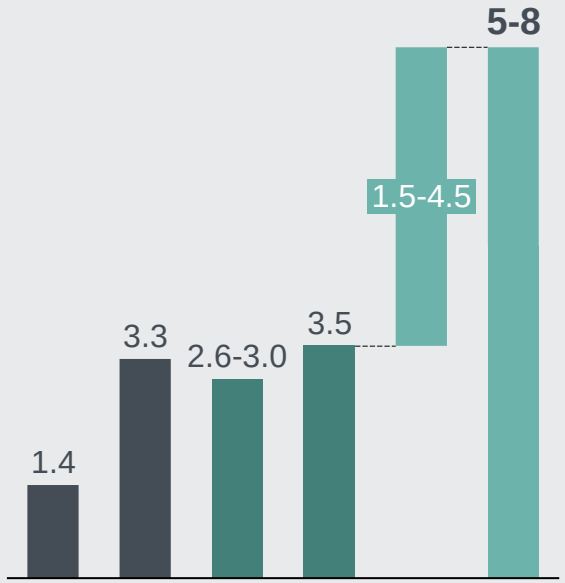
PCS capacity[1)]

Tonnes ('000)



Recycling EBITDA

NOK billion



Realized Target Installed capacity ramping up

1) Range based on capex. High-range include ~70% of further potential capex given market and M&A.

Step up our ambitions and efforts in renewable power generation

1 2 3 4

Secure access to renewable power through hydropower system upgrades and expansions

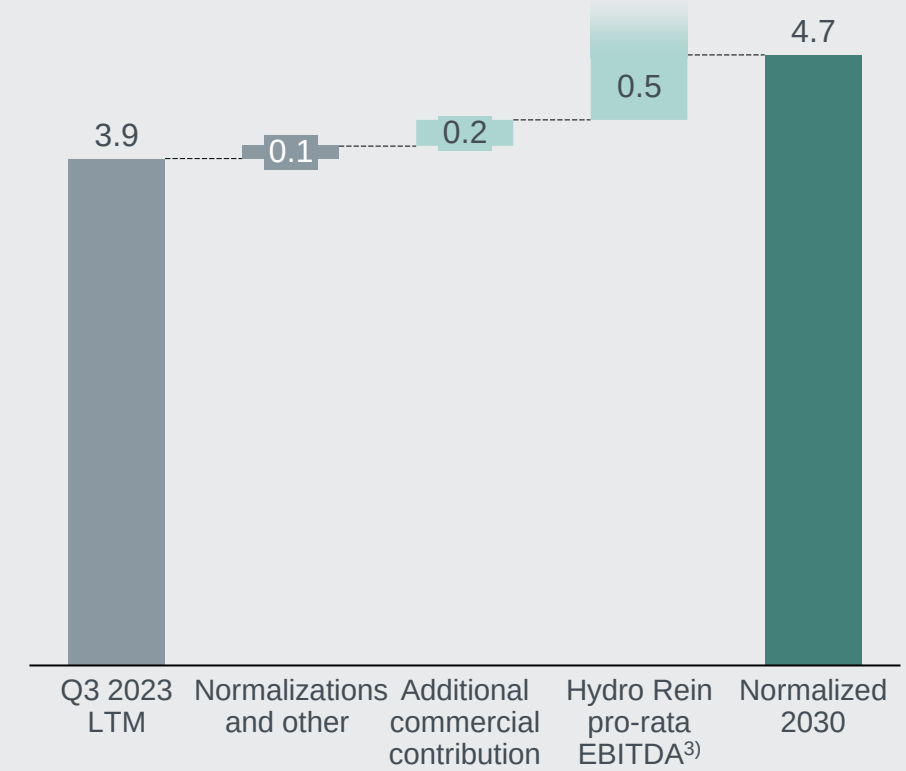
- Grow and upgrade existing hydropower plants to capture peak prices, increasing value of flexibility
- Expand market operations and commercial ambitions based on hydropower reservoir capacity, balancing power from wind and solar and commercial positions

Hydro Rein to deliver onshore wind and solar projects, main focus in the Nordics and Europe

- Pursue profitable projects through JV owned by Hydro and Macquarie Asset Management
- Current portfolio[1)] add 2.4 TWh to Rein's captive power and 5.3 TWh long term PPAs to Hydro
- Sustainable and attractive risk-adjusted returns of eIRR 10-20%

EBITDA 2030 Hydro Energy Classic and Hydro Rein

NOK billion[2)]



1) Projects in construction and secured 2) Commercial contribution in AEBITDA Q3-23 LTM of NOK 0.5 billion included
3) Hydro's share of joint venture EBITDA from assets. Level pending margins, farm downs, growth, debt level/other funding

Execute on ambitious decarbonization and technology road map, step up to contribute to nature positive and a just transition

1 2 3 4

Forcefully deliver on net-zero roadmap, decarbonizing our value chain from mine-to-components

Contribute to a nature positive future through initiatives on biodiversity, emissions reduction and supply chain management

Improve lives and livelihoods wherever we operate by supporting a just transition

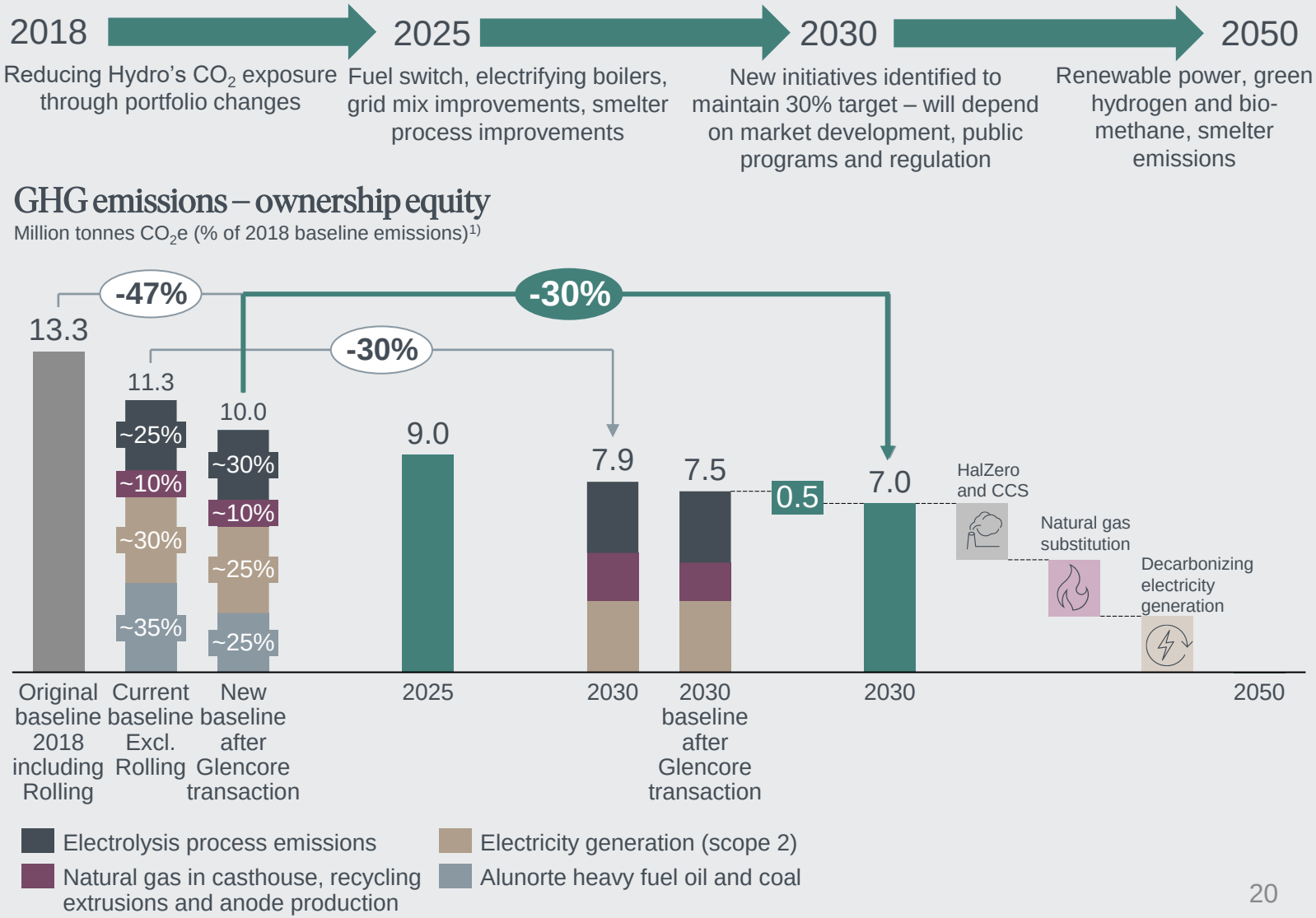
Hydro maintains 2030 climate target, despite portfolio changes

1 2 3 4

Hydro reduces total exposure to GHG emissions[1] by 47% from 2018 to 2030

Hydro maintains 30% target by 2030, despite portfolio changes

Hydro's ambitions and ability to deliver low-carbon or near zero aluminium remains unchanged

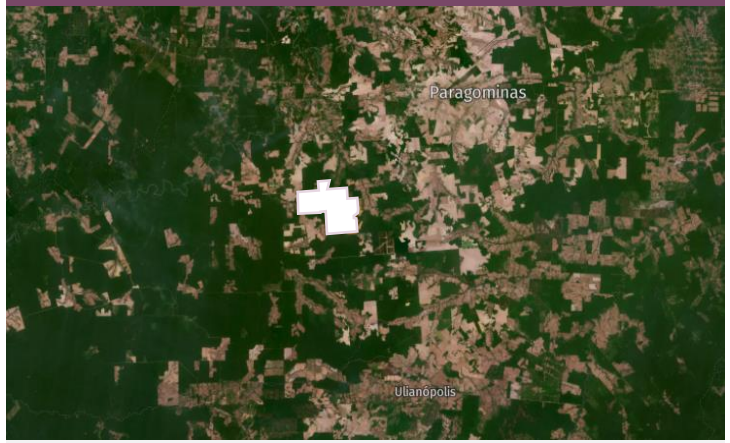


1) Scope 1 and scope 2

Contribute to a nature positive future through initiatives on biodiversity, waste handling and land-use

1 2 3 4

No Net Loss Ambition for Paragominas



- No Net Loss of biodiversity for our bauxite mine, from a 2020 baseline
- Strengthening onsite mitigation and rehabilitation
- Investing in conservation and restoration offsets

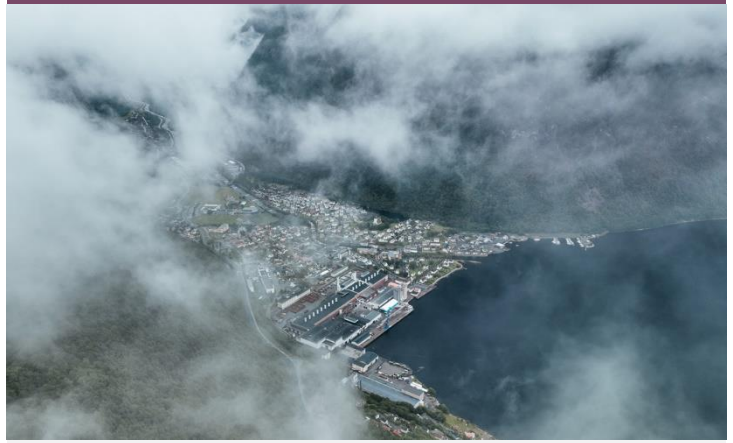
Partnerships for Nature Positive Outcomes

Imazon

IPAM Amazônia

- Develop opportunities for positive nature impacts beyond delivering NNL outcome for mine
- Partnership with Imazon and IPAM
- Creating value for nature and society where we operate

Supply chain emissions



- Establish inventories and baselines for material pollutants linked to Hydro's supply chain by end of 2024
- World Economic Forum's Alliance for Clean Air

Improving lives and livelihoods wherever we operate by supporting a just transition

Just transition framework

Respect and promote human rights

Support positive local development

Invest in education

Responsible supply chain

Shape market for greener aluminium, in partnership with customers

1 2 3 **4**

Utilize Hydro's combined strengths as a fully integrated company from mine to metal

Partner with strategic customers to grow market for greener aluminium

Partner with Original Equipment Manufacturers to champion joint decarbonization targets

Hydro is pioneering the green aluminium transition

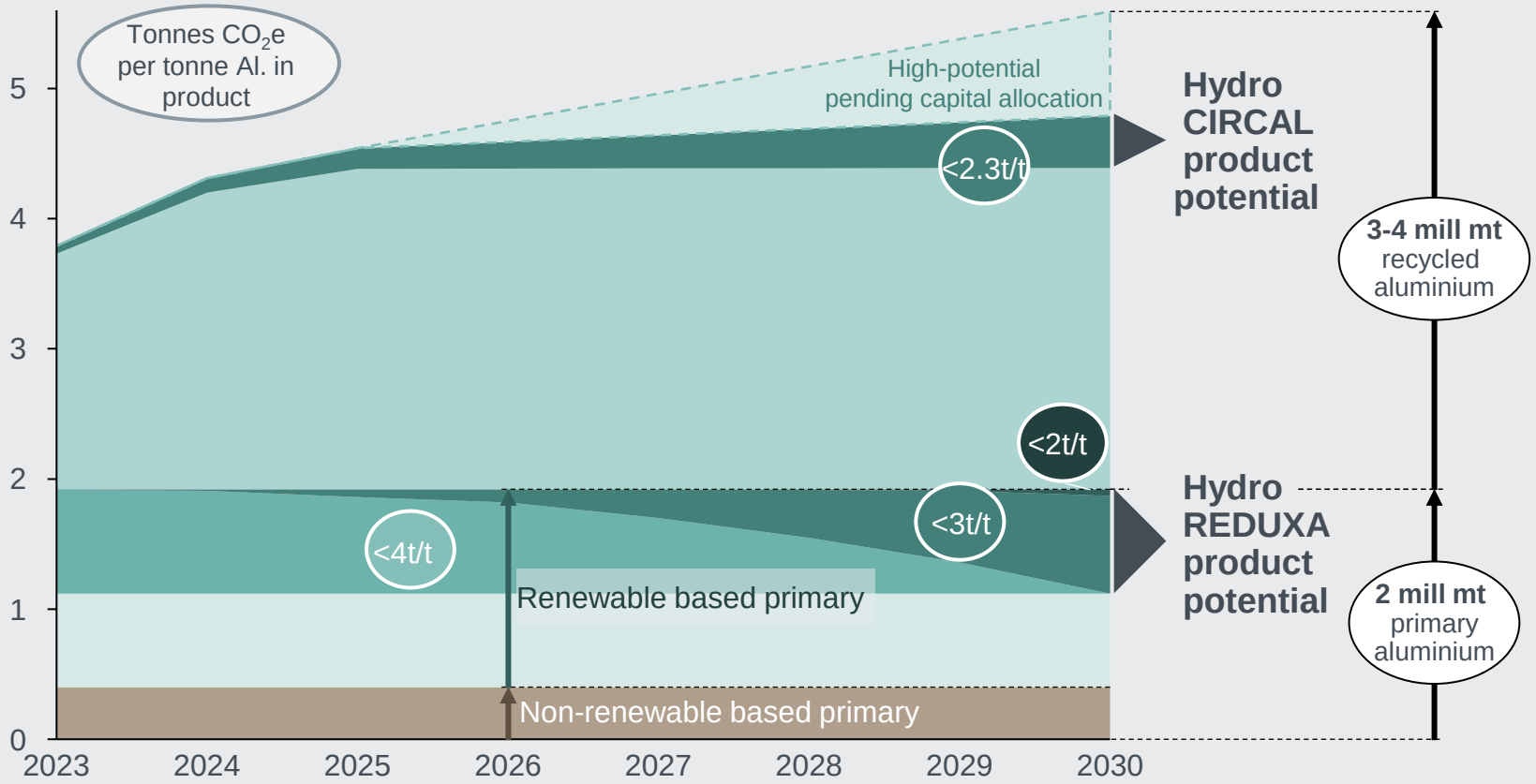
Greener earnings uplift potential 2030

NOK 2 billion[1)]

Hydro

Greener product capability from total aluminium portfolio[1)]

Million tonnes capacity potential



1) Based on 2030 EU ETS cost and relative CO_2 reduction vs Hydro REDUXA 4.0 at current industry traded upcharge. Hydro REDUXA and CIRCAL potential based on estimated certification capacity. Primary capacity based on equity share renewable power. Hydro CIRCAL products have post-consumer scrap content > 75%

Strategic direction – business area implications

- Execute on 2030 decarbonization targets and position as sustainability leader
- Develop low-carbon offering
- Strengthen profitability through podium position and optimized capex

- Pursue profitable captive hydropower growth options
- Hydro Rein JV with Macquarie enables further development of renewable power production
- Batteries to focus on successful execution in current investments
- Hydro Havrand to focus on decarbonization opportunities within Hydro's operations

- Step up growth and be an industry leader within recycling
- Partner with customers to shape markets for low-carbon aluminium
- Deliver on roadmap to net-zero with technology leadership

- Step up growth investments aiming to increase market share in attractive, high-growth segments
- Utilize market leader position to shape the markets for greener aluminium and partner with customers on new greener solutions

Hydro 2030:

Pioneering the green aluminium transition, powered by renewable energy

Key priorities towards 2030

1. Step up growth investments in Recycling and Extrusions to take lead in the market opportunities emerging from the green transition
2. Step up ambitions within renewable power generation
3. Execute on ambitious decarbonization and technology road map and step up to contribute to nature positive and a just transition
4. Shape the market for greener aluminium in partnership with customers

Hydro going to market

Trond Olaf Christophersen

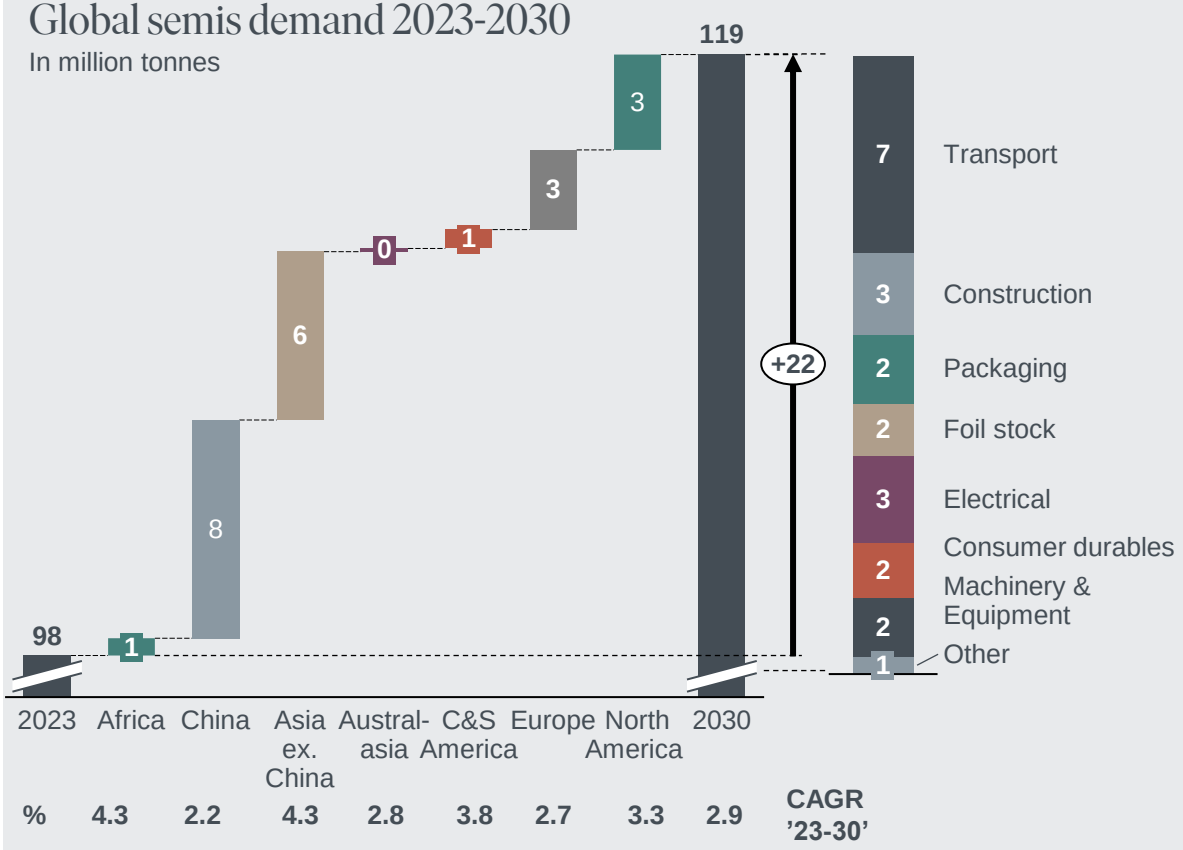
Executive Vice President, Corporate Development

Largely balanced markets towards 2030

Healthy demand outlook driven by transport and electrical

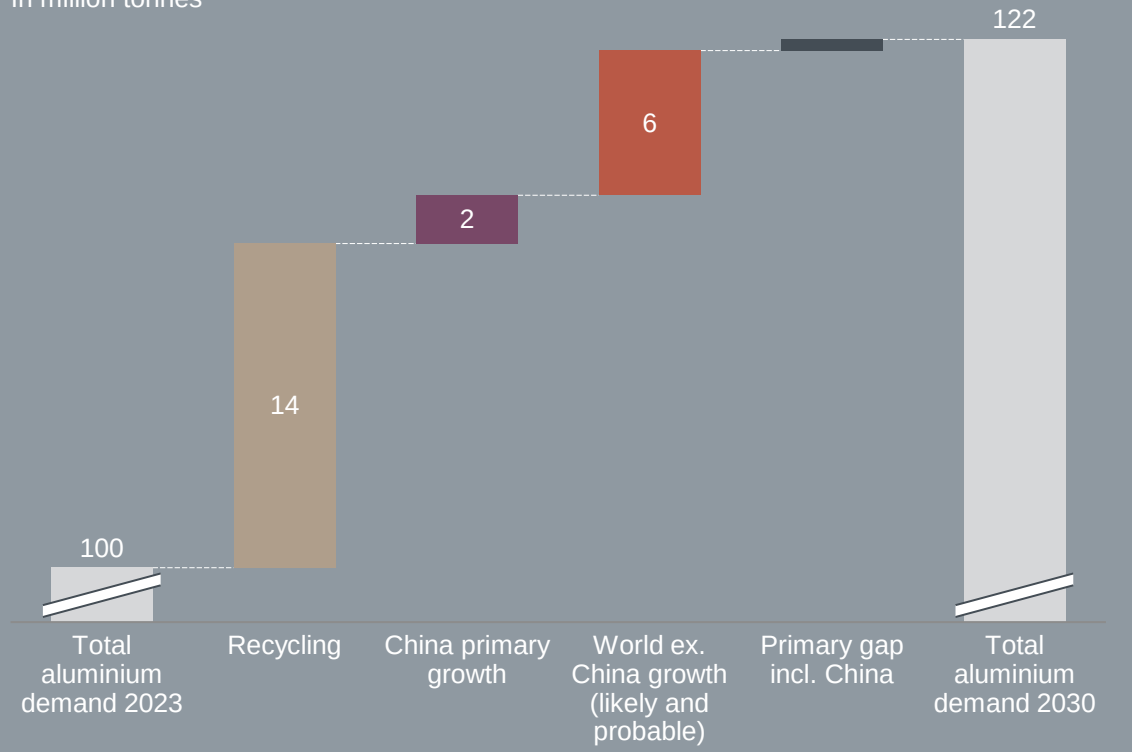
Global semis demand 2023-2030

In million tonnes



Largely balanced market with recycling playing important role

In million tonnes

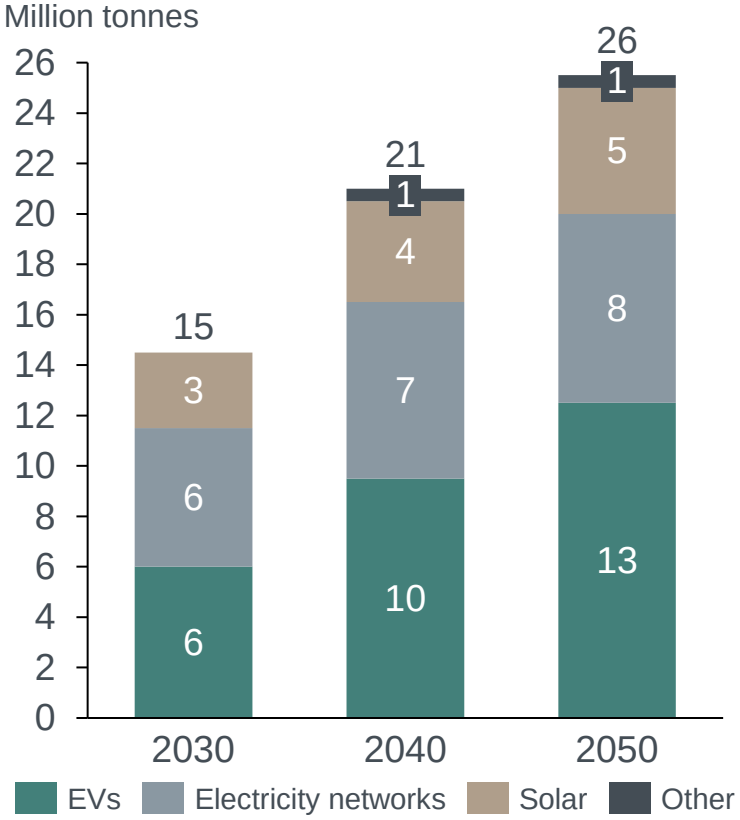


Source: CRU, Hydro Analysis.

Aluminium is a key enabler for the entire green transition

2030 energy transition will require 15-22 million tonnes aluminium, increasing to 25-42 million tonnes by 2050cc

Additional aluminium demand from green transition enablers[1)]



E-mobility transition

Automotive CAGR 2022-30
8 - 10%
Aluminium content per car to grow by
25% in 2030 [2)]

Circular building & construction solutions

EU set mandatory energy consumption reduction target of **11.7% by 2030**

Heating & cooling

Market share aluminium from 17% to
25% in 2030[3)]

Solar panel solutions

CAGR EU 2022-30 for solar segment
10 - 15 %[4)]

Copper substitution

Adjusted for conductivity, aluminium is approx
50% lighter
compared to copper [5)]

Electricity grids

Reaching 1.5 degree scenario will require adding or refurbishing
80 million kms of grids by 2040 [6)]

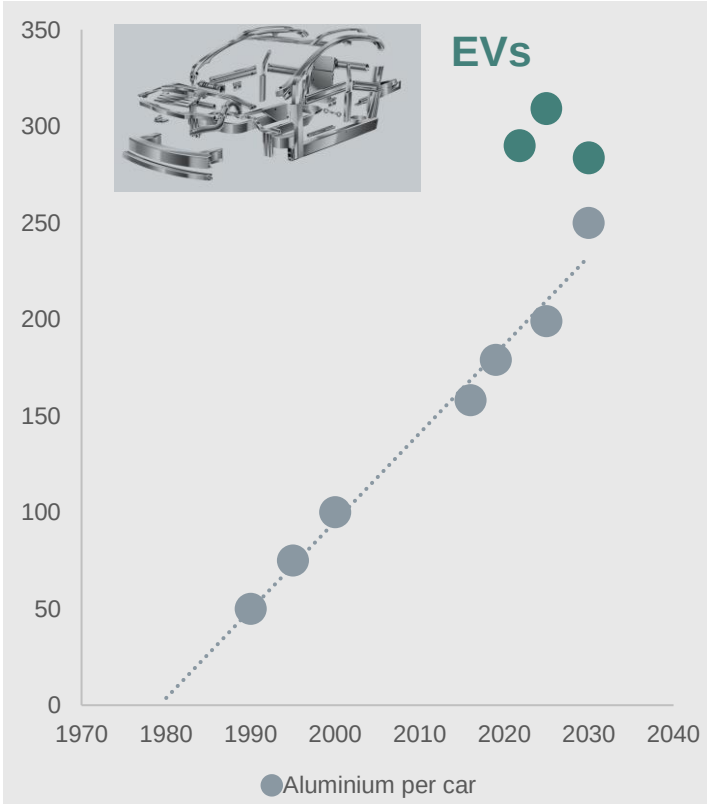
1) Additional demand related to green transition technologies in STEPS scenario.
Sources: 2) Ducker 3) Hydro analysis 4) BNEF 5) CRU 6) IEA

EV transition driving strong growth in aluminium demand

Key choices on component design and material selection are being matured now

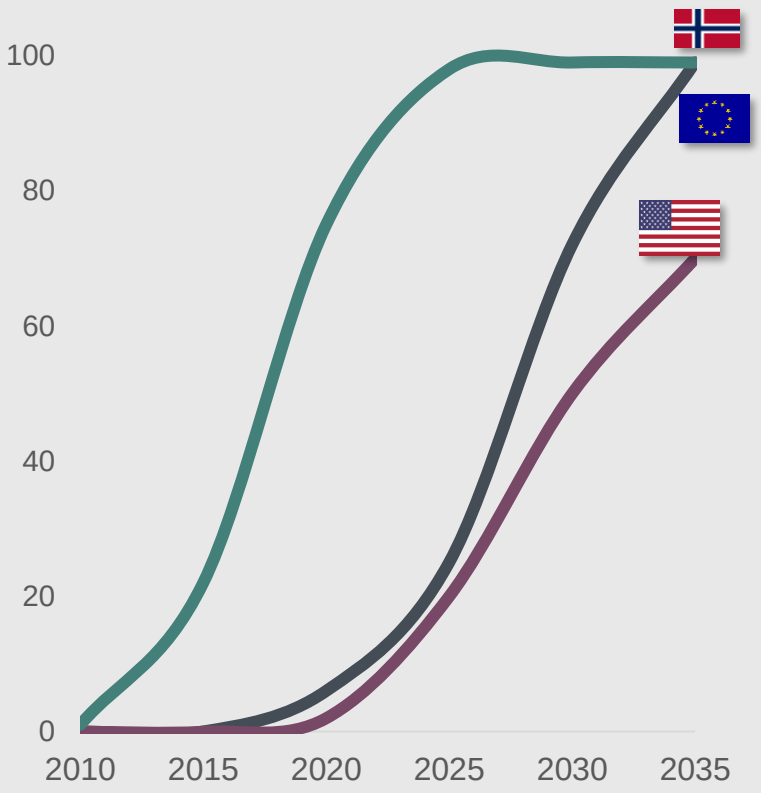
Aluminium content per car growing

Aluminium in car, kg



While EV share of sales is growing exponentially

Demand, million tonnes



Average aluminium content per car will grow from **205 kg/car in 2022** to **256 kg/car in 2030**

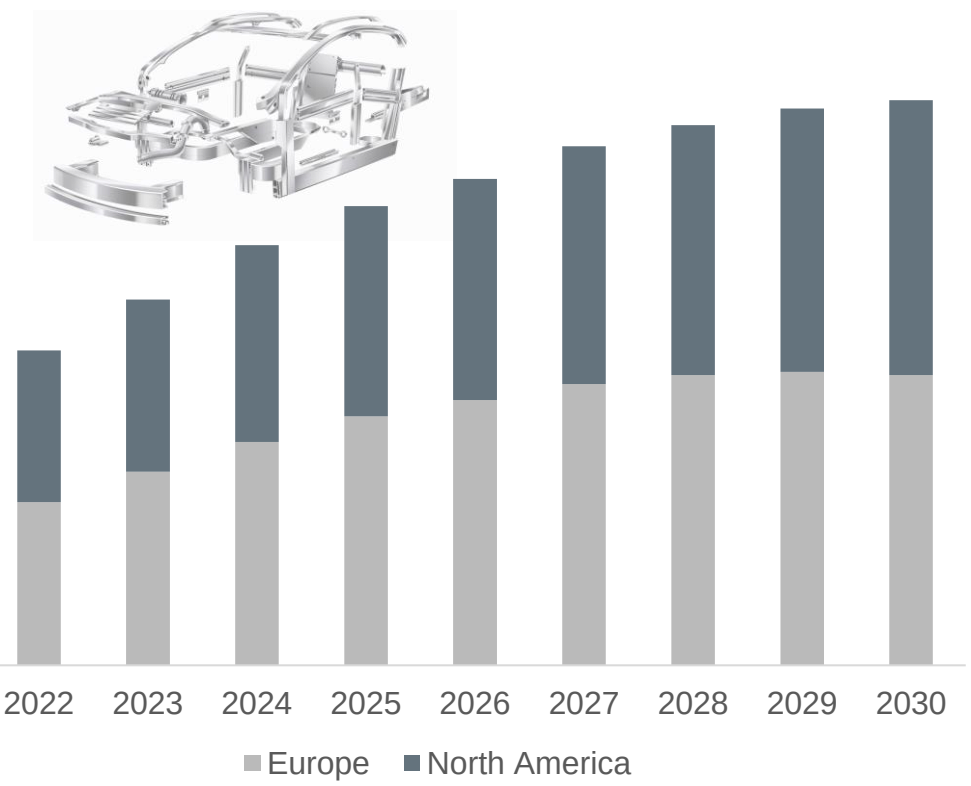
Demand for aluminium from European and American automotive industry to increase by **2.9 million tonnes from 2022-2030**

Source: IEA, Ducker, analysis based on EU27+UK

EVs are not built the same way as internal combustion engines cars

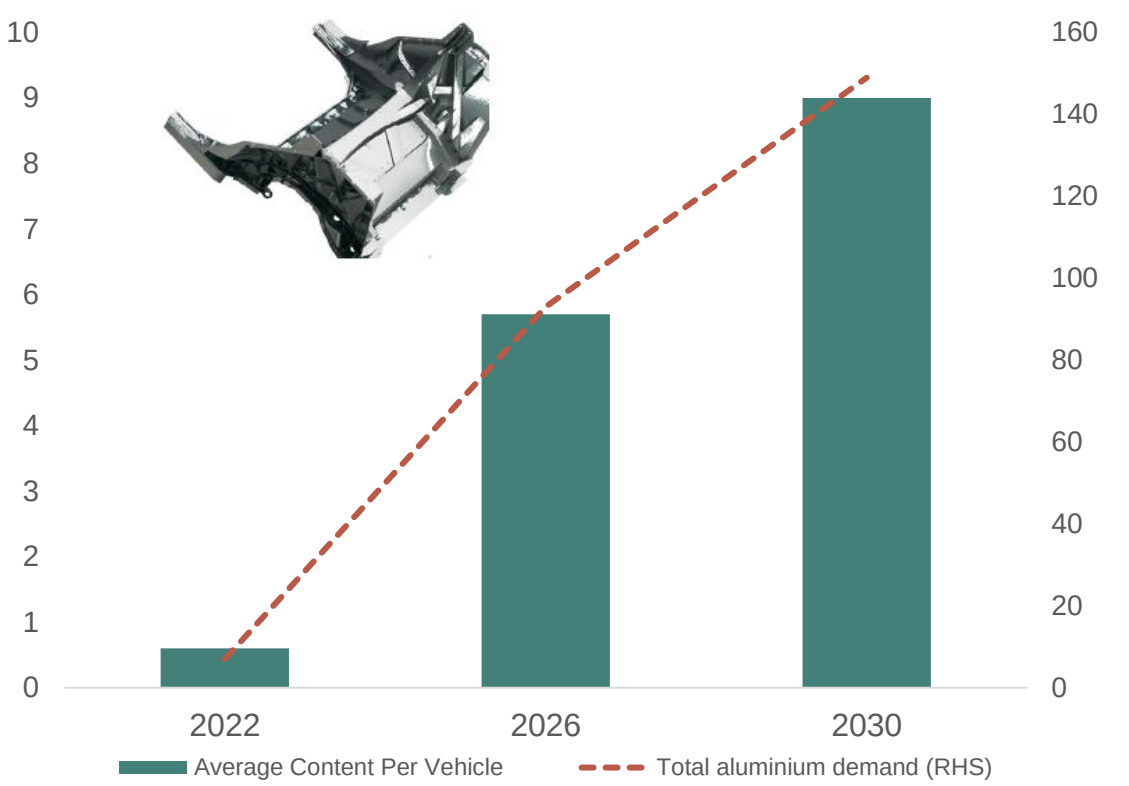
Radical change in design leading to changing dynamics for aluminium usage

Aluminium demand from extrusions driven by switch to EVs



Source: Ducker

Use of aluminium large and mega castings accelerating

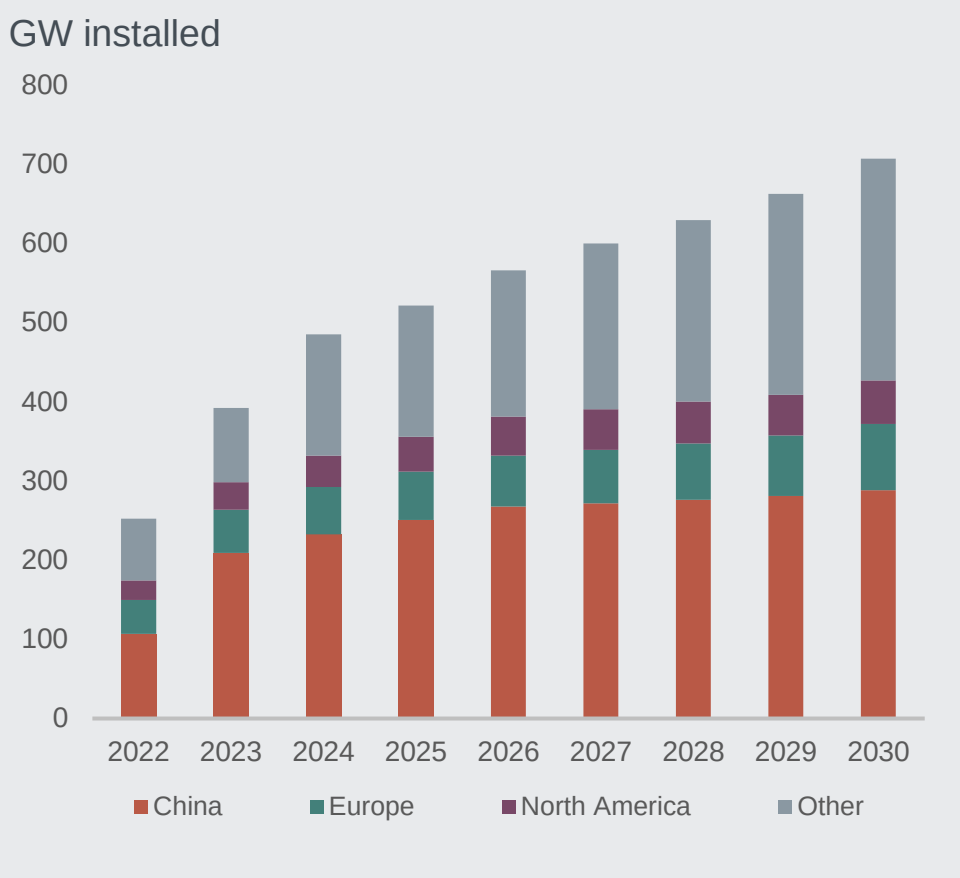


Source: Ducker
1) Passenger vehicles in EU27 + UK

Solar market provides strong growth potential for aluminium

Hydro

Regional growth potential within aluminium mounting systems



CAGR 2022-30 for global solar segment

14%

Chinese domestic alu demand from solar in 2023

~2.8 million tonnes

Potential aluminium demand for mounting systems in NA and Europe

600,000 tonnes

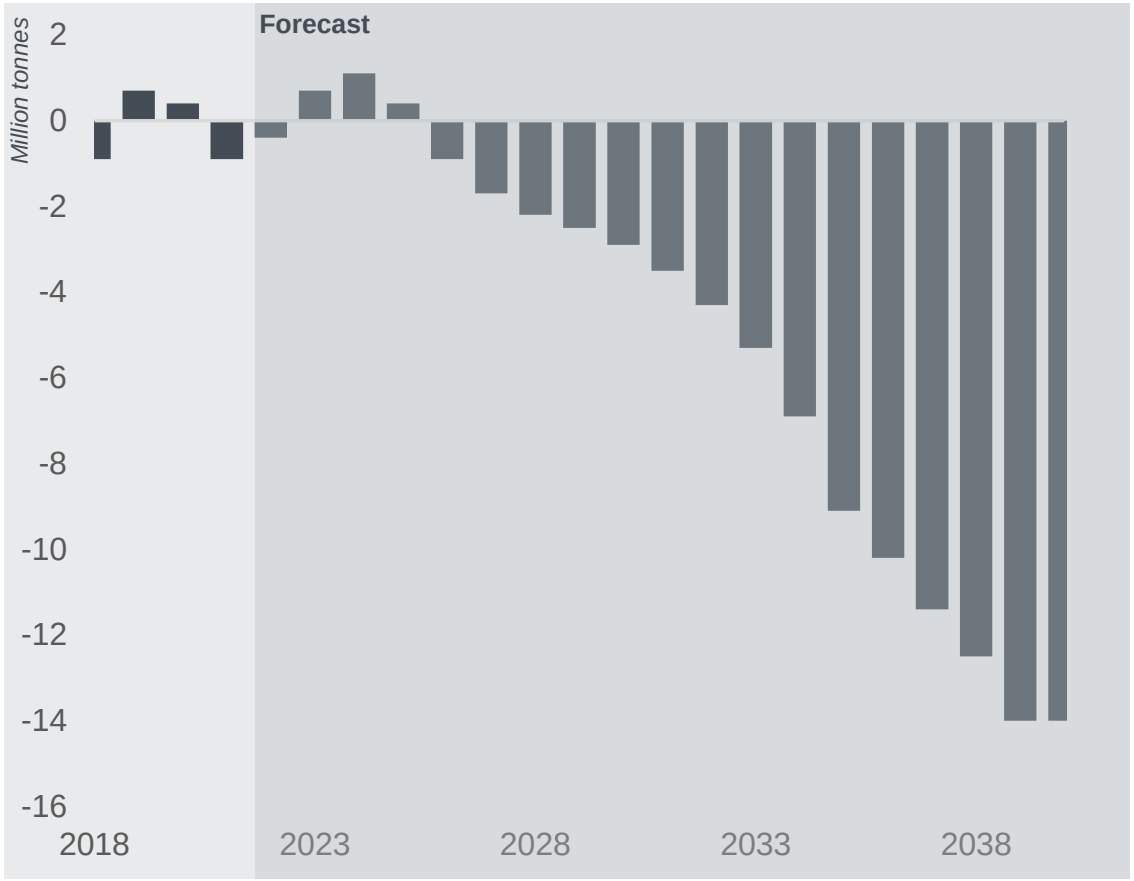
Source: BNEF, Shanghai Metals Market

Aluminium is an attractive substitute for copper

Hydro

Especially in segments with high growth from green transition

Copper demand expected to exceed supply from 2027 onwards

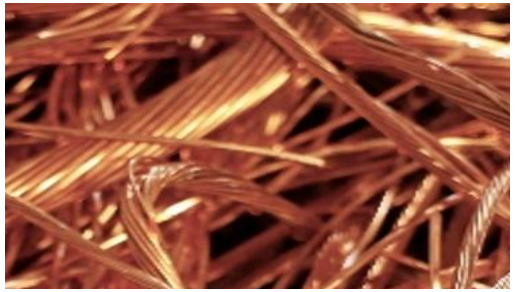


Key substitution facts

Copper: ~ $8,400/t
Aluminium: ~ $2,200/t

Price ratio of >3.5x
leads to increased substitution away from copper

Aluminium is
50% lighter
compared to copper adjusted for conductivity



Source: FT, CRU, Hydro analysis

Transition to EVs enables substitution opportunities

EVs contain considerably more copper than combustion engines

Price, Weight, Emissions

60-80kg
Copper content in electric vehicles

4x
Copper content compared to typical combustion engine vehicle

Application A
Replacing complex copper cabling with approx. 3kg of aluminium solution

Application B
Replacing flexible copper cabling with approx. 5 kg of aluminium solution

Potential additional global demand in 2030
100kt

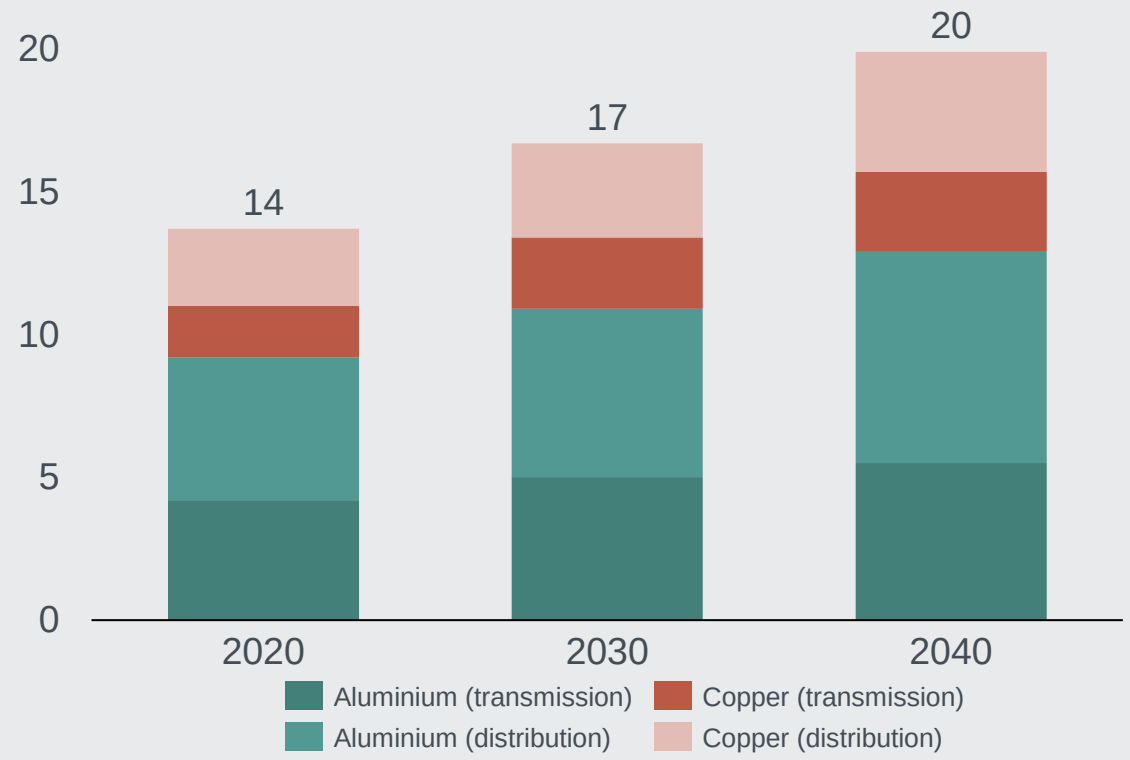
Potential additional global demand in 2030
180kt

Source: Reuters, IEA EV sales projections, Hydro analysis
Analysis based on required aluminum for substitution in one of the most sold EV models

Green transition drives substantial expansion of electricity grids

Average annual demand for aluminium by 2040 in stated policies scenario

Million tonnes



Source: International Energy Agency

Reaching 1.5 degree scenario requires adding or refurbishing 80 million kms of grids by 2040

International Energy Agency 2023, Electricity Grids and Secure Energy Transitions

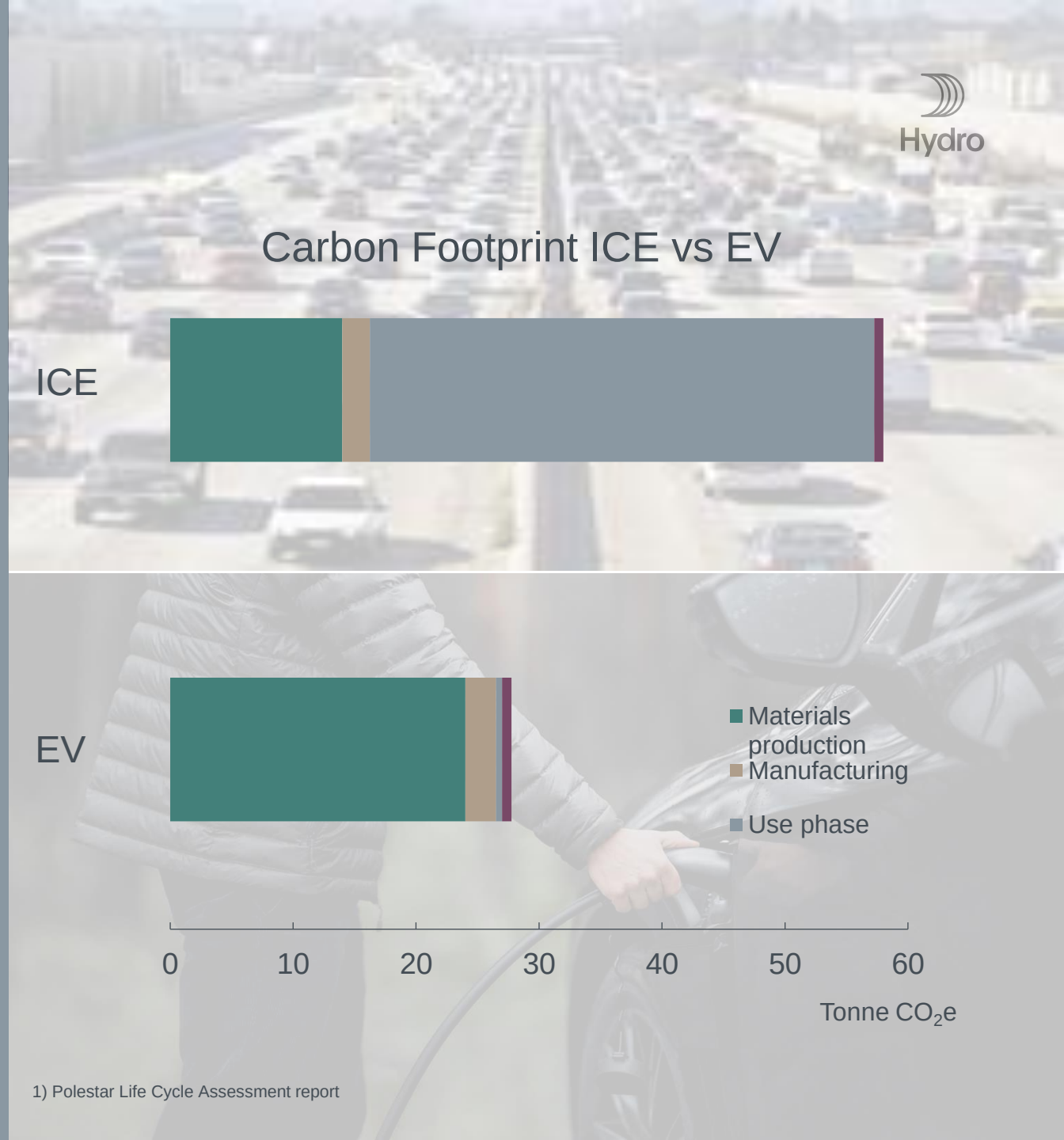
From cutting tailpipe emissions to cutting embedded emissions

83%

Of the embedded emissions from aluminium, steel and polymer

+40%

Emissions from materials, including batteries, increase 40% from ICE to EV[1)]

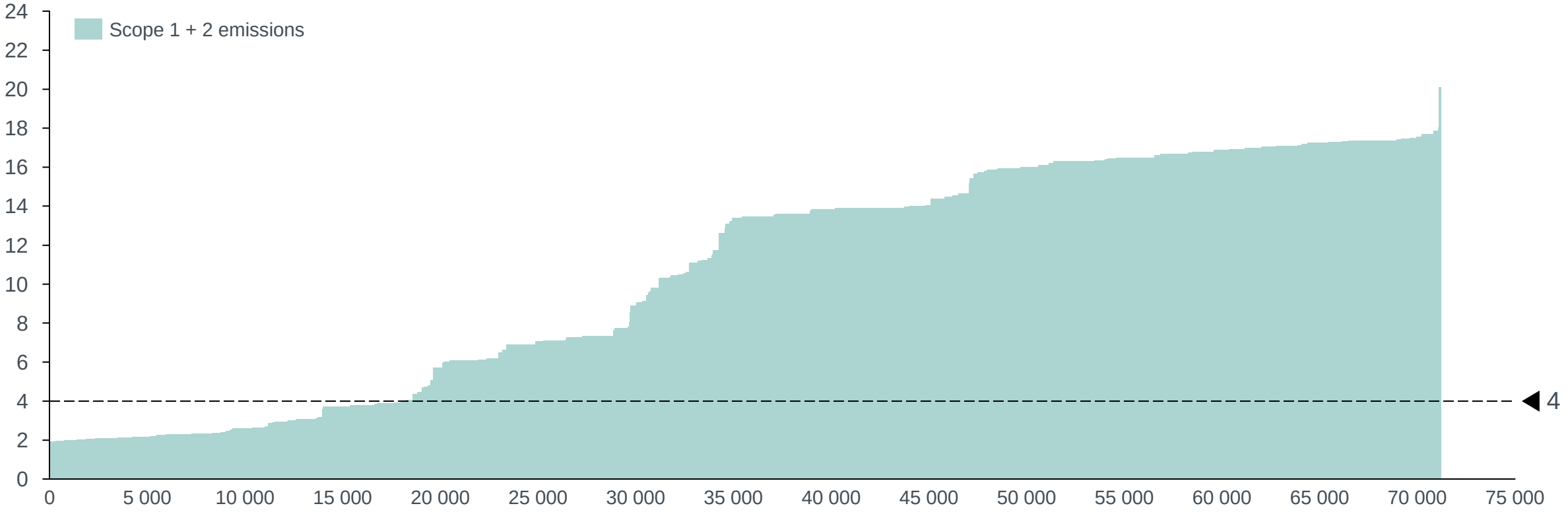


1) Polestar Life Cycle Assessment report

Aluminium smelter perspective: 18 million mt produced globally with CO_2 footprint below 4 kgCO_2/kg

Aluminium smelter emissions curve 2023

Tonnes CO_2e per tonne Aluminium

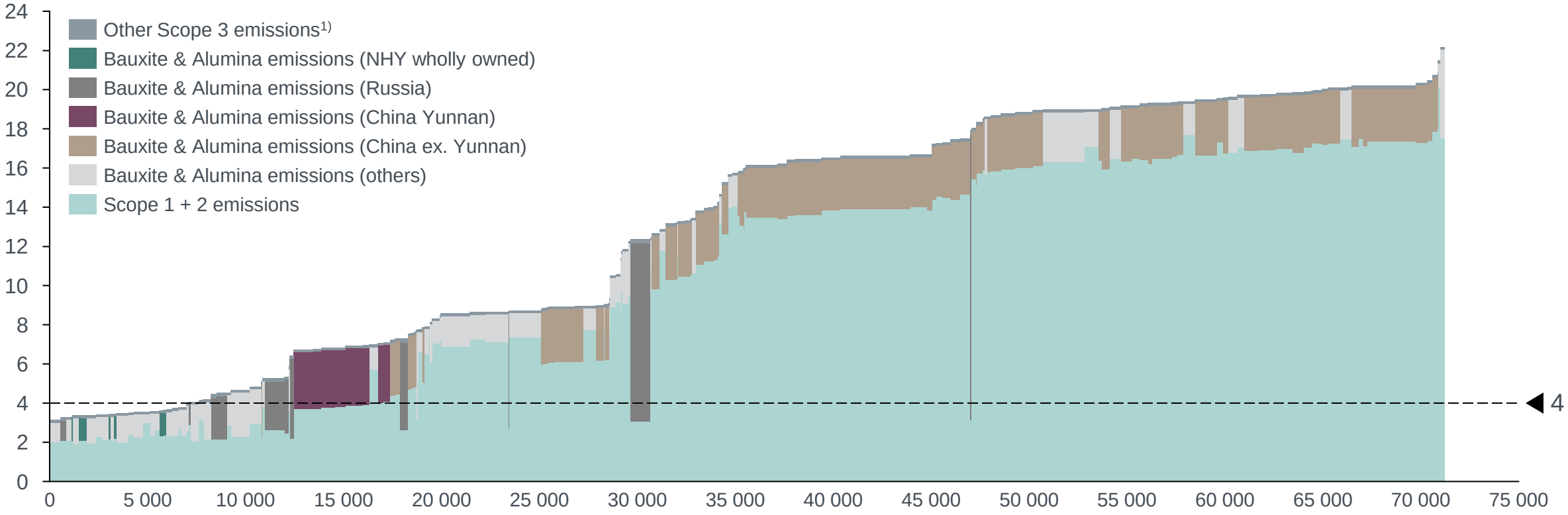


Source: CRU, Hydro Analysis

Full value chain perspective: 7 million mt of primary production with embedded emissions below 4.0 $kgCO_2/kg$ aluminium

Cradle-to-gate emissions curve 2023

Tonnes CO_2e per tonne Aluminium



Source: CRU, Hydro Analysis.
1) Transportation, casting, anode transport

The green transition represents a massive shift for the aluminium industry

Above market growth towards 2030

8%-10% [1)]

10%-15% [2)]

5%-8% [3)]

1) Automotive CAGR 2022 - 2030
2) Solar CAGR EU 2022 -2030
3) HVACR CAGR of major markets 2022-2030

Many vying to take sustainable aluminium leading positions

Hydro

Only Hydro with integrated advantage

	Share of renewables	Global presence	Primary and recycling capabilites	Decarbonization technology roadmap	Customer co-innovation on end-products	"One roof" mine to component traceability
Peer 1						
Peer 2						
Hydro	Significant player in **renewable energy**	Fully integrated, with **global reach**	Network of **smelters and recyclers**, incl. use of PCS at smelters	**HalZero** and **CCS** technology development	Close **collaboration with customers** producing end-products through global presence in Extrusions	Full control from **mine to final product**
Peer 3						
Peer 4						
Peer 5						

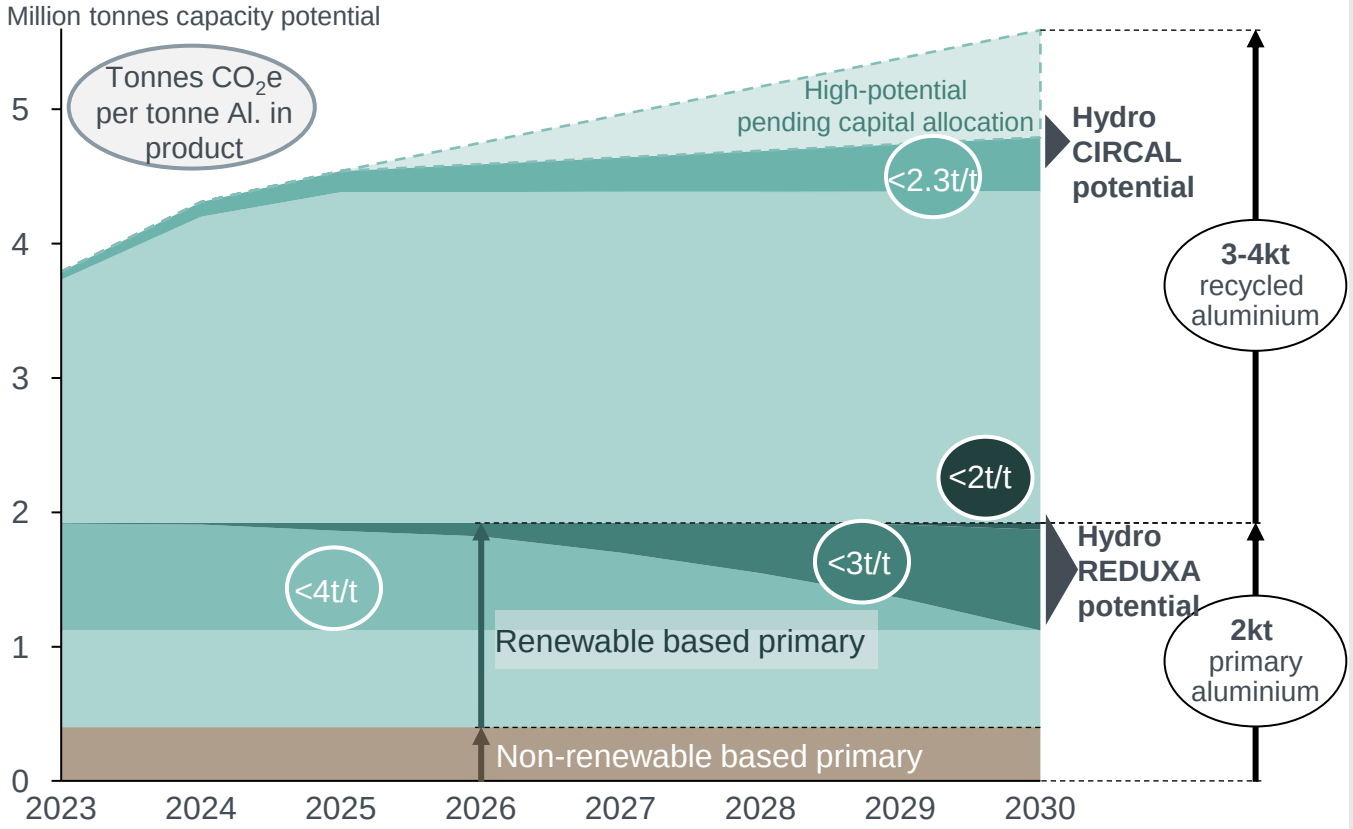
Leading Mid-range Low

Source: company annual and CMD reports

Positioning Hydro to pioneer the green aluminium transition

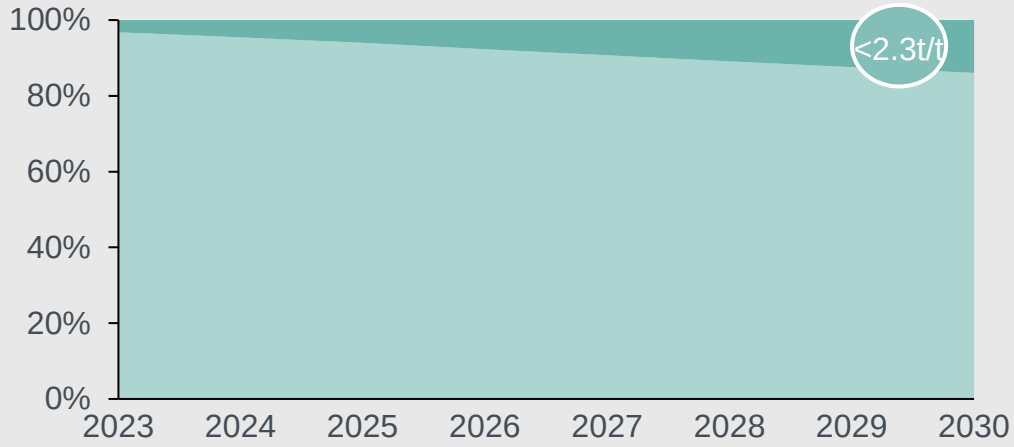
Earnings uplift potential 2030 of NOK 2 billion[1)]

Greener product capability from total aluminium portfolio[1)]

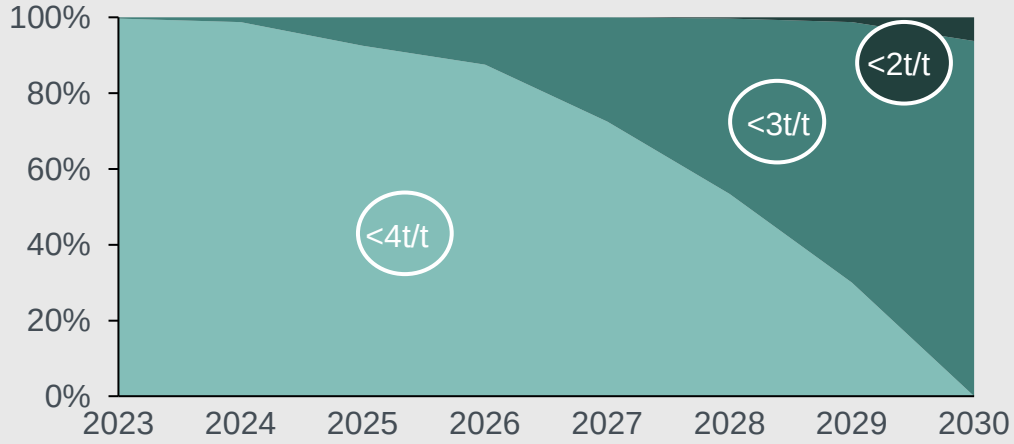


1) Based on 2030 EU ETS cost and relative CO_2 reduction vs Hydro REDUXA 4.0 at current industry traded upcharge. Hydro REDUXA and CIRCAL potential based on estimated certification capacity. Primary capacity based on equity share renewable power. Hydro CIRCAL products have post-consumer scrap content > 75%

Growing recycling capabilities

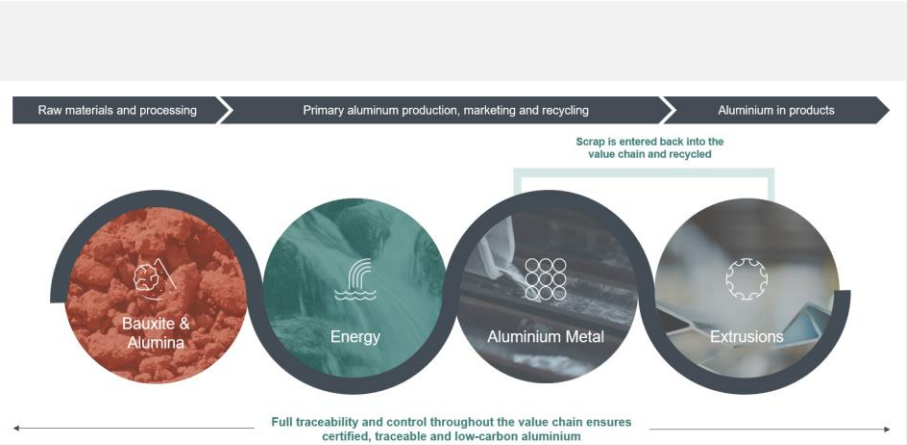


Transforming REDUXA portfolio

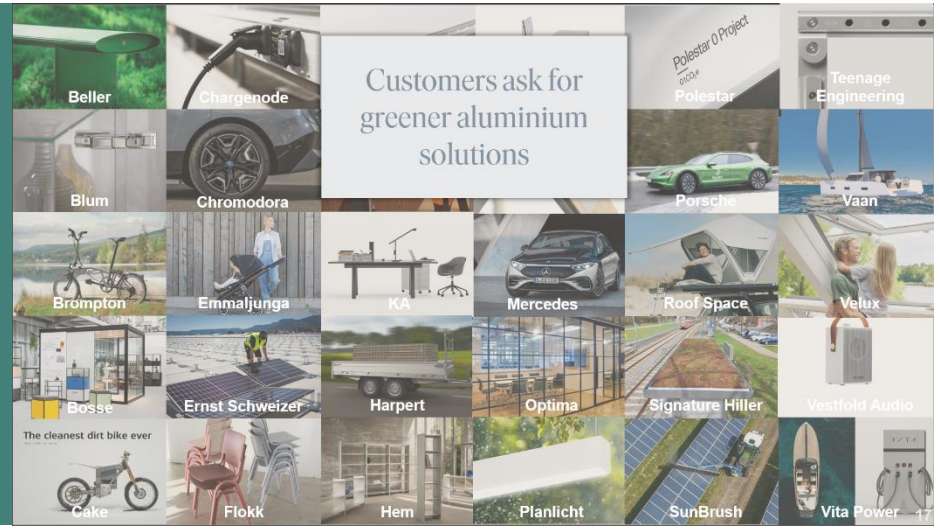


The unique Hydro offering

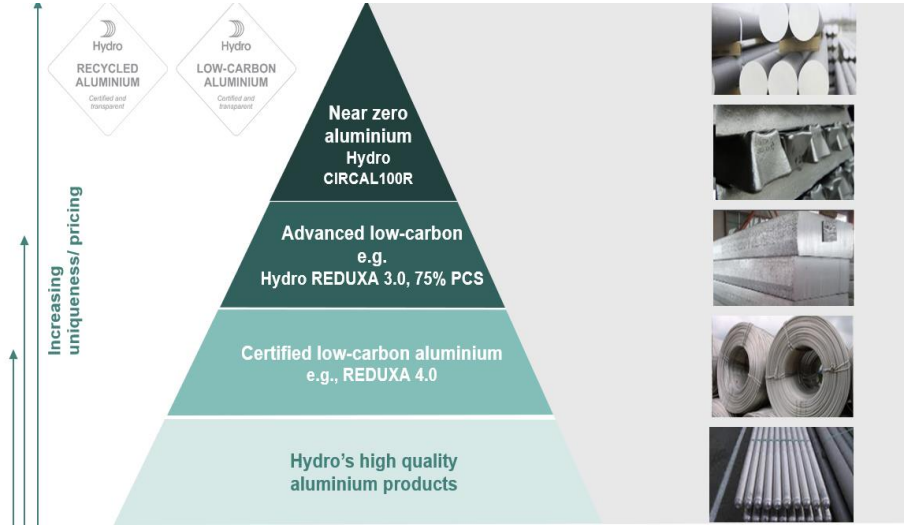
Integrated value chain offering



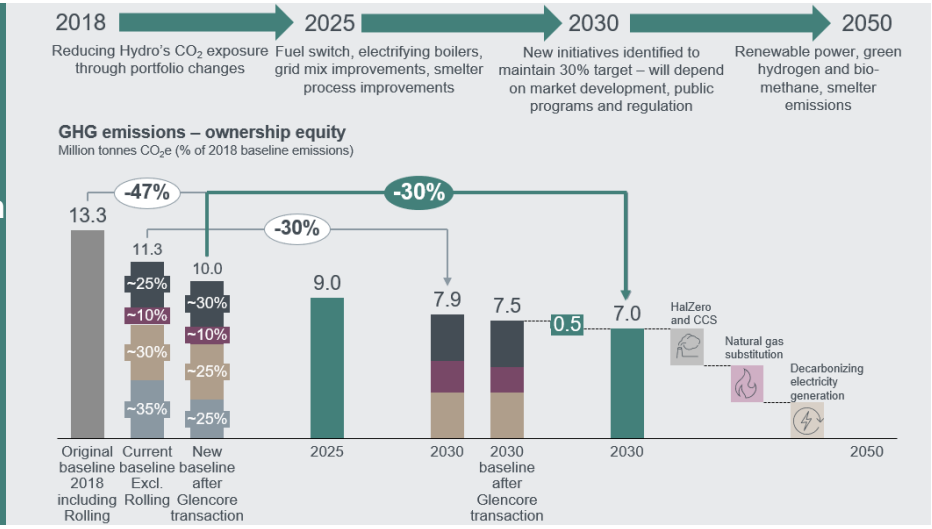
Strategic partnerships with industry front runners



Broad low-carbon product portfolio with spearhead products



Decarbonization roadmap to 2030, and net-zero



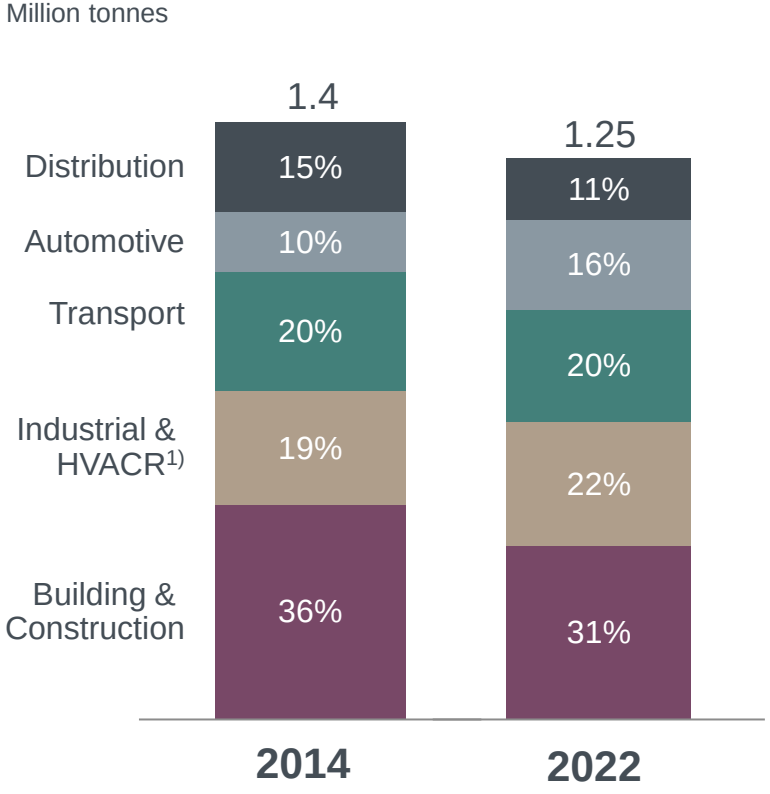
Step up growth in Extrusions

Paul Warton

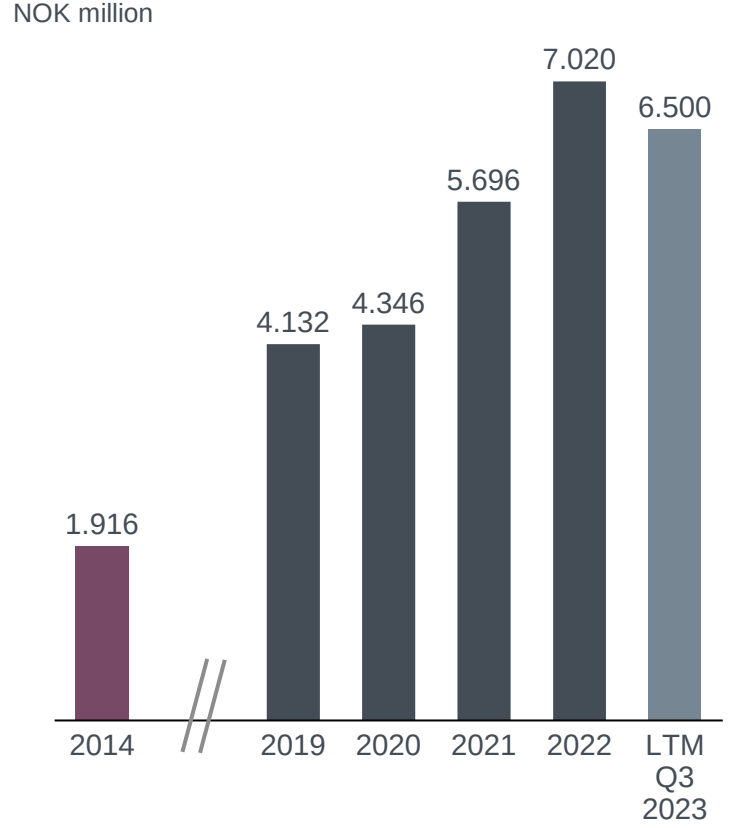
Executive Vice President, Hydro Extrusions

Hydro Extrusions delivering strong EBITDA uplift through targeting high-growth, advanced segments

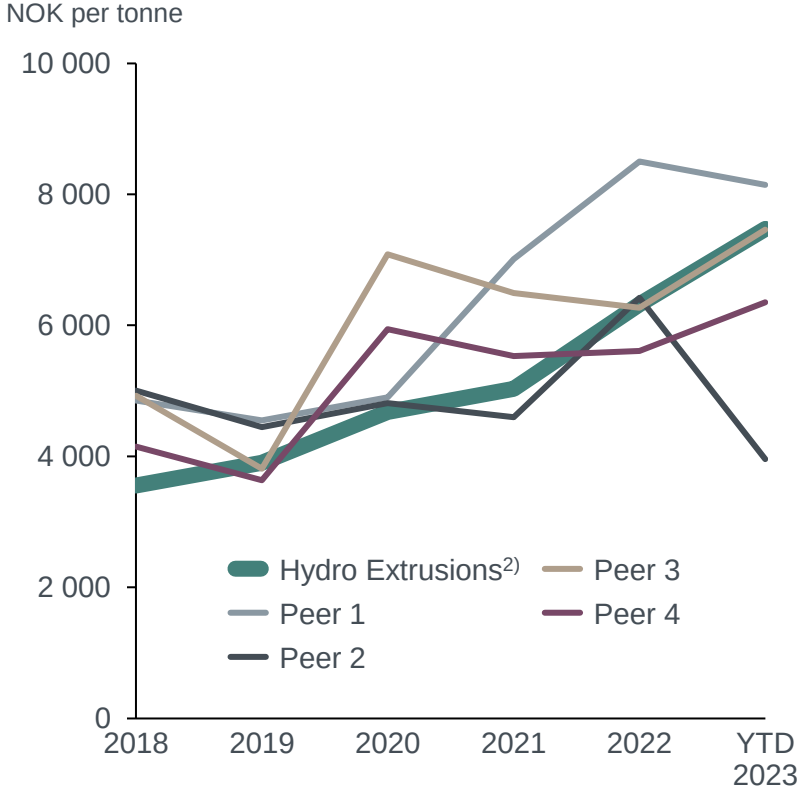
HE sales volumes split per segment



HE EBITDA



EBITDA per tonne vs peers



1) Heat, ventilation, air conditioners & refrigerators
2) HE EBITDA adjusted for capitalization of dies to make comparable to peers

Industry trends towards 2030 are favorable for Hydro Extrusions, driven by customer needs and segment growth

Opportunity to leverage Hydro Extrusions' strengths increases as target segments develop

Customer needs

- As industries and applications mature, customers demand more developed solutions
- Value added offerings
- New, R&D driven solutions
- Customers will partner with suppliers providing new and advanced solutions, e.g., low-carbon, high R/C content, sustainably produced solutions

Segment growth

- More growth expected in value added product and solutions area rather than "commodities"
- Attractive segments with 5-10% annual growth
- Key growth segments include Automotive / E-mobility and solar / Renewables / Big & Wide Rail

HE capabilities

- Strong innovative capacity to provide high-quality advanced solutions
- Developed R&D position that can be further enhanced
- Head start vs competition in sustainability area
- Size, geographical coverage and advanced capabilities to be relevant in differentiated segments

Hydro Extrusions will leverage opportunities from greener transition to strengthen market positions

Secular growth drivers in key segments

Automotive CAGR 2022-30:

8 - 10%

Solar in EU CAGR 2022-30:

10 - 15%

Copper substitution potential, HVAC&R by 2030, million tonnes:

0.6

HE positioning and growth ambitions

- Strong global positions, long term relationships with major automotive OEMs
- Proven capabilities, innovation and sustainability as key competitive levers
- Increase share of direct OEM supply and long-term contracts
- Investment projects under execution globally

- HE with strong value offering, including surface treatment and low-carbon aluminium solutions
- Solar mounting systems fit well on existing 7-9 inch presses
- Projects in pipeline to increase capacity

- HVAC&R customers with production in North America and China
- Customer projects with proven solutions for replacing copper with aluminium
- Grow capacity and increase customer solutions

Source: Ducker Group, CRU, BNEF, Hydro analysis

Critical growth projects under execution, maturing projects to enable profitable growth

Further strengthening flagship plants in the portfolio, leveraging key trends

Key trends

- Sustainable products with low-carbon footprint
- Recyclability and keeping materials “in the loop”
- Greener energy sourcing

- E-mobility
- Light-weighting of vehicles

- Customer collaboration: high level of service, tailored solutions, short lead times
- Proximity as clear competitive advantage

Project under execution

Hungary recycling
Navarra recycling
Sjunnen recycling

US: TDC upgrade and Cressona

PT China press
PE coating line

Phoenix press and fabrication ramp-up
Hungary and Tønder automotive presses

Nenzing press
Rackwitz press
Cressona press
COI press (US)

Project capacity growth since 2021

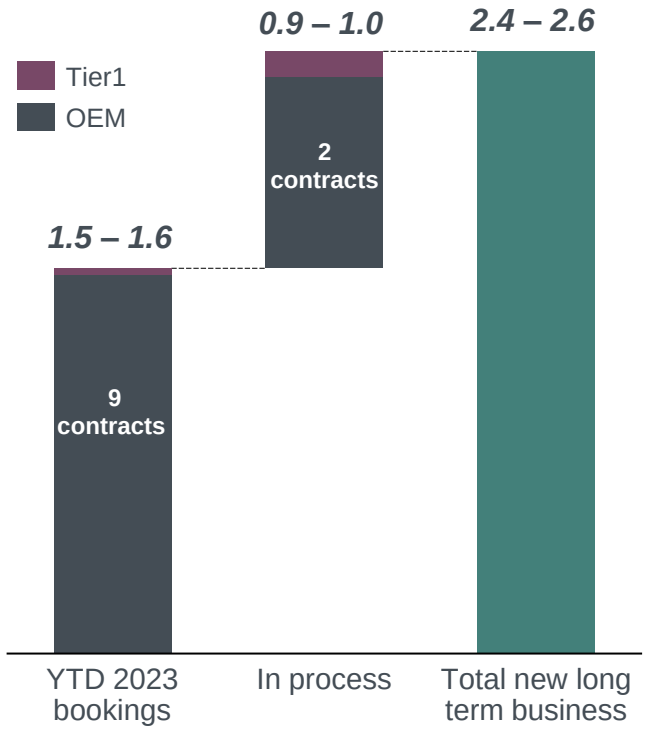
Capacity added	Growth[1)]
~250.000 tonnes of recycling capacity	+ 20%
~45.000 tonnes of automotive press capacity	+15%
~70.000 tonnes of other press capacity	+ 5%

1) Compared to base capacity 2021

Significant automotive growth business last quarters

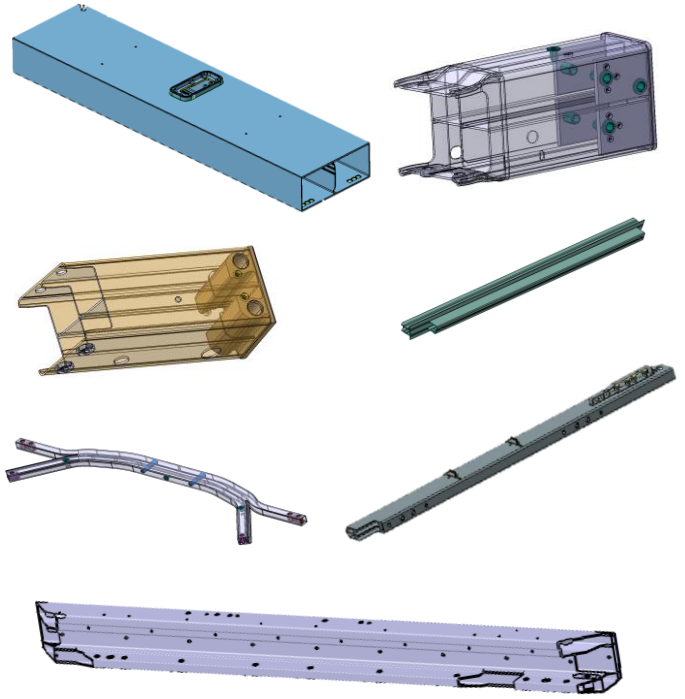
Record levels of OEM sole supply contracts

(Revenue in BEUR)



Partnerships with large OEMs

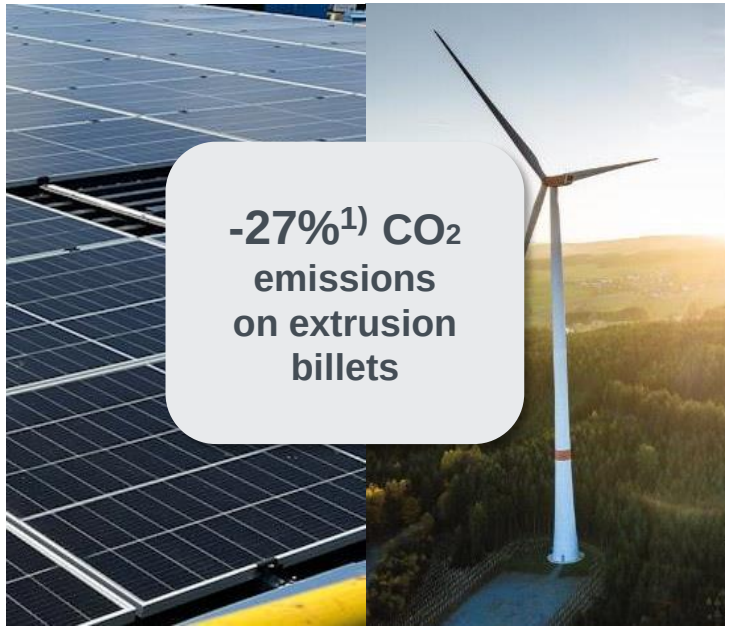
Advanced offering of added value activities and fabrication services



Across geographies and units

Reducing own emissions and helping customers improve their products' sustainability

Greener sourcing



Greener production

Greener products

Reduce own emissions

Help customers improve their products sustainability

Confirm and improve with labels and certifications

1) Baseline 2018. 2) Baseline 2019

Reducing own emissions and helping customers improve their products' sustainability towards 2030

Greener sourcing

Greener Sweden
Pilot project towards net-zero

Renewables in the U.S.
Spanish Fork plant fully solar powered

Greener production

PV-powered press
Solar-powered press in Poland

Hydrogen-fueled recycling
World's first batch produced in Spain

Greener products

Shaping the market
First project with Hydro CIRCAL 100R

Greener partnerships
Partnering with customers and others

Customers from all industries partnering with Hydro Extrusions to make greener products

VELUX®

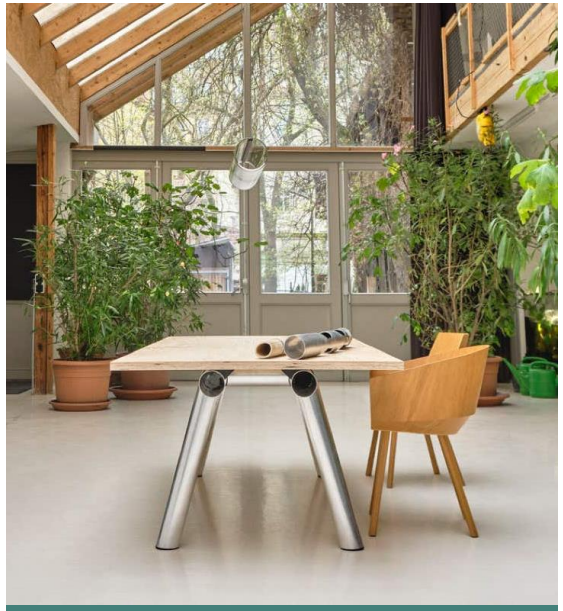
Partnering to cut carbon emissions from its value chain in half by 2030

cake

Cleanest Dirt Bike Ever project to remove emissions from production by 2025

Schweizer

Solar panel systems made from low-carbon aluminium extrusions



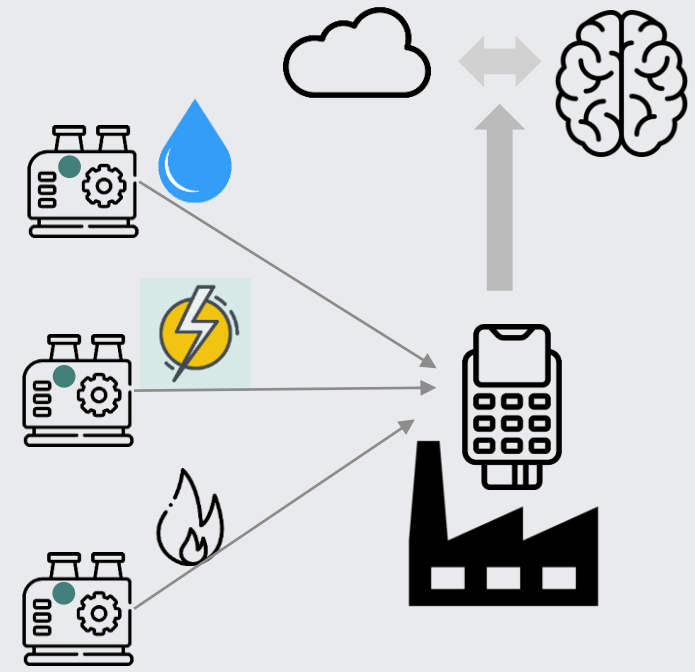
HAY

Light and flat-packed BOA conference tables made with Hydro CIRCAL

Digitalization, AI and automation

Key levers to improve performance and profitability

AMR = Automatic Meter Reading



● = *Sensors*

AMR = Sensors with real-time tracking of energy, water, gas consumption and vibration at machines in plants

Value contribution

- Using AI / machine learning / dash-boards to identify “irregularities”
  - Benchmark between machines and products to drive improvements & reduce waste / consumption
- Peak-shaving / improved production planning
- Preventive maintenance through vibration / consumption patterns
- Traceability through connected systems

Automation

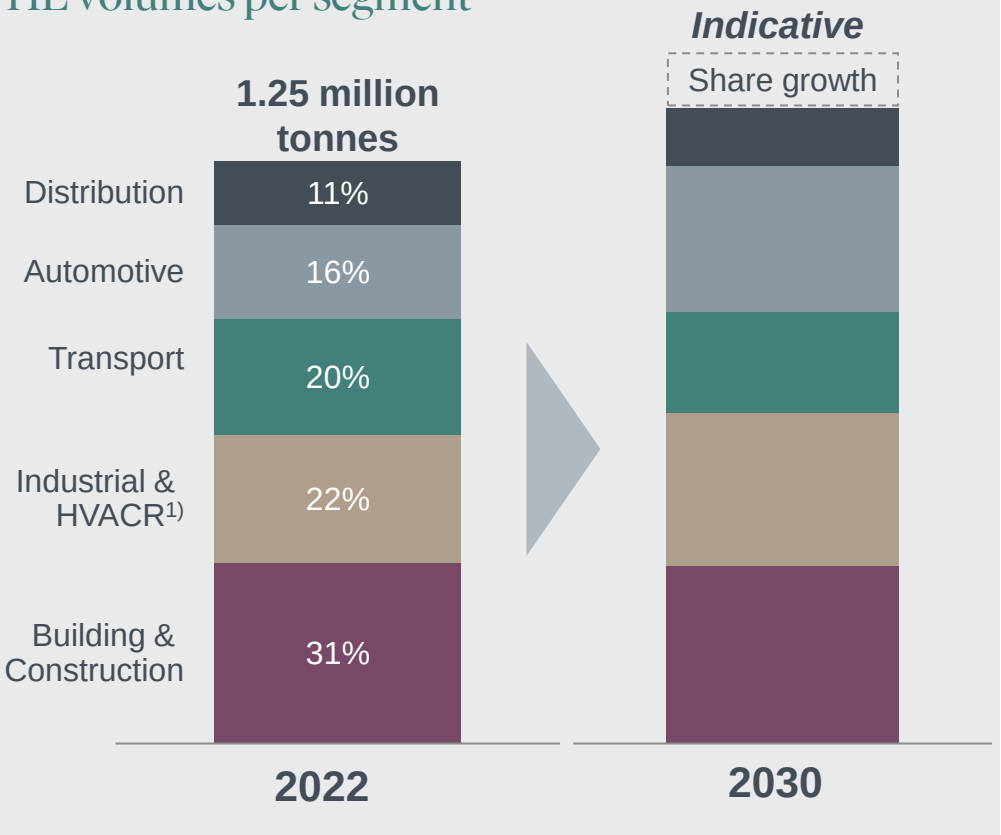
- PT Taicang Fabrication – reducing 95 FTEs through Automation & EBS[1] (>20% of work-force)
  - Ergonometric, quality, safety and finance
- Automatic quality controls enable delivering millions of parts without quality issues

1) Extrusion Business System

HE increasing profitability towards 2030 through uplift from growth projects and underlying improvements

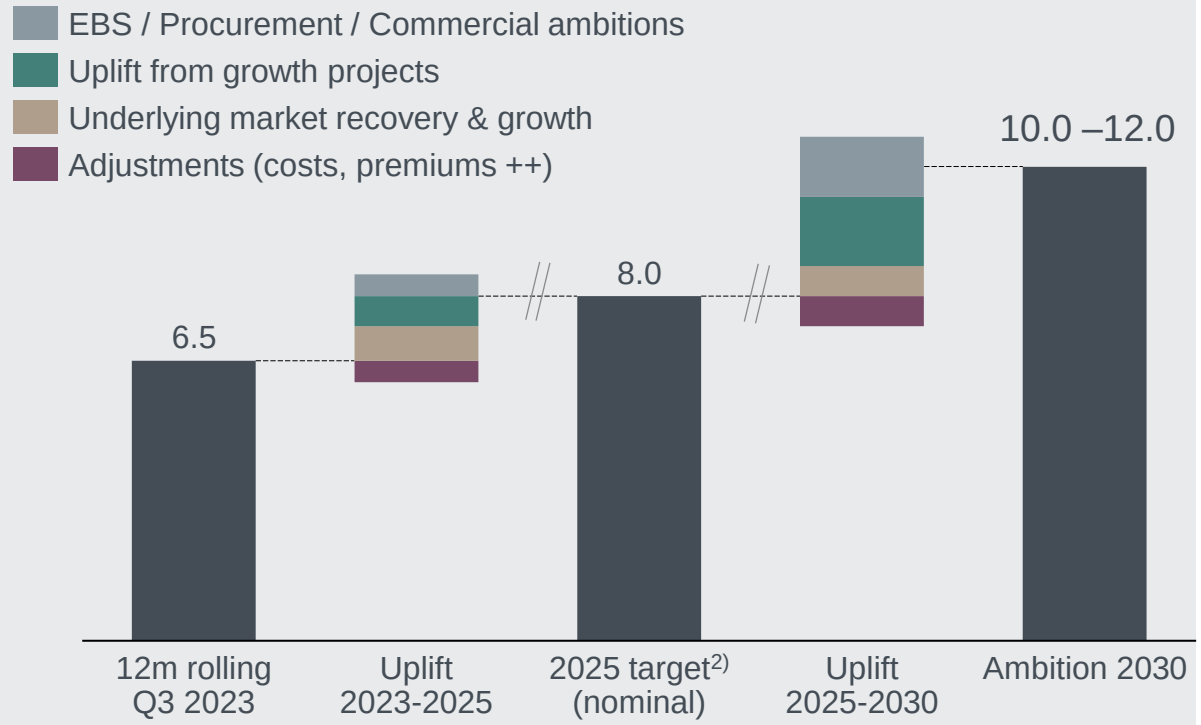
Growing market share in dedicated segments, further operational and commercial improvements

HE volumes per segment



HE EBITDA ambitions

NOK billion (real 2023)



1) Heat, ventilation, air conditioners & refrigerators
2) Target of 8 BNOK in 2025 in nominal terms as communicated in 2021. Range target 2030 in real terms

Hydro Extrusions 2030 strategic direction

- Growing with the **underlying markets**
- Growing in non-commoditized segments fitting with HE's capabilities
- Continue to compete based on capabilities and service

\+ **Market share growth** ambition in high-growth, profitable segments

- Investments to support capabilities and **ability to compete through high service levels**
- **Press and fabrication capacity, value added services and recycling**

- **Sustainability** giving **commercial** opportunities
- **Segmentation** and improved **greener offerings** as key levers

- Increased **digitalization** throughout value-chain
- **Standardization** will generate value through the value-chain – from understanding profit to driving procurement and reducing energy consumption

Step up growth in Recycling

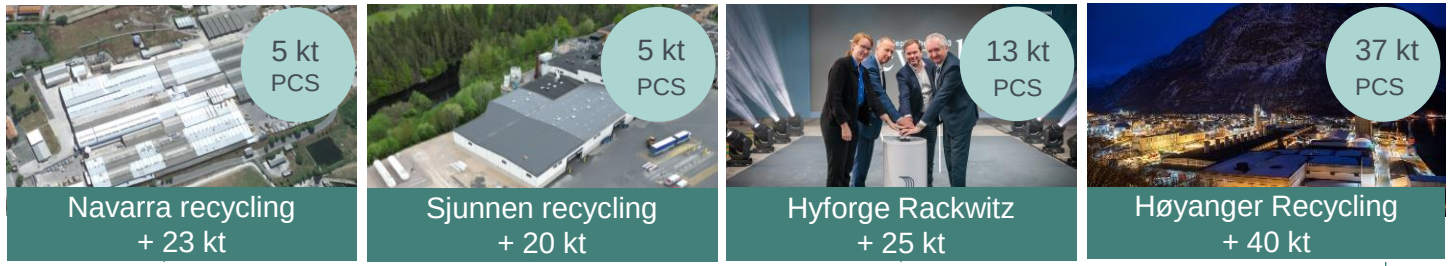
Eivind Kallevik

Executive Vice President, Hydro Aluminium Metal

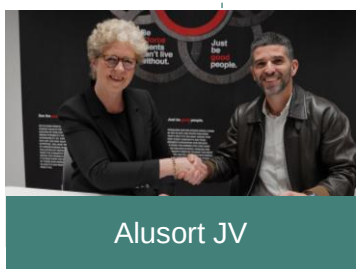
2025 recycling targets achieved with 2023 year-end installed capacity

Recent recycling projects with production and post-consumer scrap capacity

Tonnes ('000)

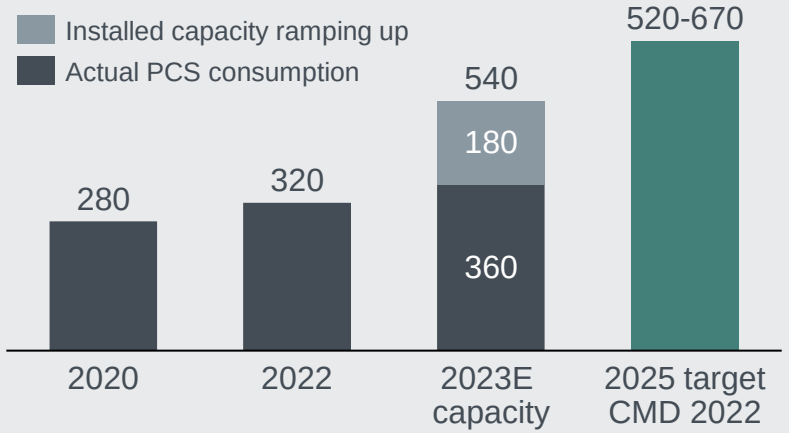


2022 2023



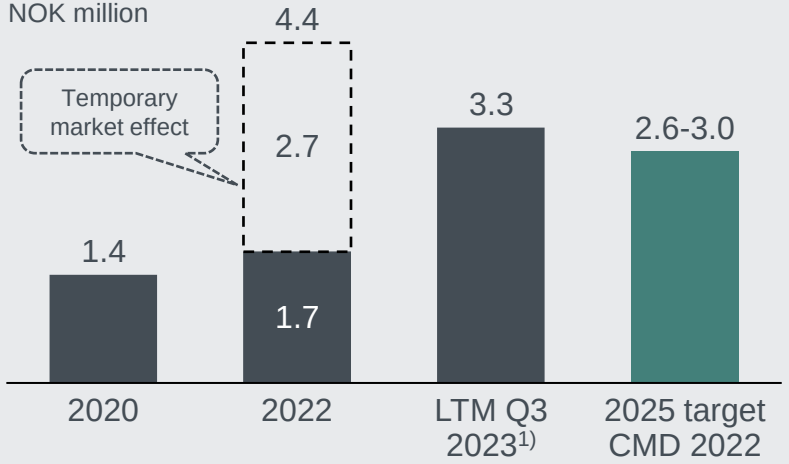
Post Consumer Scrap

Consumption and targeted capacity, tonnes ('000)



EBITDA

NOK million



1) Incl. Alumetal from July 1

Megatrends support recycling agenda

Increasing focus on circular economy from both consumers and regulators

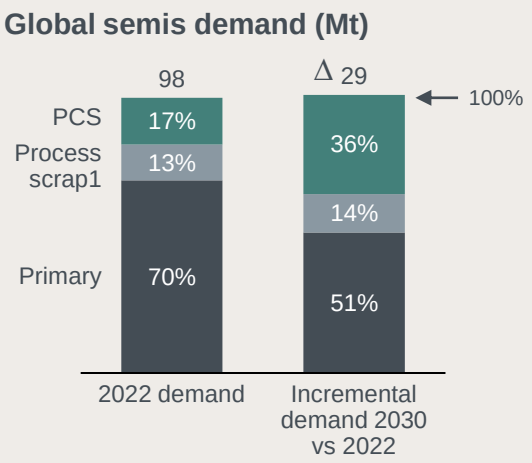
Innovate for circularity

- Process design – closed loops
- Product design – lower material use
- Reuse and refurbish (second life)

Waste to value

- Reduce waste generation
- Reuse and upcycle waste streams to products

Technology



- Capture and recycle products at end-of-life
- Improve scrap sorting
- Increase recycling efficiency
- Technology advancement

Regulatory frameworks

- End-of-life Directive
- EU waste shipment regulation
- Critical raw materials act
- CO_2-regulations

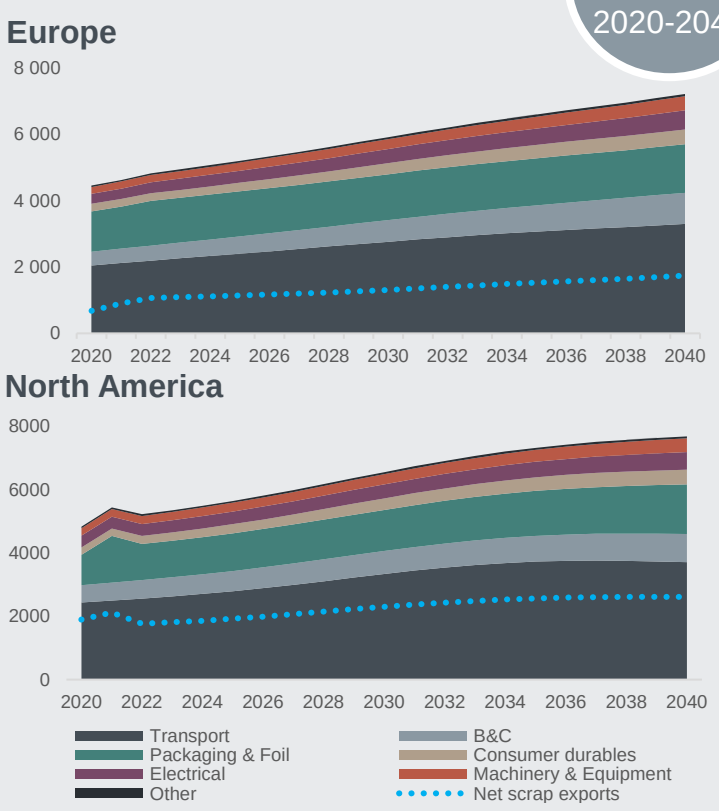
Post-consumer scrap generation is increasing

But multiple hurdles exist for its utilization

Post-consumer scrap recovery

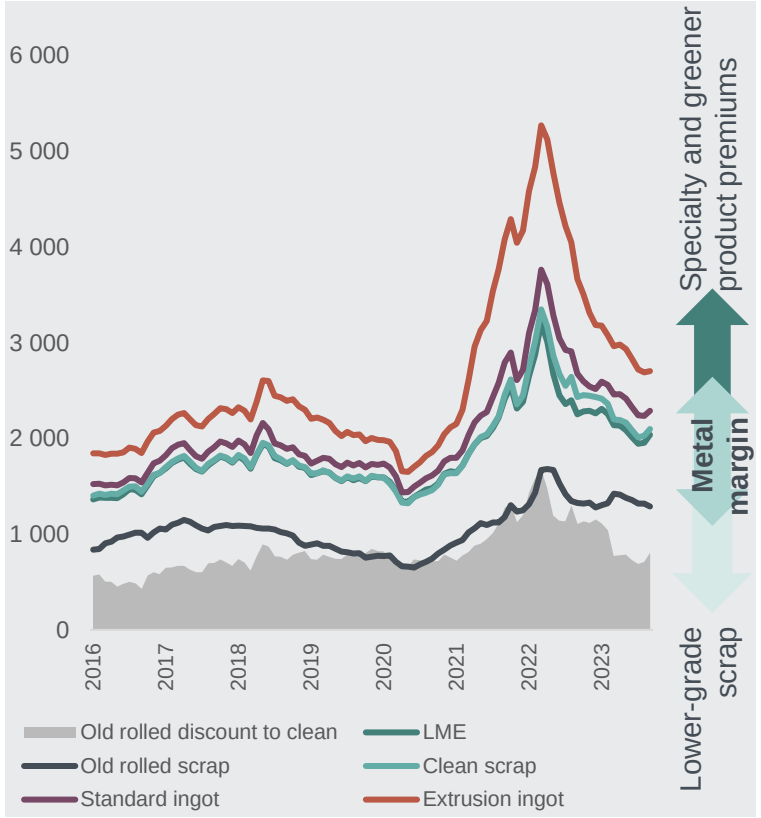
Tonnes ('000)

CAGR 2.4% 2020-2040



Price spread scrap

Clean vs. complex post-consumer scrap, EUR/tonne



Key trends in aluminium recycling

- Growth in recycling and billet capacity pressuring margins on "clean" scrap feedstock
- Large export volumes from Europe and North America to Asia
- Regulatory changes and protectionism measures affecting future scrap market
- Increasing generation and more interest in lower-grade scrap, but multiple challenges:
  - Supply chain complexity
  - Contamination
  - Collection
  - Sorting limitations
  - Logistics

Source: IAI GARC, UNComtrade, Metal Bulletin, Platts, Reuters Ecowin

Mixed scrap types require sorting capabilities and ability to convert to various products

Securing access to the right scrap – key success factor

Low — Need for sorting — High

EC wire chops

Post-consumer wire

Premium to LME

Clean profiles

Mix of **pre-** and **post consumer**

Premium to LME

Painted profiles

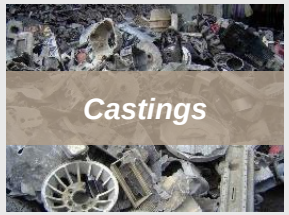
Mix of **pre-** and **post consumer**

Discount to LME

Shredded profiles

Mix of **pre-** and **post consumer**

Parity to LME



Castings

Post-consumer scrap

Discount to LME

Taint Tabor

Post-consumer scrap

Discount to LME

Twitch

Post-consumer scrap

Discount to LME

Furnace-ready scrap — ***Mixed scrap***

Extrusions	Extrusions	Extrusions	Extrusions	Cast	Rolled (60-85%) Extrusions (15-40%)	Cast (40-50%) Rolled (30-40%) Extrusions (10-20%)

Source: Hydro analysis

Diversifying and high-grading recycling product portfolio across markets and geographies

Successfully completed organic and inorganic projects in 2023 include:

Cassopolis greenfield recycler, MI USA

Introducing Hydro CIRCAL, increasing EI market share in the US

- 40kt of PCS per year enabling delivery of similar volumes of Hydro CIRCAL® to the North American market
- Lowest carbon extrusion ingot offering in North America

State-of-the art HyForge line in Rackwitz, Germany

Diversifying portfolio and growing high-margin HyForge capacity

- Ramping-up the HyForge line in Rackwitz Germany
- Forging stock geared towards the automotive industry

Alumetal acquisition

Entering the recycled FA market with Alumetal acquisition

- Advanced sorting capabilities and capacity
- Opportunity to utilize more scrap grades
- Identified synergies of **10-15 MEUR by 2027**

AluSort – JV Hydro & Padnos, USA

Securing access to scrap, industrializing HySort technology in the US

- Invested 4MUSD in a 50:50 JV with scrap-yard operator Padnos in MI, US
- Installing HySort equipment; total capacity ~36 kt p.a.
- Supplying Cassopolis with suitable fractions; marketing the rest externally

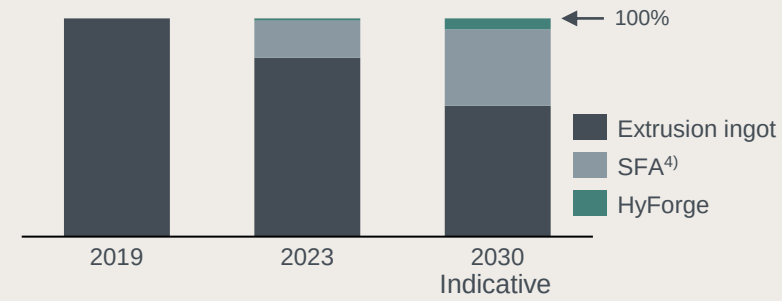
Hydro has a proven track record developing recycling capabilities

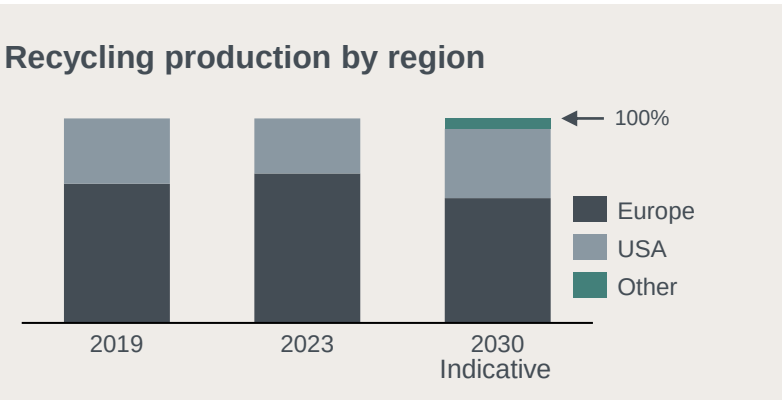
Increasing use of PCS and sorting capacity [1)]

+40%
PCS use
2019 to 2023

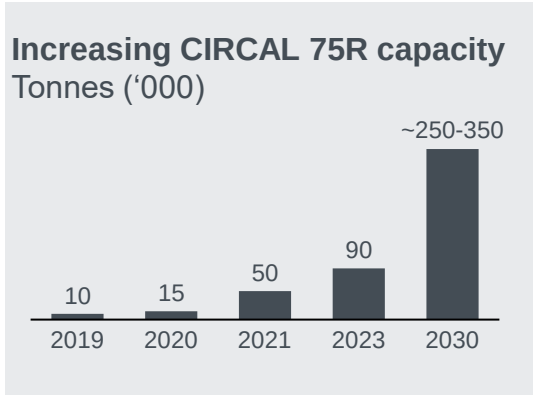
+100 kt
Sorting capacity
2019 to 2023

Diversifying asset and product portfolio[2)]

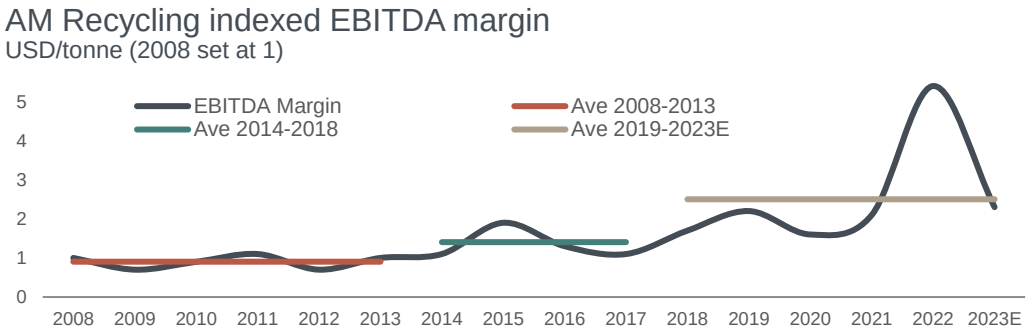




Expanding specialty and greener product offerings[3)]



Lifting profitability through the cycle



1) Average PCS consumption in the AM extrusion ingot recycling plants. 2) AM global recycling portfolio; 2023 based on Alumetal production since July 1, 2023.
3) Extrusion ingot Hydro CIRCAL capacity in AM and HE recycling plants and remelters, Europe and US. 4) SFA = scrap-based foundry alloy

Stepping up activities across the recycling value chain

Continuing to transform scrap into sustainable solutions for our customers

Scrap sourcing	Sorting	Melting/casting	Products & Commercial
• Strengthen existing and grow new partnerships for upstream positioning • Enhancing use of IT/IS tools for scrap to product optimization	• Increase sorting capacity through investments and partnerships • Rolling out advanced sorting technology (HySort)	• Greenfield / brownfield • New recycling capacity at primary smelters • Process optimization, best practices sharing	• Develop advanced, sustainable products and solutions • New partnerships • Offer recycling friendly alloys (RFAs)

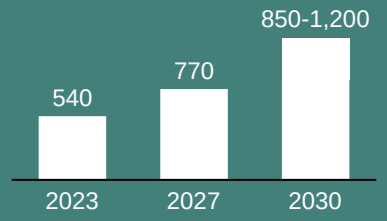
Selected projects in the pipeline adressing key market trends

SFA products for **automotive** e.g. gigacastings, electrical engine housing

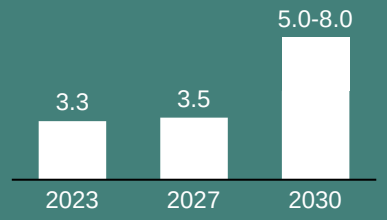
Specialty casthouse equiped to produce advanced products also for automotive; large CIRCAL capacity

Introducing HyForge for **automotive applications** in the US

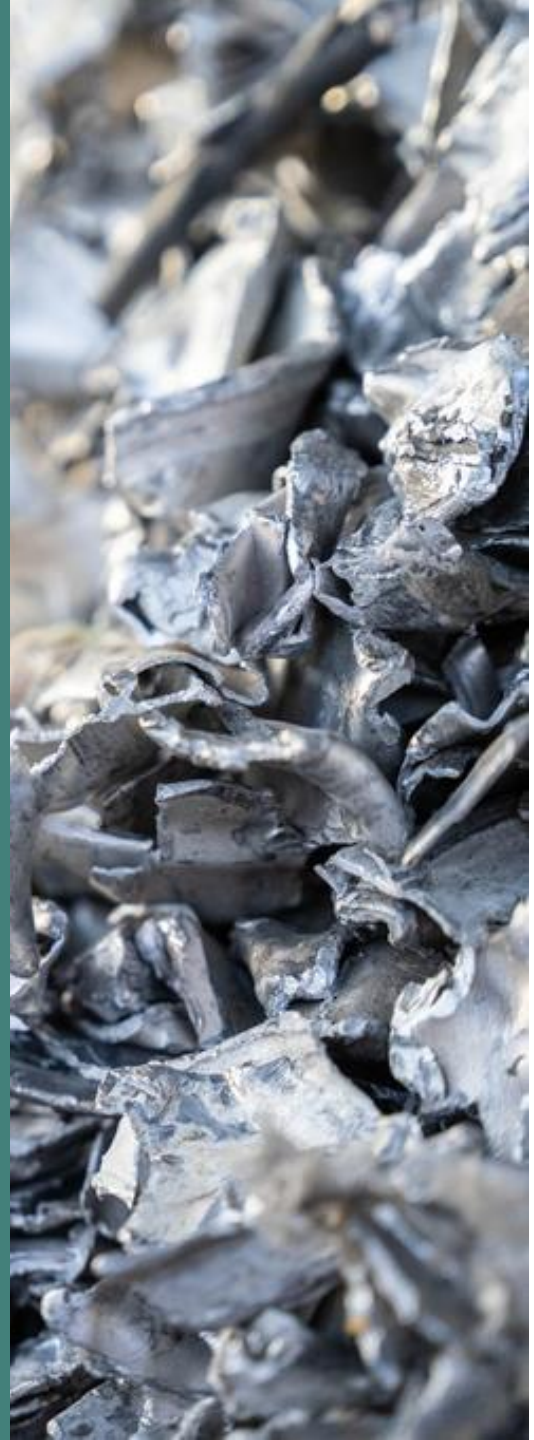
Recycling 2030 ambitions:



850-1,200
kmt PCS capacity



NOK **5-8** billion
EBITDA potential



Hydro with competitive advantages in recycling

Hydro

Full value chain with multiple product outlets

- Large recycling asset base in Europe and North America
- Broad range of products – extrusion ingot, sheet ingot, foundry alloys, HyForge, Master alloys
- Ability to utilize and upcycle mixed scrap

Sorting & production technology

- Technical and metallurgical competence
- Production optimization know-how from scrap to product
- Patented HySort technology, in-house R&D

Close customer & supplier relations

- Local presence and market insight in core locations
- Established relationships with scrap suppliers
- Partnerships and close cooperation with customers
- Commercial intelligence and strong value chain positioning

Primary aluminium roadmap to zero

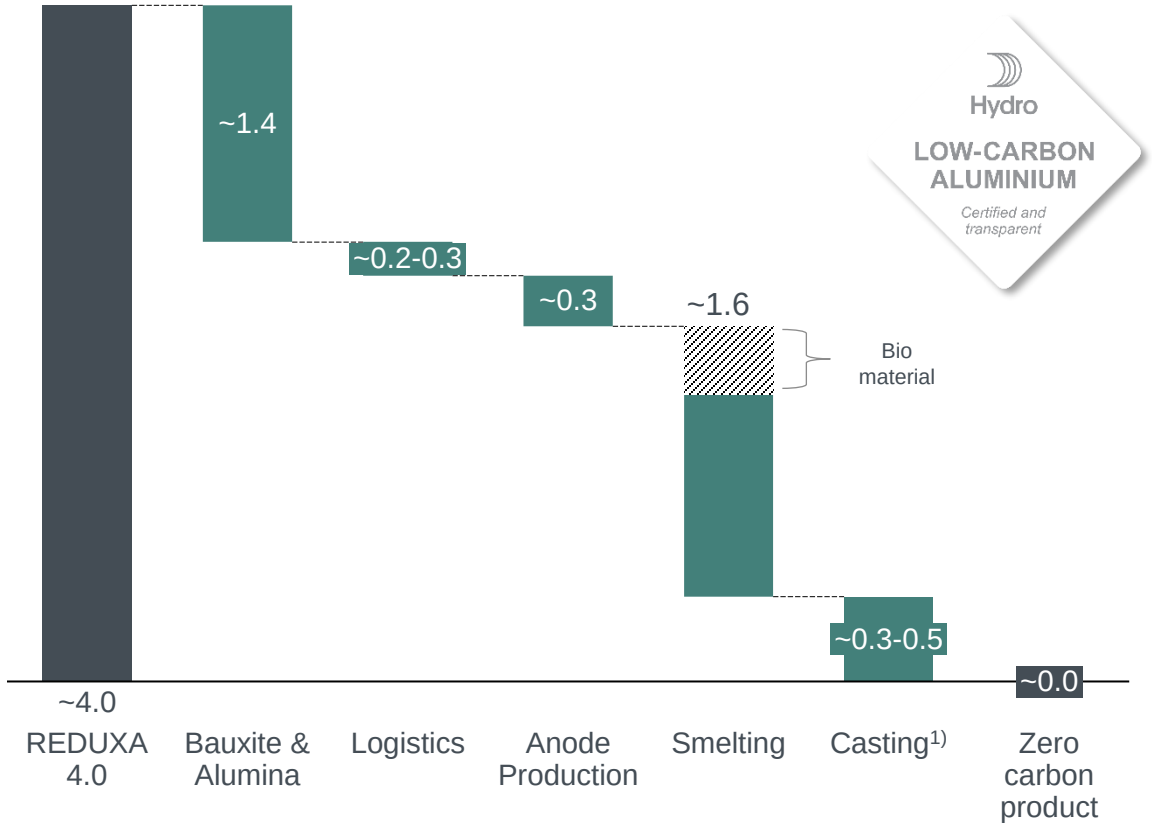
Eivind Kallevik

Executive Vice President, Hydro Aluminium Metal

Widening our scope to reach zero CO_2 emissions

Structured approach to reduce emissions throughout primary value chain

CO_2e emissions kgCO_2/kgAl



1) Casting includes cold metal remelting

Renewable power is crucial for our path to net-zero

Pursuing optionality **across value chain.** Initiatives **on track**

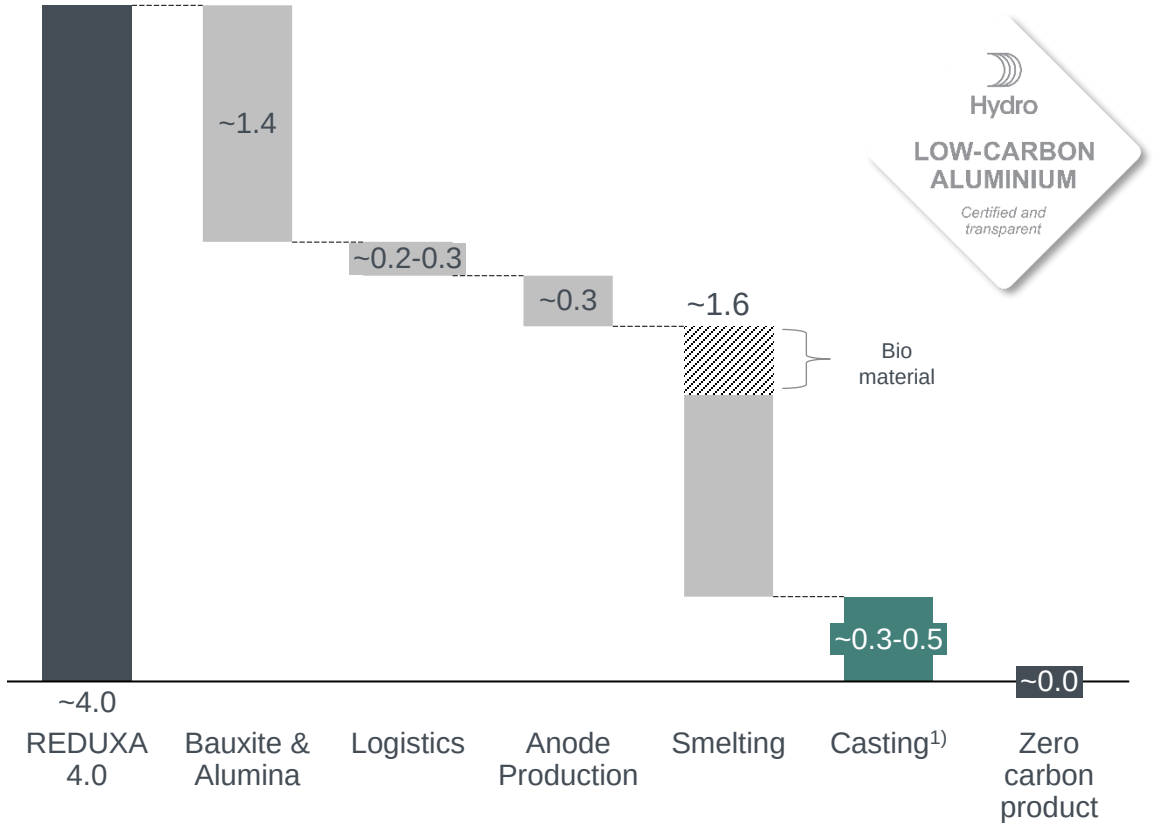
Introducing **greener anode program**

Increased focus on shipping emissions resulting in **further reduction potentials**

Pursuing optionality to decarbonize casthouses

Important milestones for all initiatives: bio-methane, hydrogen and direct electrification

CO_2e emissions kgCO_2/kgAl



1) Casting includes cold metal remelting

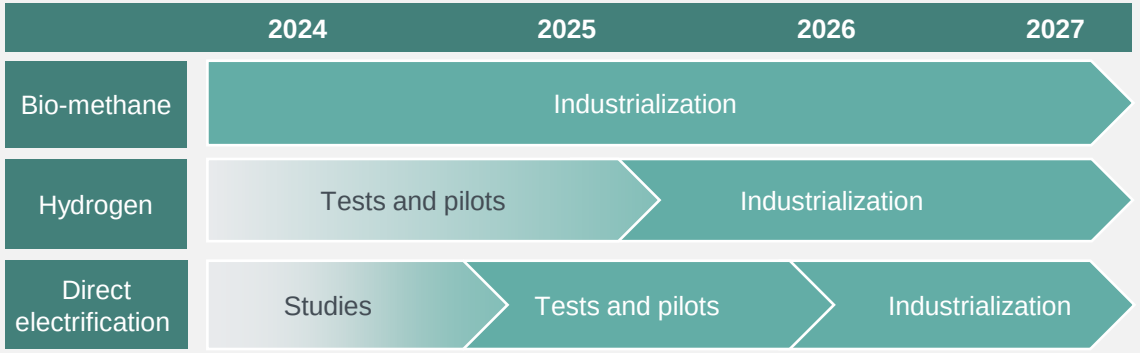
Starting industrialization of bio-methane from 2024, stepping up activities in electrification

Bio-methane
- Introducing bio-methane at Sunndal plant – Commercial agreement with Havila to deliver from 2024

Hydrogen tests and pilots:
- Navarra test 2023– successful
- Årdal PFA Test
- Høyanger Recycling hydrogen pilot

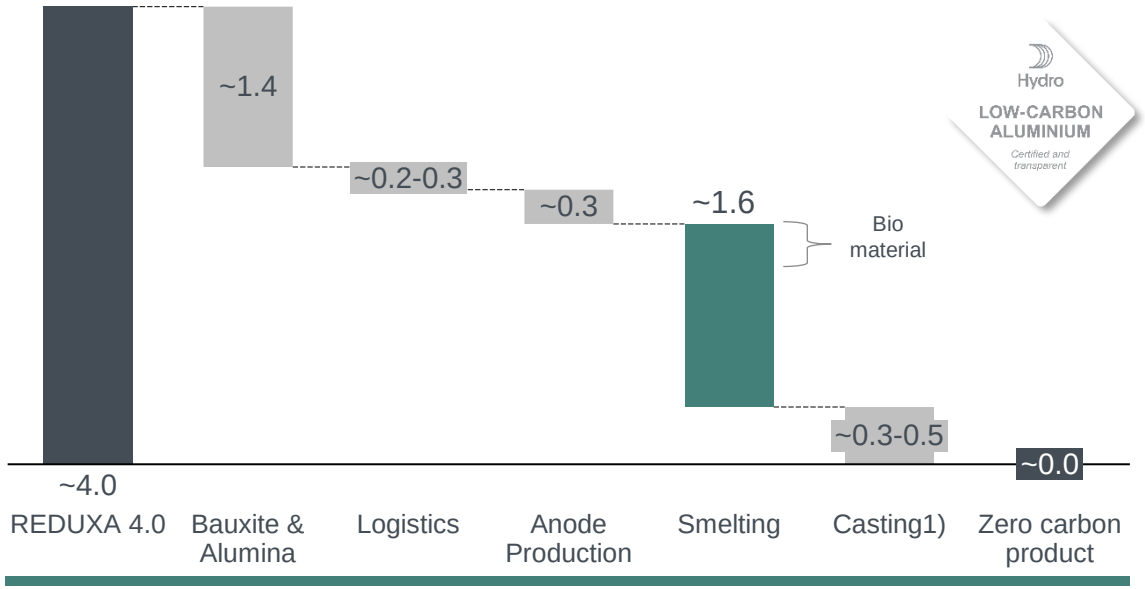
Direct electrification pilots:
- Sunndal Plasma Pilot
- Høyanger Recycling Electrification Pilot

Timeline

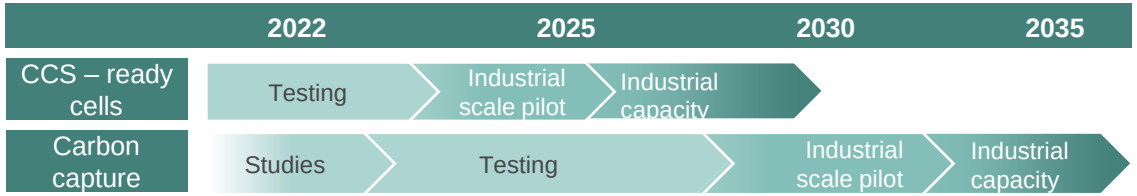


Electrolysis decarbonization on track – carbon capture

CO_2e emissions kgCO_2/kgAl

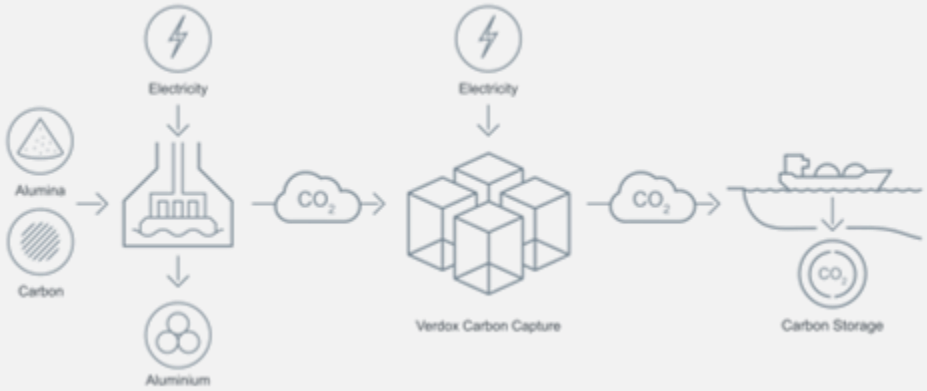


Timeline



1) Casting includes cold metal remelting

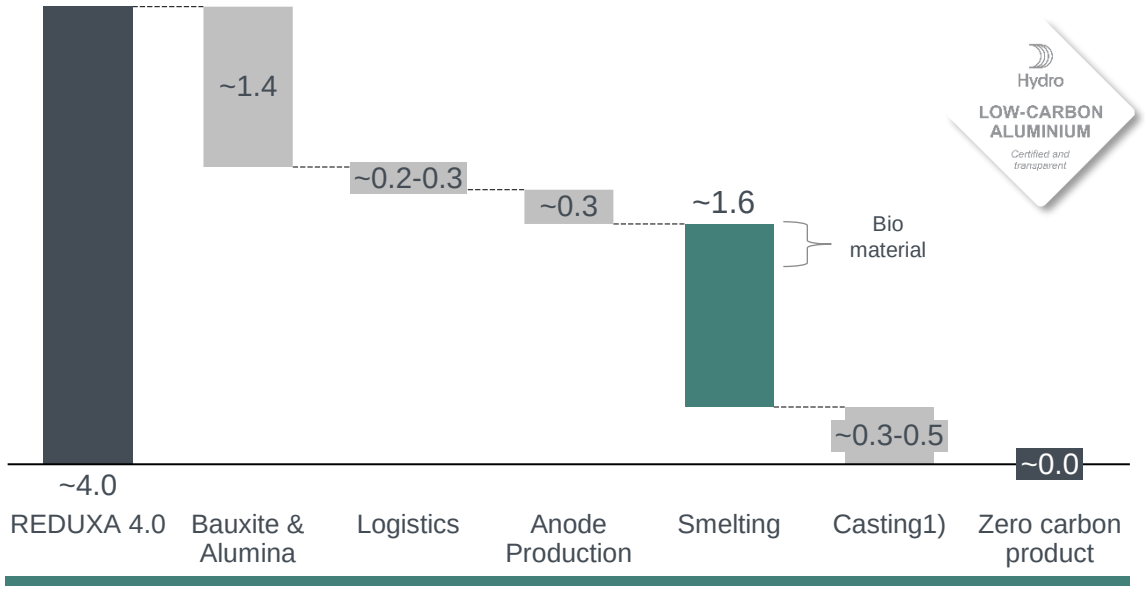
Technology shift for existing aluminium smelters



- Testing of Verdox technology ongoing at Sunndal
- Installing capture ready cells as part of ongoing relining process
- On track to deliver first CO_2 capture in 2024 and industrial scale pilot volumes by 2030

Electrolysis decarbonization on track - HalZero

CO_2e emissions $kgCO_2/kgAl$



Timeline

1) Casting includes cold metal remelting

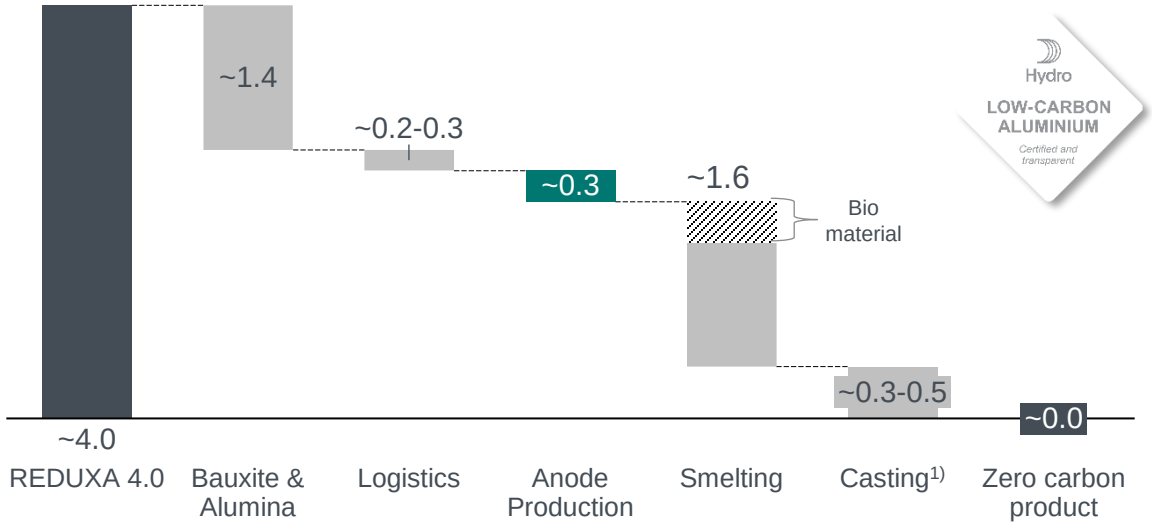
Ground-breaking technology to change the game

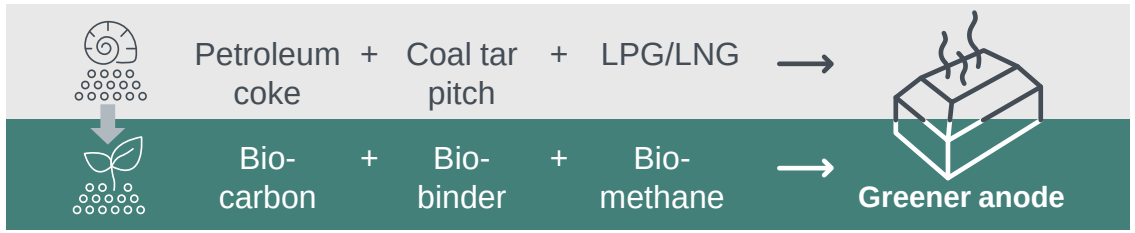
- Approval to start construction of new test facility in Porsgrunn - expected to be operational by 2025
- On track for first metal by end 2025 and industrial pilot volumes by 2030

Anode decarbonization

Utilizing bio-materials in anode production triggers potentials for below zero emissions

CO_2e emissions kgCO_2/kgAl





1) Casting includes cold metal remelting

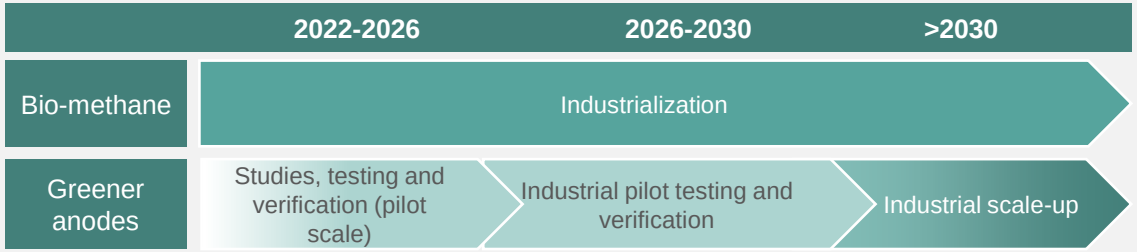
Bio-methane and bio-materials in the process

- Fuel switch to bio-methane in anode baking furnace – Havila contract
- Substitution to bio-based packing materials

Bio-materials in anodes

- Substitute fossil materials to bio-carbon and bio-binder in anode
- Potential to reduce the CO_2, PAH and S emissions
- Collaboration with external suppliers and research institutions
- Potential below zero CO_2 emissions from electrolysis off-gas capture

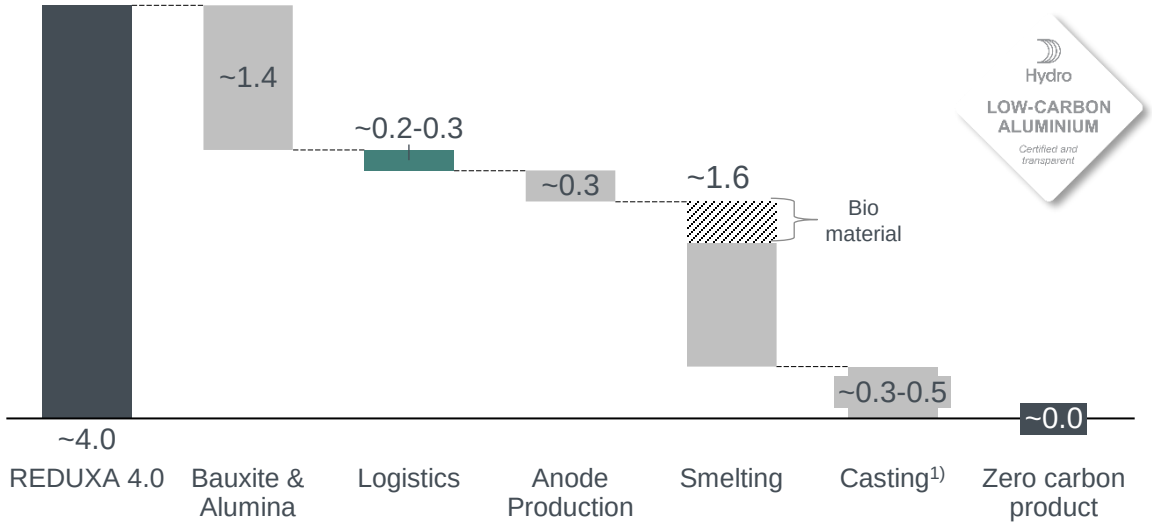
Timeline



Logistics decarbonization

Choosing the right solutions leads to reduced emissions. Ambition: 30% reduction by 2030

CO_2e emissions kgCO_2/kgAl



1) Casting includes cold metal remelting

What we have done

- >95% of AM volumes now have the major transport leg by sea
- 85% emission reduction on container transport from China to Europe
- Moving volumes from truck to barge, rail and sea
- Introducing biofuel on selected trucking routes
- Supply chain improvements

What we will do

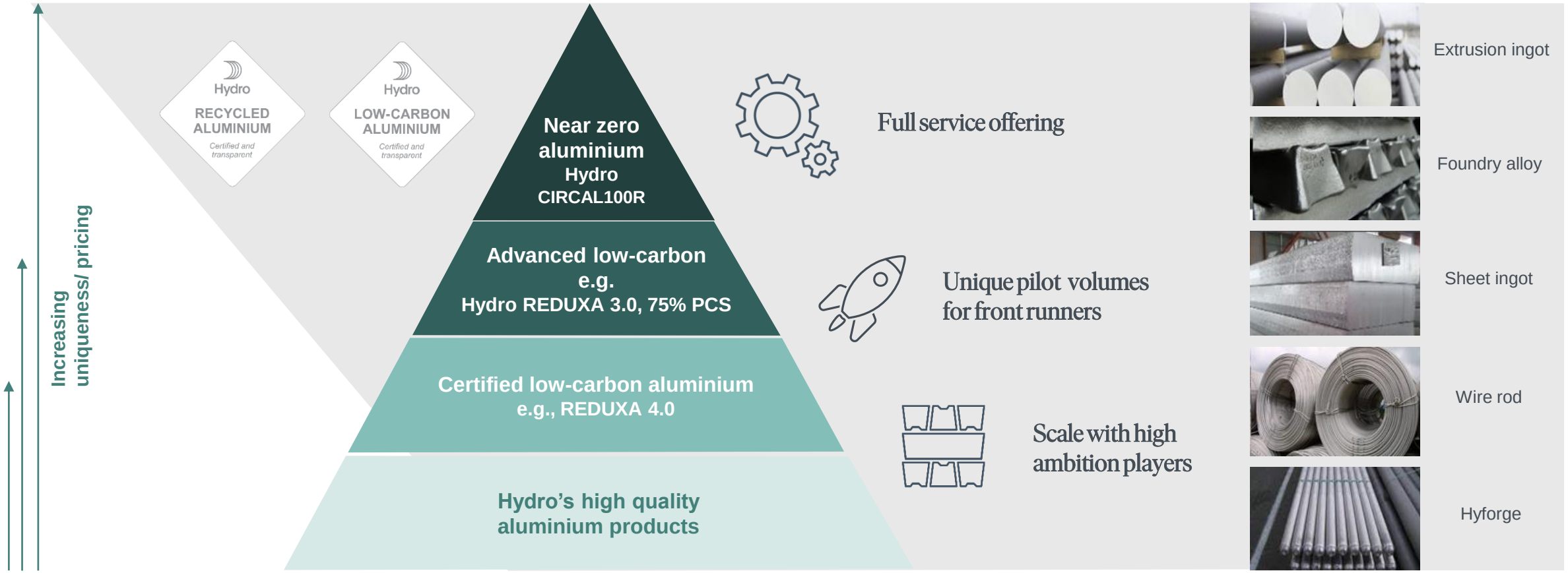
- Developing greener routes
- Exploring opportunities for “green shipping corridors”
- Digitalization and measurement to improve incentive structures and transparency

Timeline

	2023	2026	2030
Greener land transport / operation	Biofuel and solar opportunities		Greener fuels / electrification
Greener sea transport	From land to sea	Greener opportunities	Greener routes / corridors

Hydro has a unique value proposition in aluminium

Going to market with a combined offering of primary and recycled aluminium with a full product spectrum and with tailor-made alloys is unique to AM



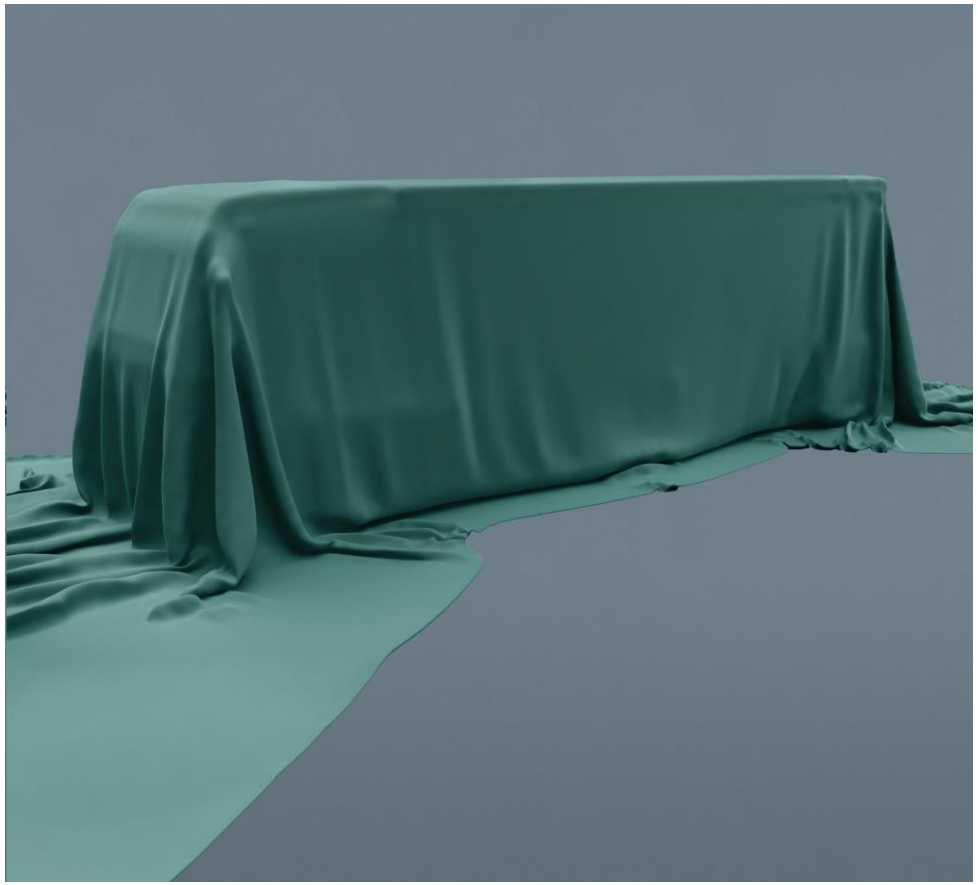
Track record gives solid foundation for new partnerships

Exploring new arenas for collaboration and co-development with existing partners while pursuing new partnerships

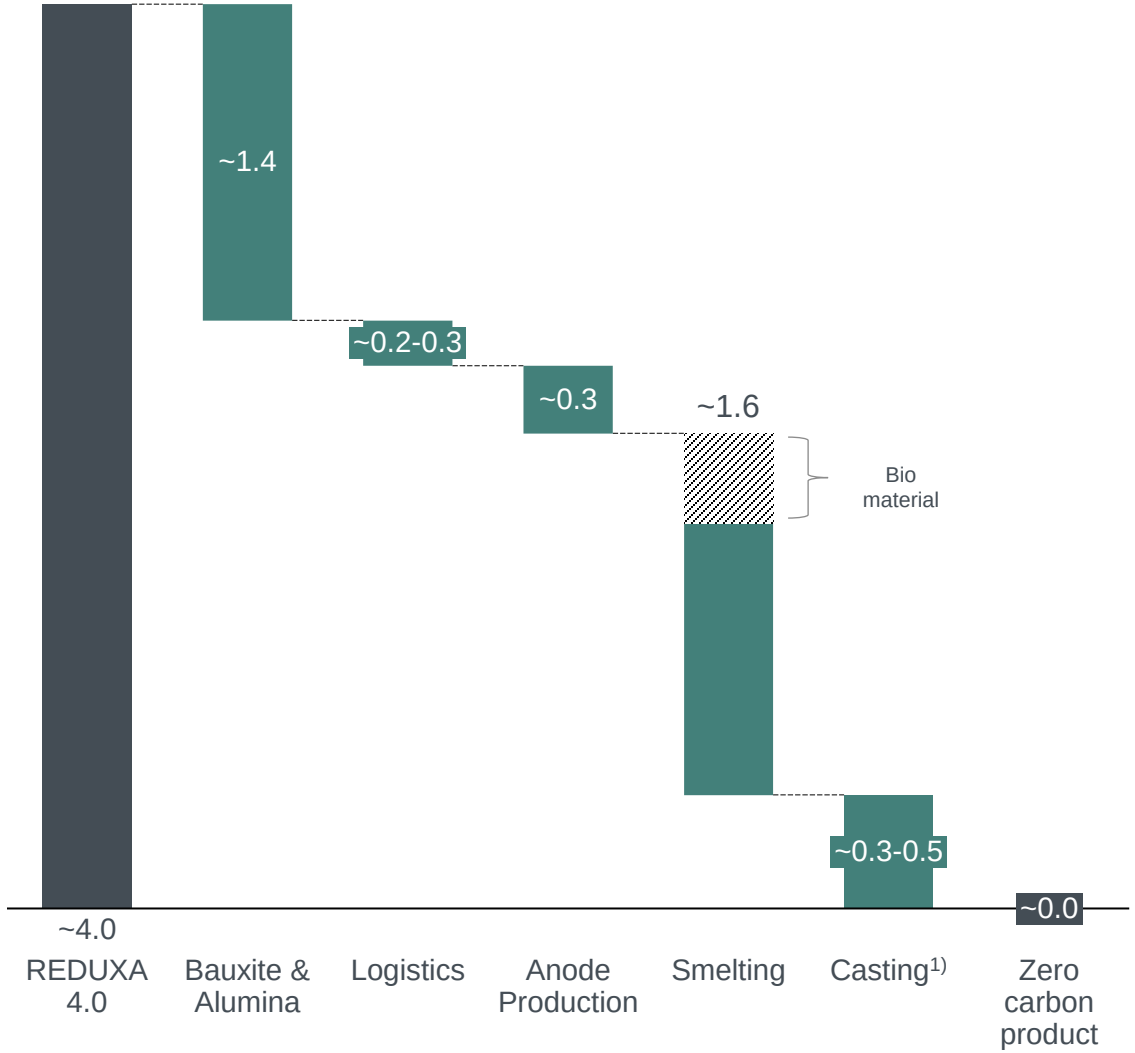
Our approach

- Decarbonization of customer footprint through purchase of low-carbon products
- Collaboration on sustainability and co-marketing
- Exploring closed-loop concepts and new design options
- Shaping next generation products

RONAL
AMAG AUSTRIA METALL
VAAN
Mercedes-Benz
polestar
BROMPTON



CO_2e emissions $kgCO_2/kgAl$



1) Casting includes cold metal remelting

Hydro Bauxite & Alumina
Lifting profitability, in a sustainable way

John Thuestad

Executive Vice President, Hydro Bauxite & Alumina

B&A is an important enabler for low-carbon aluminium

Controlling the top of the value chain

Bauxite

Alumina

\+

Energy

=

Primary aluminium

Extrusion

We can produce among the lowest carbon aluminum in the world

4-6 times

lower than the world global primary average

Hydro REDUXA® Low-Carbon Aluminium

Guaranteeing an integrated supply chain that follows world class ESG practices

Enabling greener premiums for our primary aluminium and extrusion products

Hydro has the highest quality, lowest carbon and most sustainable Alumina in the world allowing us to demand a greener premium from our top customers

In 2025 B&A will deliver:

\+ 1st Decile Energy usage

\+ 1st Decile Emissions

\+ Best Practice Tailings Management

\+ Best Practice Residue Management

\+ Best Practice Reforestation

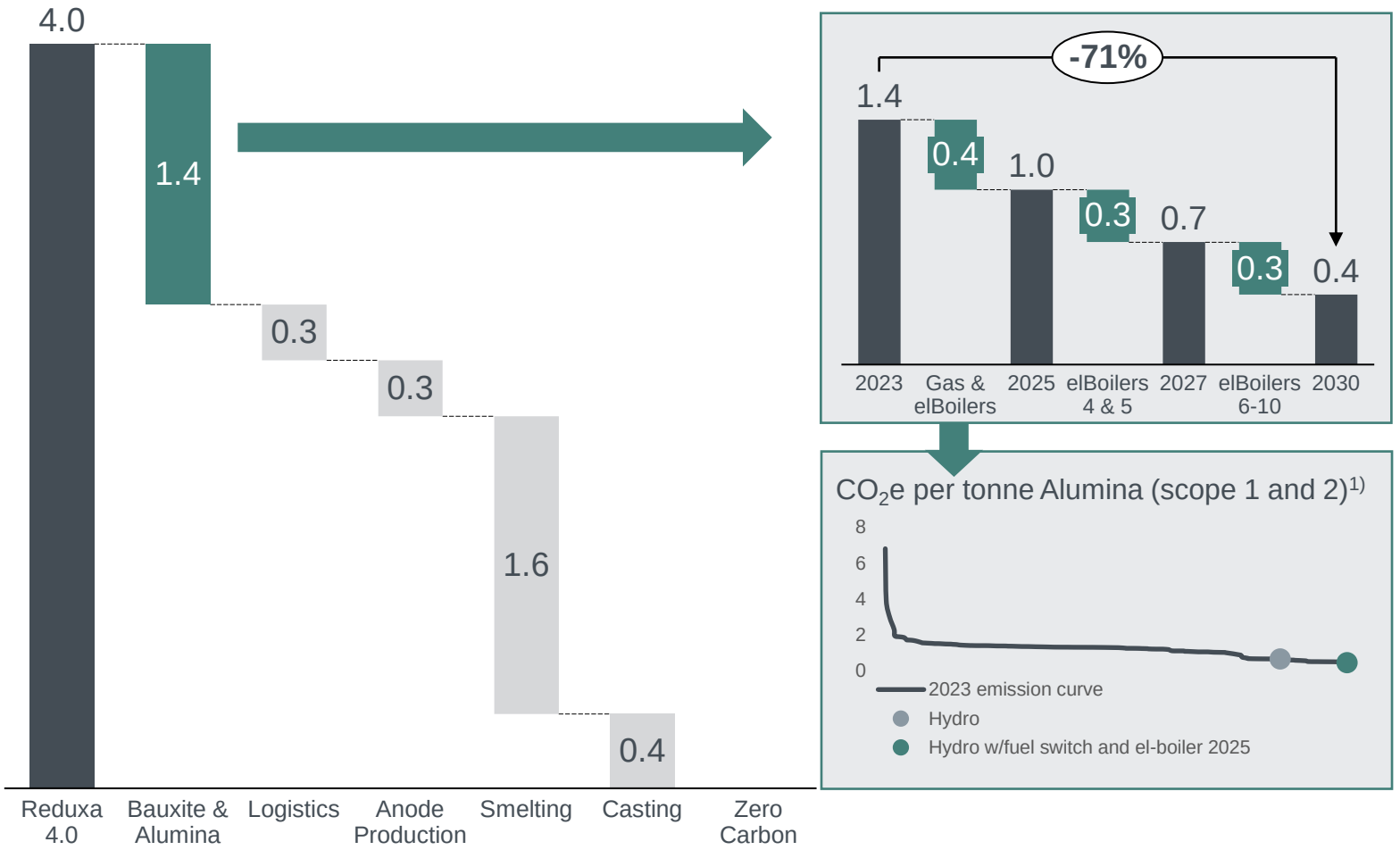
\+ Best Practice Social Investment

\+ Best Practice Community Engagement

= **Global EPD + greener premium**

Alunorte reducing carbon 70% by 2030

CO_2e emissions $kgCO_2/kgAl$

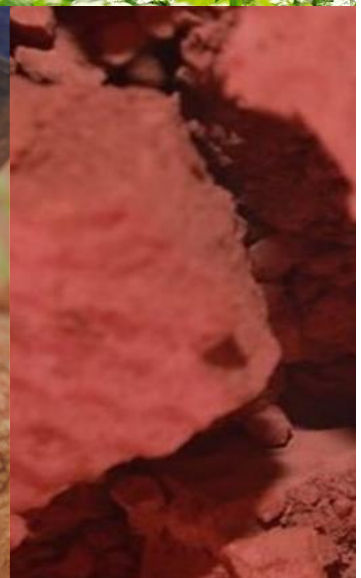


1) CRU 2023 emission curve

- Already 1st Quartile emissions in 2023
- Fuel Switch and three el-boilers will move Alunorte to one of the lowest smelter grade Alumina available (project being executed)
- Further two el-boilers will remove the need to use coal by 2027
- An additional five el-boilers will give us the ability to produce steam without emissions







Contribute to nature positive

Hydro

Reforestation

- **Best practice reforestation program** in Paragominas, exceeding 1-to-1 replanting on a strict a three-year cycle:
  - Year 1 = Deforestation
  - Year 2 = Mining
  - Year 3 = Reforestation
- Working together with multiple universities and researches
- Expanding the program and **start rehabilitation outside of our mine,** contributing towards Nature Positive

Residue management

- Hydro is **current best practice in Residue management** averaging 0.7T of Residue per T of alumina
- **Entered into an agreement with Wave Aluminium** – creating the potential to extract up to 1 million tons of carbon free pig iron from residue each year
- The first phase of the treatment plant will go live in 2024 and will be **capable of processing 50,000T of Residue**

Investing in the community is our license to operate

Social Infrastructure

- Construction of **9 Terpaz community centers** (3 already built) targets security, income generation and access to basic services to 1,500 people per day
- Construction of a Technical School with the **capacity to educate 1,200 students per year**

Community Projects

- Investment in community-based projects **benefitted 80 thousand people since 2018**
- **60 thousand people** with access to education
- **1,400 family farmers** with access to technical support

Stakeholder Engagement

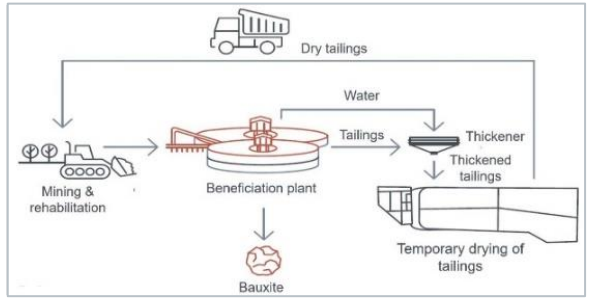
- **Transparency, dialogue and volunteer work** are performed by a dedicated team
- 178 community leaders are involved in a dialogue forum called Sustainable Barcarena Initiative
- **500 volunteers** worked to benefit 14 thousand people and 70 local organizations

Focus on driving profitability in a sustainable way

Hydro

CAPEX: 5.7 BNOK

Tailings dry backfill



60% IRR | ↓1,000HA land usage

- Tailings dry backfill **removes the need for tailings dams**.
- **New standard in Brazil** and no new tailings storage areas will be licensed
- Moving away from tailings storage dams **increases safety and saves billions of NOK in CAPEX**

Fuel switch

26% IRR | - 700 000 tons CO_2

- FSRU arriving at Alunorte by year end
- Upon full conversion, **700,000 tonnes reduced in CO_2 emissions per year and ~USD 25 per tonne improved cash cost** (USD 160-190 million annually[1])
- Moving from Brent index (Oil) to Henry Hub (Gas) reduces the price volatility

El-boilers

>50% IRR | - 400 000 tons CO_2

- With the success of 1st electrical boiler (IRR>200%), **two more electrical boilers** are currently being installed
- Powered by **20-year renewable PPA's with Hydro Rein projects,** provide a stable power price for the next 20 years at an average of USD 6 per MWh cheaper than gas

Improvement program

Improvements **NOK 3.2 Billion** | Commercial **NOK 620 million**

- The Improvement Program brings significant gains through high-energy engagement from the whole organization
- The Commercial program highlights the trading book efficiency for alumina and hydrate sales

1) USD 160 million on forward prices 2025 (first year of full effect), USD 190 million on spot as of Q3 2023

Industry frontrunner with robust operations

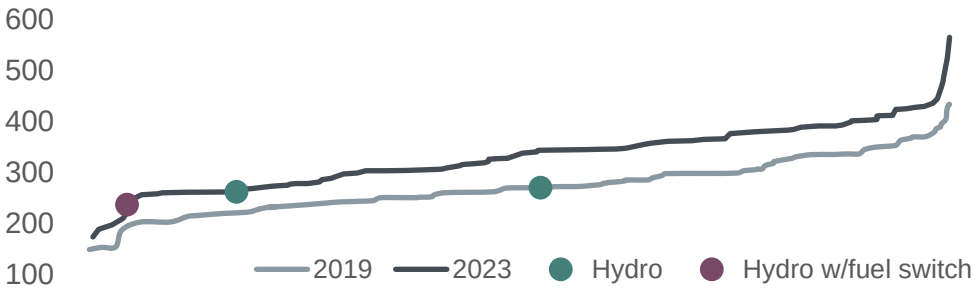
B&A have developed a more robust operation, but current market environment is challenging

Improved operations

- Nameplate production at Alunorte/Paragominas for the last 3 years
- Greatly improved asset integrity leading to the first award of ISO550001 to a refinery and to a bauxite mine
- Complete rebuild of the water management systems to reflect the changing climate/rainfall levels
- Successful deployment of the press filters
- Development and deployment of tailings dry backfill
- Rebuilt key relationships both in the government and local communities
- Rebalancing alumina portfolio (Glencore deal) to reflect internal Alumina needs, returning cash to Hydro
- All while delivering some of the highest quality alumina in the world

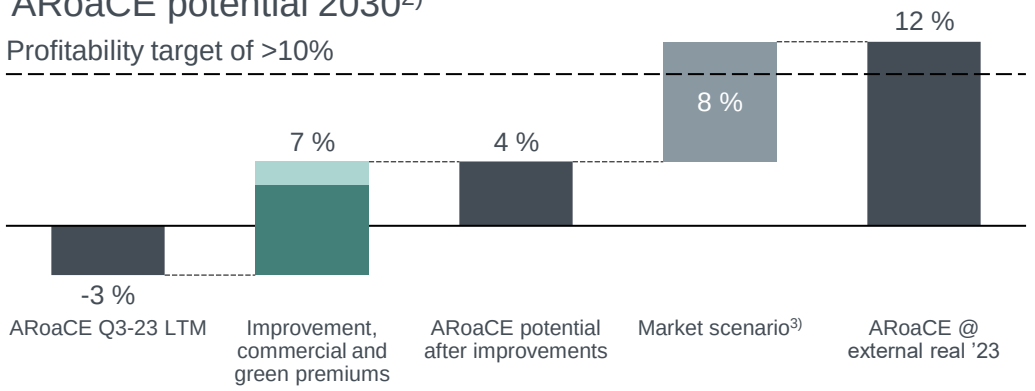
Competitive cost position

CRU (2023), USD per tonne Alumina[1)]



Roadmap to profitability in market scenario

ARoaCE potential 2030[2)]



1) CRU 2023 cost curve. 2) Cash flow calculated as EBITDA + tax + long-term sustaining CAPEX. Assumptions and sources behind the scenarios can be found in Additional information. 3) Sources: External scenario is based on CRU price and premium assumptions and S&P Global FX assumptions, with adjustments as specified in the footnotes

Energy at the core of green transition

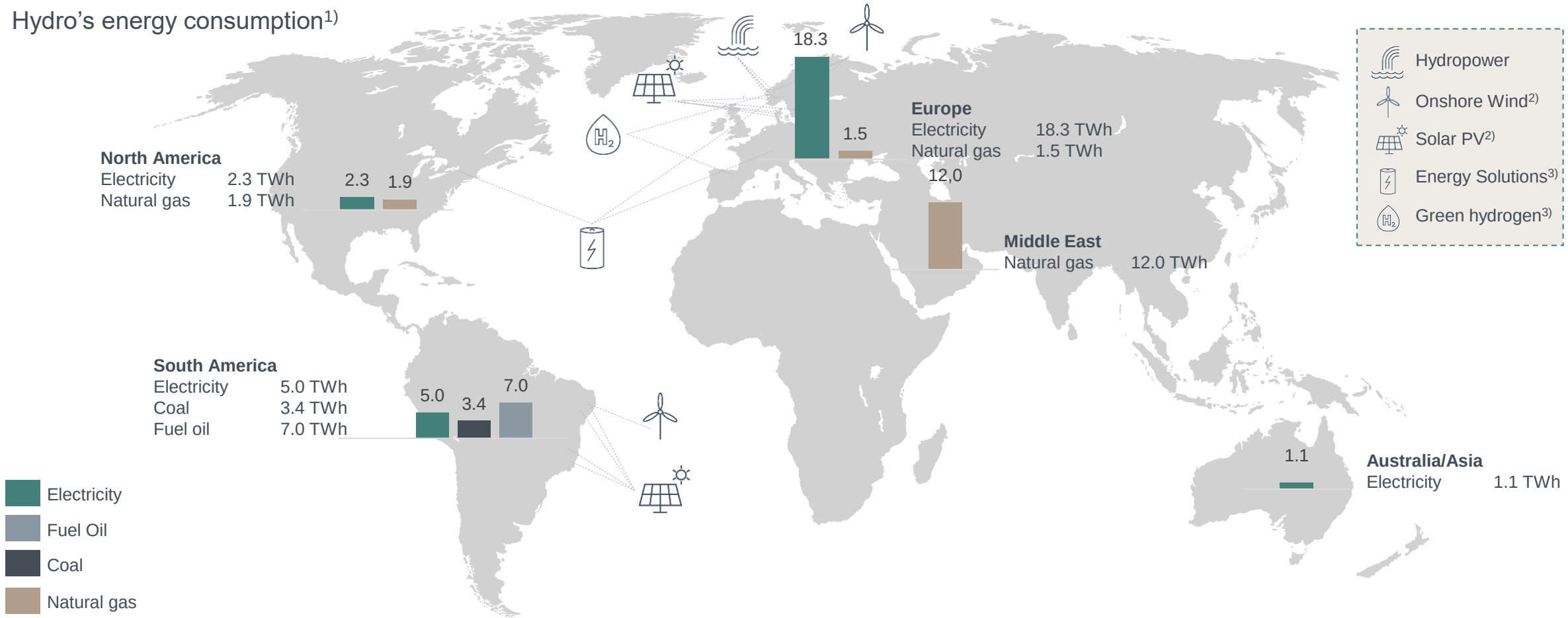
Arvid Moss

Executive Vice President, Hydro Energy

Pioneering the green aluminium transition, powered by renewable energy

Hydro

Hydro's energy consumption[1)]



1) Based on equity-adjusted 2022 values for Norsk Hydro's bauxite mines, alumina refineries, smelters, remelters and extrusion plants.
2) Only projects in operation and under construction or announced. 3) Only pilot projects

Geopolitics driving energy transition, green value chains and friendshoring of critical resources

Combined ambitions in Norway, Sweden, Denmark, Germany and UK[1)]

GW

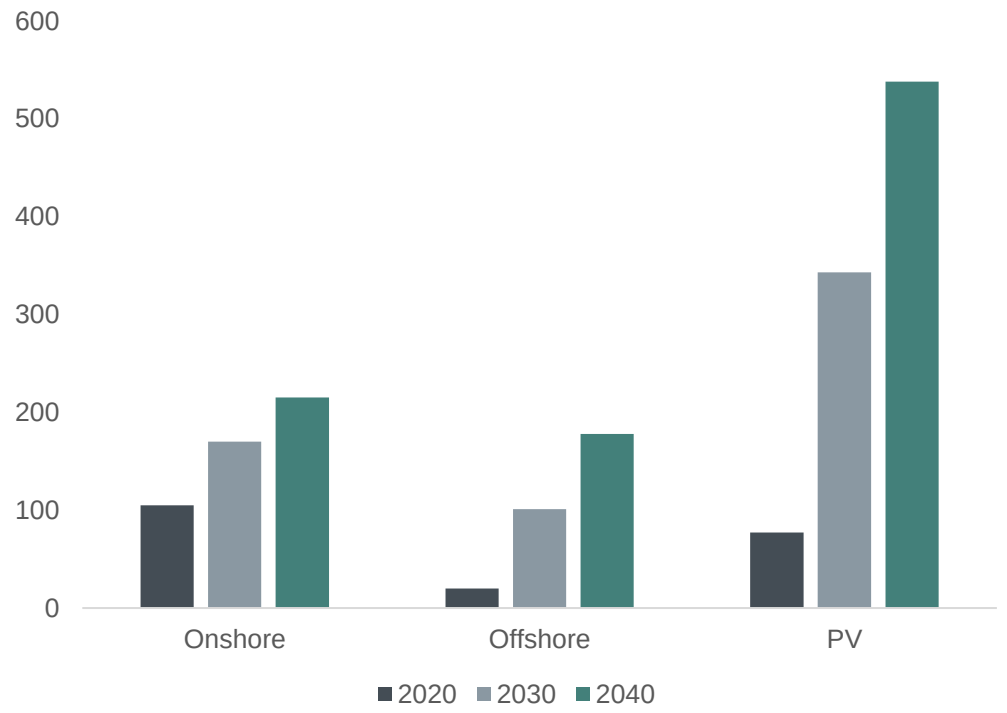


Illustration: picture alliance / Zoonar | gd ae. IEA: World Energy Investments 2023 report.
1) Installed capacity in 2020

Norwegian power market surplus in question

Public opposition to onshore wind parks limiting the effect of attractive renewable resources

Market uncertainty prevails

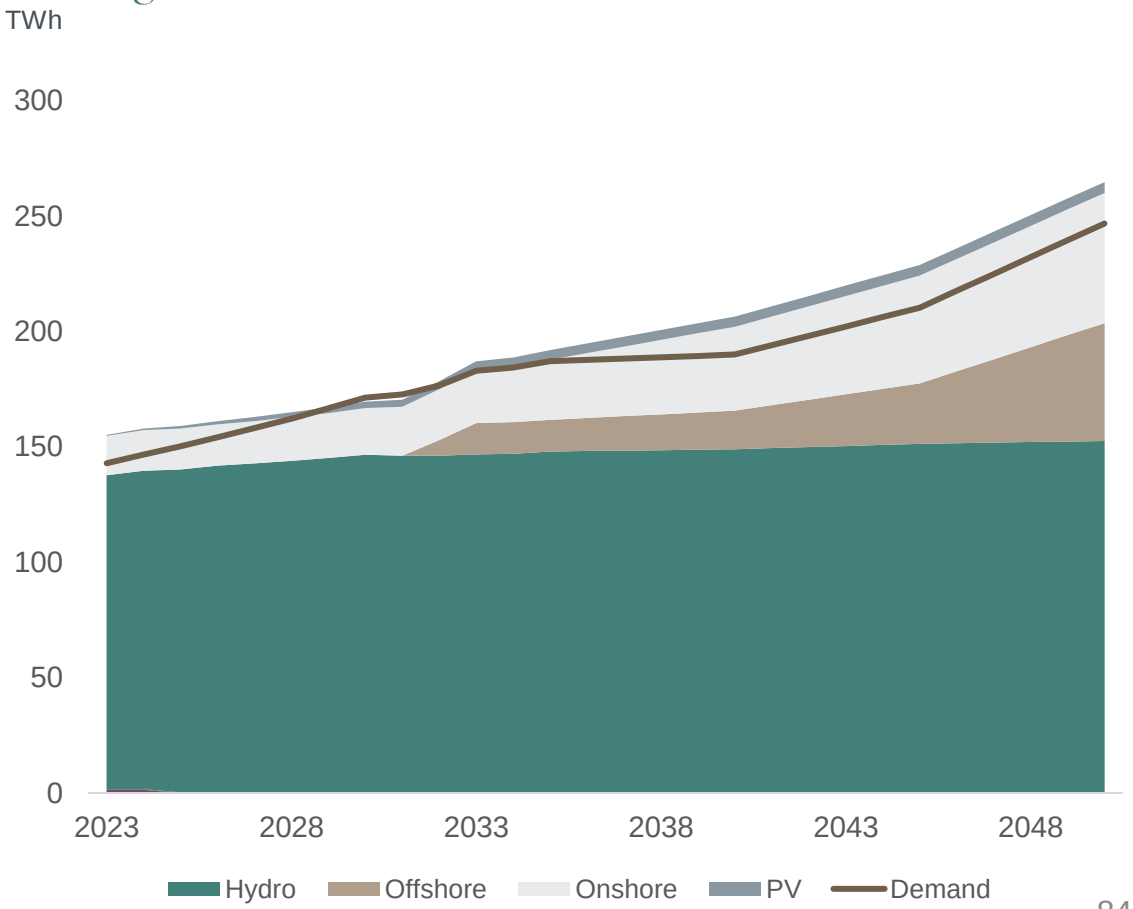
- Power market balance weakening (short-med term)
- Demand from electrification and new industries outpaces supply in the short end
- Unfavorable resource rent taxation (onshore wind)
- Lack of certainty regarding timing of new offshore wind areas

V

Solution space

- Attractive renewable resources, especially onshore wind power in Norway and Sweden
- Cheaper firming costs through flexible hydropower in Norway
- Acceptable solutions locally, land use and value creation

Norwegian Power Balance

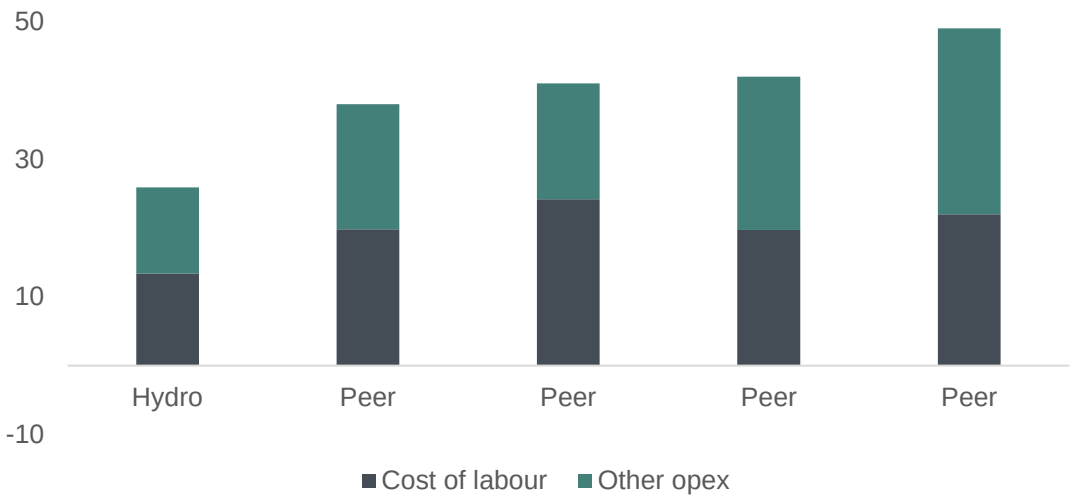


Source: Hydro

Energy: Strong production platform, market performance and growth opportunities

Resource spend Norwegian hydropower players 2021

NOK per MWh



Industry leader on cost and operational performance

Strong platform for value creation

- EBITDA “platform” from operations
  - **8 TWh** on long term contracts (predictable prices) **+ 2 TWh** (average) net long spot volume in merchant market
  - App. **NOK 3.5 billion** LTM adjusted with normal production and no area price gain[1)]
- Commercial contribution of app. **NOK 400 million (**average last years) comes in addition
- Maturing portfolio growth options; emphasis on flexible production and selected geographies

1) Based on a normal production of 9.4 TWh with a 2021 seasonal profile at last 12 months prices of NOK 1.1 / kWh (NO2)

Hydro Rein's journey: Fast-tracking portfolio development

CUSTOMERS

5.3 TWh p.a.[1)]
signed under long-term EUR & USD PPAs

4.4bn[1)]
USD contracted revenues

PORTFOLIO

2.6 GW[1)]
gross capacity in construction & secured

39[2)]
total # of renewable projects in portfolio

7.2 GW[2)]
gross capacity in portfolio

30
total # of sites in scope for Energy Solutions pipeline

PEOPLE

~75[3)]
Hydro Rein FTEs

2
Main hubs: Oslo and Rio de Janeiro

CAPITALIZATION

JV with Macquarie Asset Management signed in October

Valuation: USD 333 million

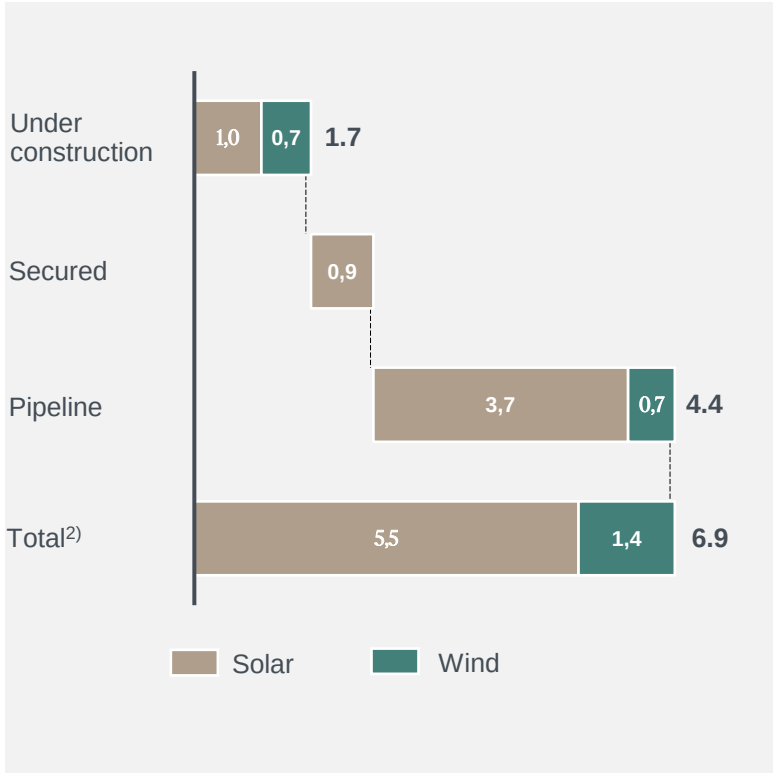
1) Including Vista Alegre.
2) Total portfolio within JV scope, including Irupé.
3) As of August 2023; including new contracted employees not yet started

Current portfolio adds 2.4 TWh to REIN's captive power[1)]

1.7 GW gross, approximately USD1.8 billion gross

Renewable energy

Gross GW



Projects under construction

Stor-Skälsjön

- 25% ownership share
- 42 turbines
- 260 MW
- 802 GWh
- COD Q1 2024

Ventos de São Zacarias

- 49.9% ownership share[3)]
- 80 turbines
- 456 MW
- 1900 GWh
- COD Q4 2024

Mendubim

- 33.3% ownership share[3)]
- ~1 million modules
- 530 MW
- 1200 GWh
- COD Q1 2024

Boa Sorte

- 33.3% ownership share[3)]
- 775,220 modules
- 438 MW
- 996 GWh
- COD Q2 2024

1) Projects in construction and secured.
2) Total portfolio within JV scope, including Irupé.
3) Hydro Rein's ownership before farmdown to offtakers

Hydro Rein on track to becoming preferred supplier of renewable energy solutions to industrials

2026 Targets communicated at Hydro's Capital Markets Day 2022

3 GW
Gross portfolio in operation and construction

>500 MW
added gross capacity to pipeline on average annually

400-450 MNOK[1)]
Estimated EBITDA contribution from projects in construction

Key numbers[1)]: portfolio under construction – as of Q3 2023

1.7 GW
Gross portfolio in operation and construction

~3 BNOK
Estimated pro-rata Equity Capex (net of agreed farm-downs)

~410 MNOK
Estimated pro-rata EBITDA[2)] from projects in construction

1.5 GW
Gross capacity added to the pipeline in 2023YTD

2030 vision of continued profitable growth

Sustainable & attractive risk-adjusted returns
10-20% platform eIRR

Balanced portfolio
Between geographies and technologies

Services and capabilities
Covering the full value chain, capturing developer margin

Regional leadership
REIN being one of the leading players in core geographies

1) All financial figures in MNOK has been converted by using fixed FX of 9.7 in EUR/NOK and USD/NOK
2) 10-year run rate EBITDA (nominal average 2026-35)

Multiple value levers to create attractive returns

Value levers at project and platform level

Key value levers		Comments and selected examples
Project equity IRR		**Base stand alone project equity IRR**
Structuring		Optimize capital structure (including refinancing), extend PPA
Operational excellence		Optimize cost base (capex/opex), improve productivity, extend asset lifetime
Hydro Rein Services		Cross-sale of services such as construction project management, asset and energy management
Farm downs		Crystalize value through partial sell-down
Platform value		Pipeline growth, economies of scale, industrialization & best practice sharing
Platform equity IRR	**10-20%**	**Total IRR potential at platform level**

Hydro Rein with access to several **value creation levers** at **asset level** to boost project returns

Further, material return potential at **Platform Level** that is not captured at individual asset level

Total return potential REIN JV platform level: **10 - 20% IRR**

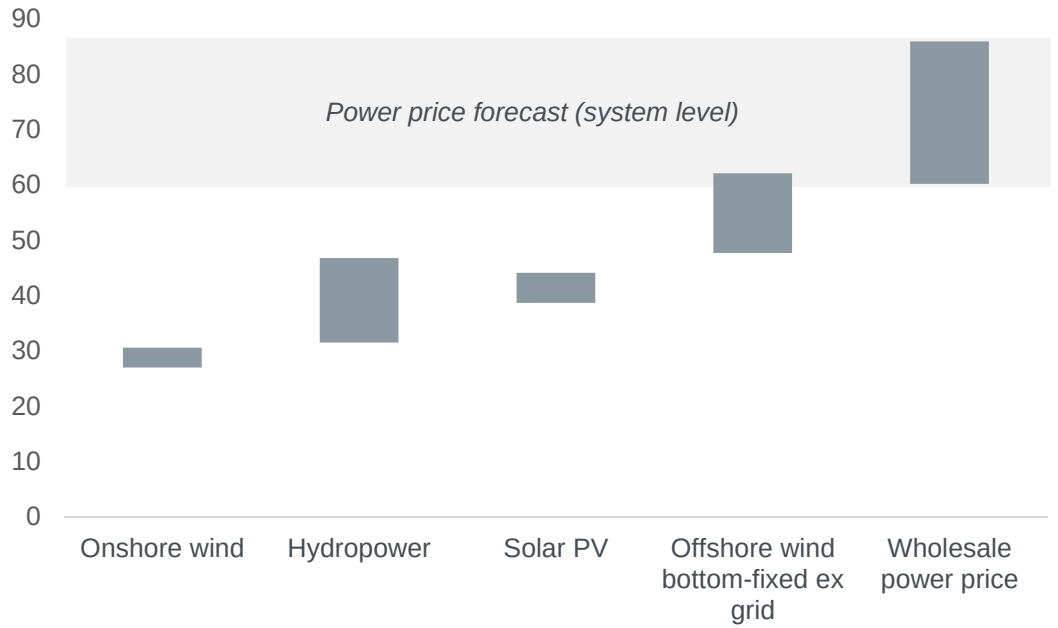
Norwegian power projects remain attractive

Attractive resource base and cost level across technologies prevail

- Cost of selected technologies show that attractive projects can be matured in Norway
- Short/medium term relies on onshore wind and PV, with time to maturity and permitting as key challenges
- Longer term, offshore wind will add significant power volumes to the Norwegian and North Sea system
- Norwegian hydropower adds flexibility at lower cost than alternatives
  - Increasing in value
  - Lower degree of cannibalization
  - Key challenges: Acceptance, timeline and tax uncertainties

Range of LCOE and Nordic system price towards 2030[1)]

2023 EUR per MWh



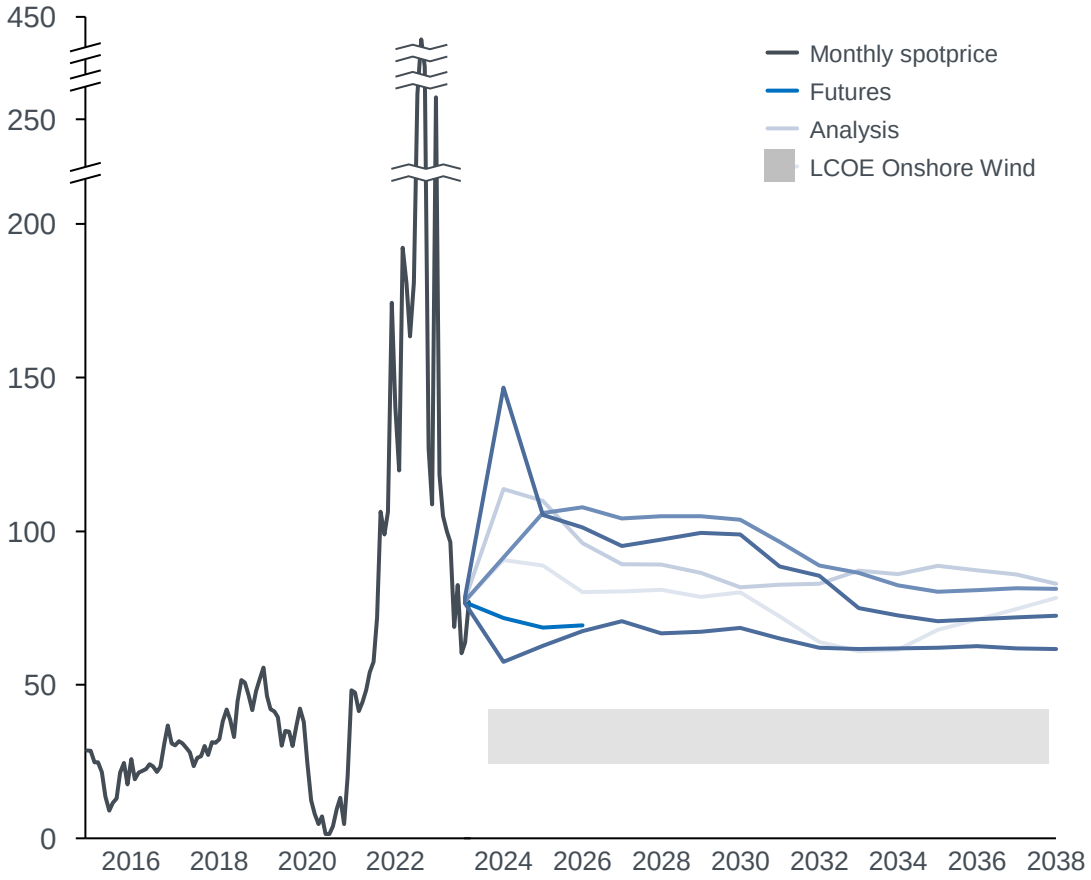
1) LCOE = Income necessary from power as produced to reach profitability for the technology. Estimates from four different consulting companies. Offshore wind not relevant in Norway until post 2030.

Project based PPAs still most attractive for sourcing

Hydro Rein a key vehicle

Monthly spot price and future prices in NO2

Nominal EUR per MWh



Hydro Rein

- Strong capabilities, responsible partner
- Developer and long term owner
- Profitability through several levers

Hydro Energy

- Portfolio optimization
- Balancing, nomination, as produced to baseload firming & area management

Aluminium Metal

- Competitive sourcing expected to be below spot on average
- Firm power delivery, volatility risk mitigated

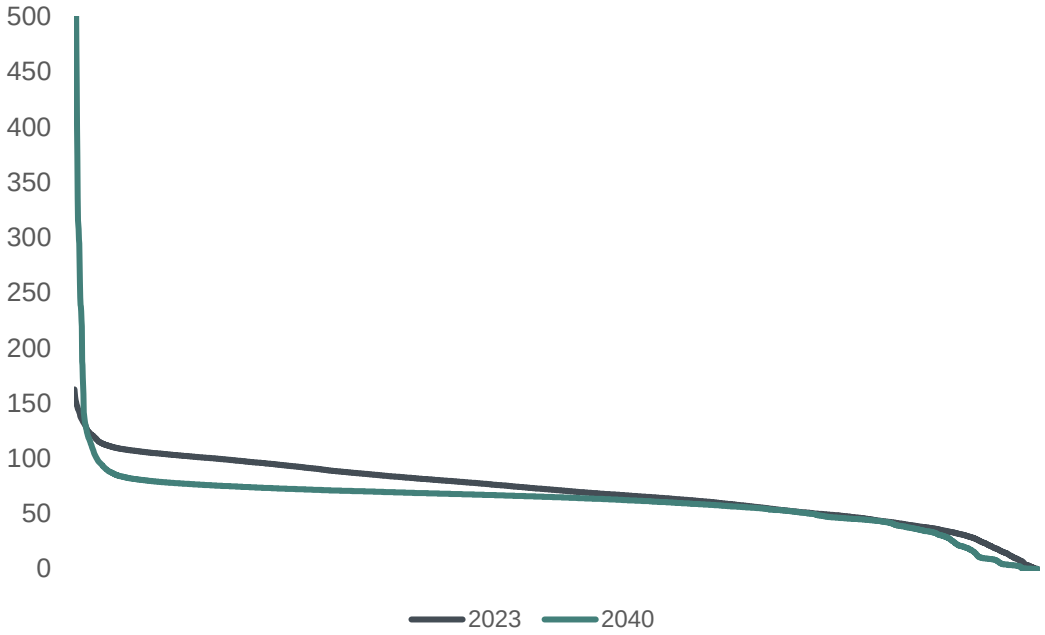
Sources: Baringa, Hydro analysis, SKM, THEMA, Volue

Increasing value of flexible hydropower

Enabler for renewables at low shaping cost

Sorted hourly power prices in NO2 [1)]

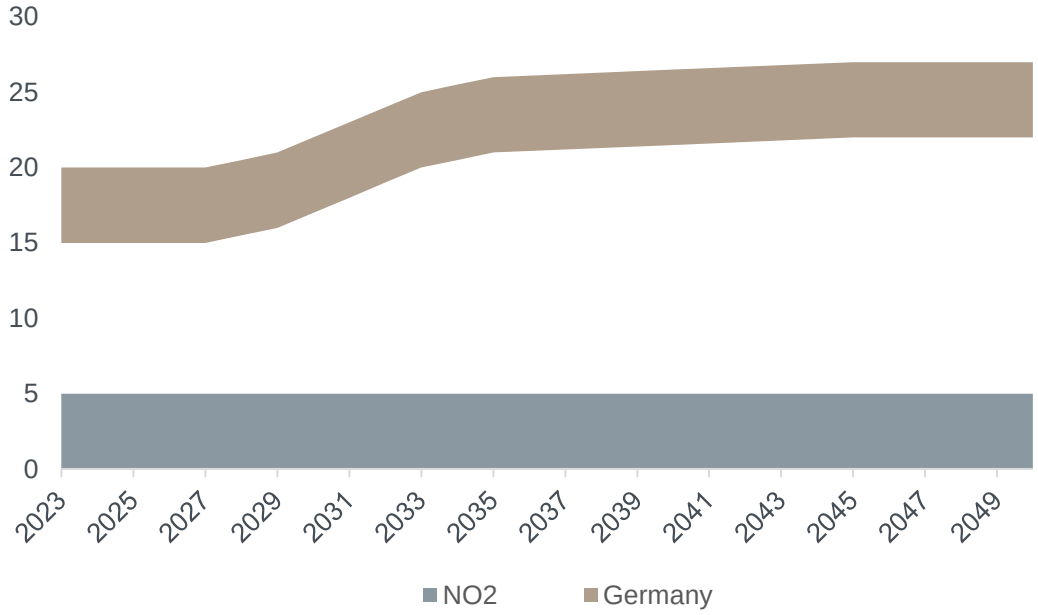
2023 EUR per MWh



Higher value for increasing installed capacity

Firming cost for onshore wind

2023 EUR per MWh



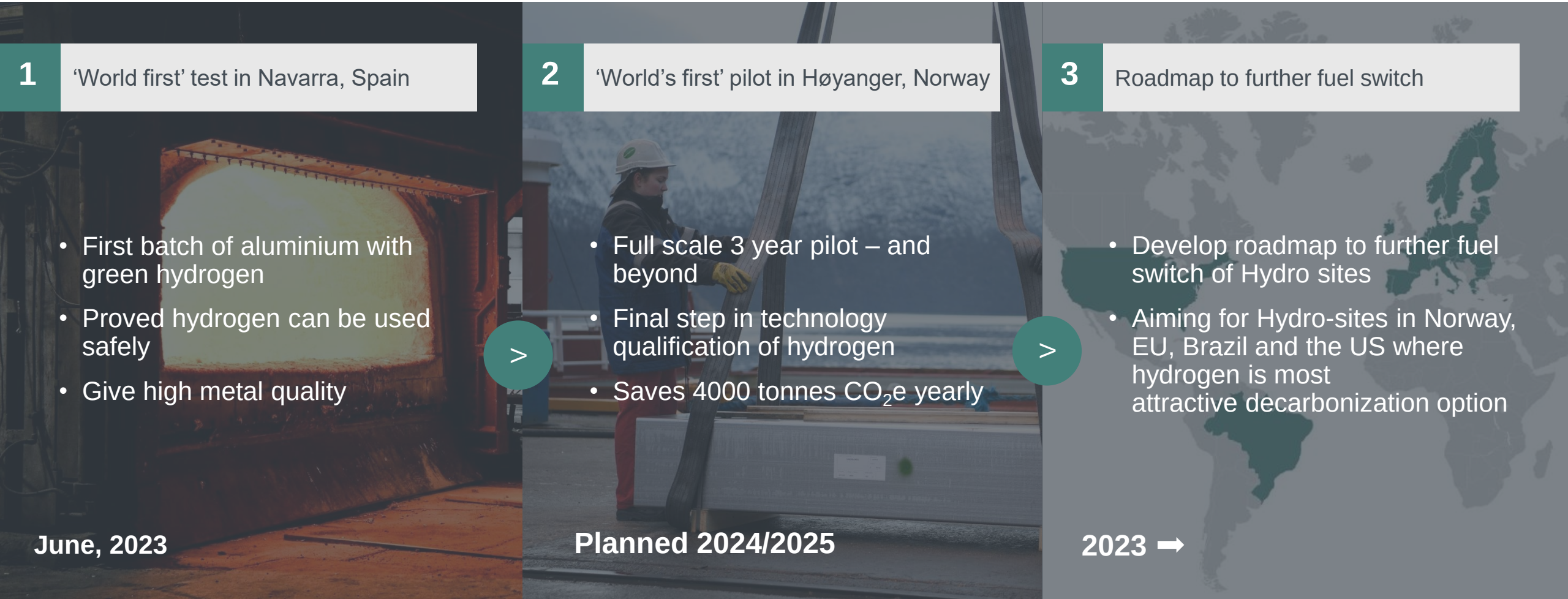
Makes wind and solar in Norway cheaper to firm up

1) All weather years. Source: Statnett

Hydrogen breakthrough

Hydro Havrand: World's first aluminium made with green hydrogen

Hydro



1 'World first' test in Navarra, Spain

- First batch of aluminium with green hydrogen
- Proved hydrogen can be used safely
- Give high metal quality

June, 2023

2 'World's first' pilot in Høyanger, Norway

- Full scale 3 year pilot – and beyond
- Final step in technology qualification of hydrogen
- Saves 4000 tonnes CO_2e yearly

Planned 2024/2025

3 Roadmap to further fuel switch

- Develop roadmap to further fuel switch of Hydro sites
- Aiming for Hydro-sites in Norway, EU, Brazil and the US where hydrogen is most attractive decarbonization option

2023 ➞

Empowering the future of green mobility

Hydro

Progress in the sustainable battery materials portfolio throughout 2023

STRATEGIC TARGETS

3x
Value uplift in 2030 on equity invested by 2027

GROWTH ASSETS

hydrovolt

Circular solutions — 50% ownership

- Fully operational and reached nameplate capacity during Q3.
- Commenced building industrial pilot for battery pack dismantling and discharge.

Vianode

Anode materials — 30% ownership

- First plant under construction at Herøya, which will support customer qualification.
- Signed lease agreement for large-scale plant at Frier Vest, Norway.

E-MAGY

Anode materials

- Ramping up pilot production
- Strengthening organization on strategic positions

Lithium de France
GEOTHERMAL

Lithium — 12% ownership

- Secured 2 exploration permits in Alsace region and target to start drilling operations in 2024.

PORTFOLIO HOLDINGS

Corvus
24 % owner share

northvolt
0.6% owner share

Value creation across the energy space going forward

1. High performance and profitability ambitions:
   - *Energy Classic ROACE > 15%*
   - *Hydro Rein JV platform annual eIRR 10 – 20 %*
   - *Batteries 3x invested capital, 20% TSR average annually*
2. Grow value of our Norwegian portfolio through upgrading of existing hydropower plants. Increase commercial ambitions in market operations
3. Develop Hydro Rein to become the preferred supplier of renewable energy solutions to industrial customers in core markets - and a key enabler for decarbonization of Hydro
4. Support Hydro across business areas and geographies with fuel switch solutions including green hydrogen
5. Develop our portfolio of assets delivering more sustainable battery materials, empowering the future of green mobility

CFO
Strengthened resilience and greener value creation

Pål Kildemo

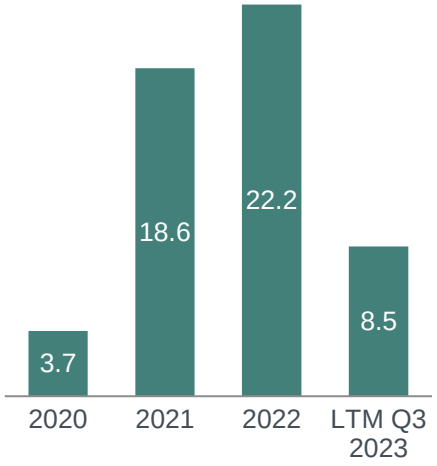
Executive Vice President and Chief Financial Officer

Earnings driven lower by weaker economic growth

Robust capital structure supporting strategic capital allocation

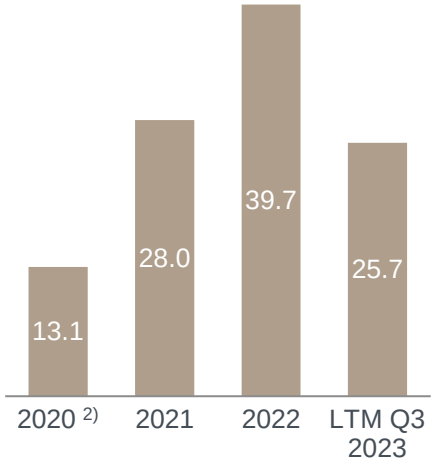
Adjusted RoaCE[1)]

8.5%



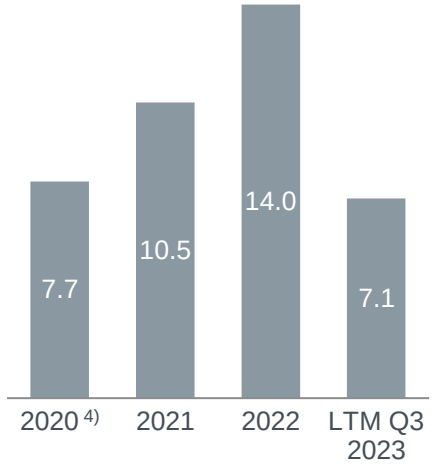
Adjusted EBITDA

25.7 BNOK



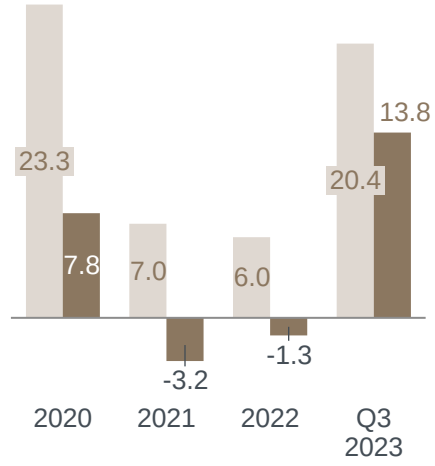
Free cash flow [3) 4)]

7.1 BNOK



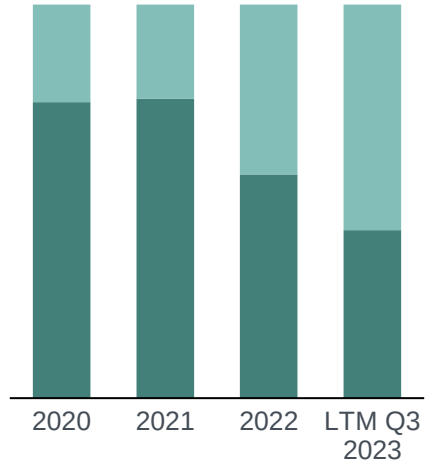
Adjusted net debt (cash)

20.4 BNOK



Return-seeking and Growth capex share of total capex

~60%



1) RoaCE figures as reported, where rolling is excluded from 2021.

2) Adjusted EBITDA figures as reported and excludes Rolling

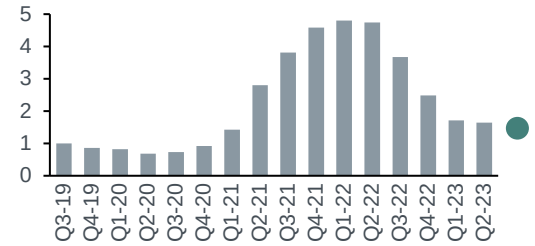
3) Free cash flow defined as net cash provided by operating activities plus net cash used in investing activities less purchases of short-term investments, less process from sales of short-term investments

4) Figures are as reported and excludes Rolling

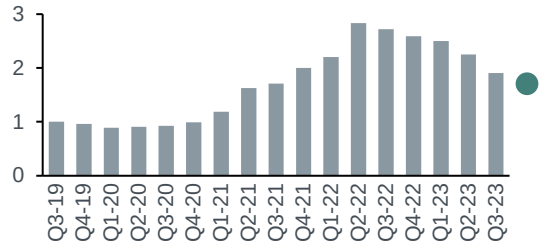
Market uncertainty continues into 2024

Revenue and cost drivers (indexed)

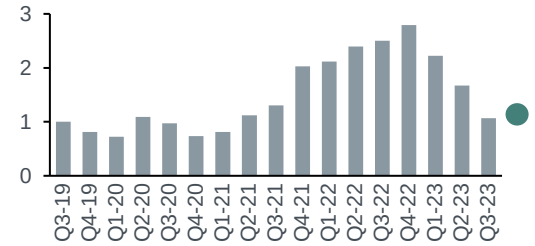
El Billet premium



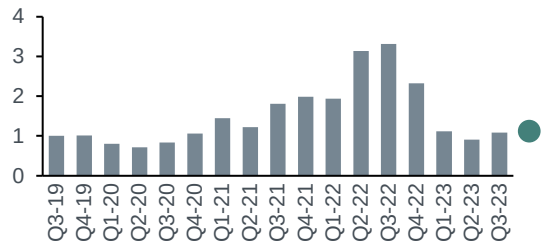
Petroleum coke FOB USG



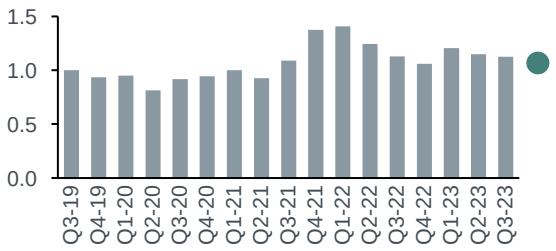
Caustic soda



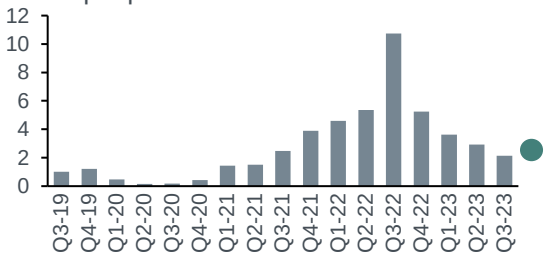
Gas (Henry Hub)



Alumina PAX index



NO2 spot price

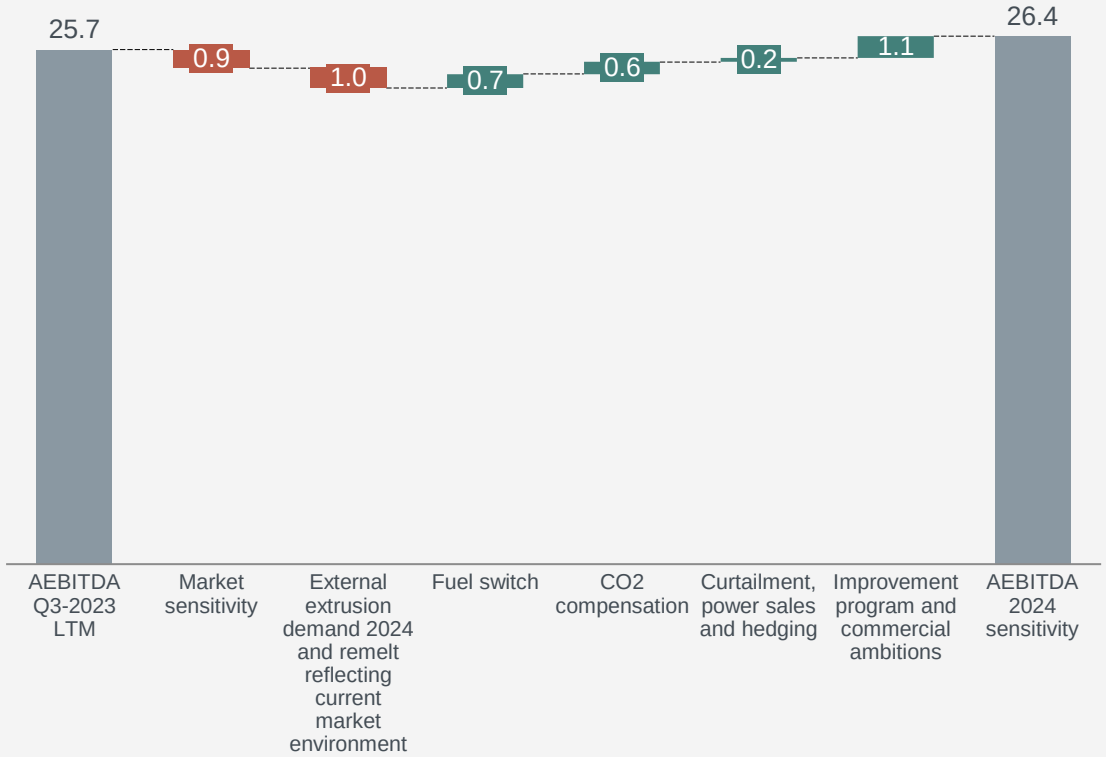


● Indication of current market prices

Source: Thomson Reuters, PACE, IHS Markit, Platts, ANP, CRU, Nord Pool

AEBITDA sensitivity 2024

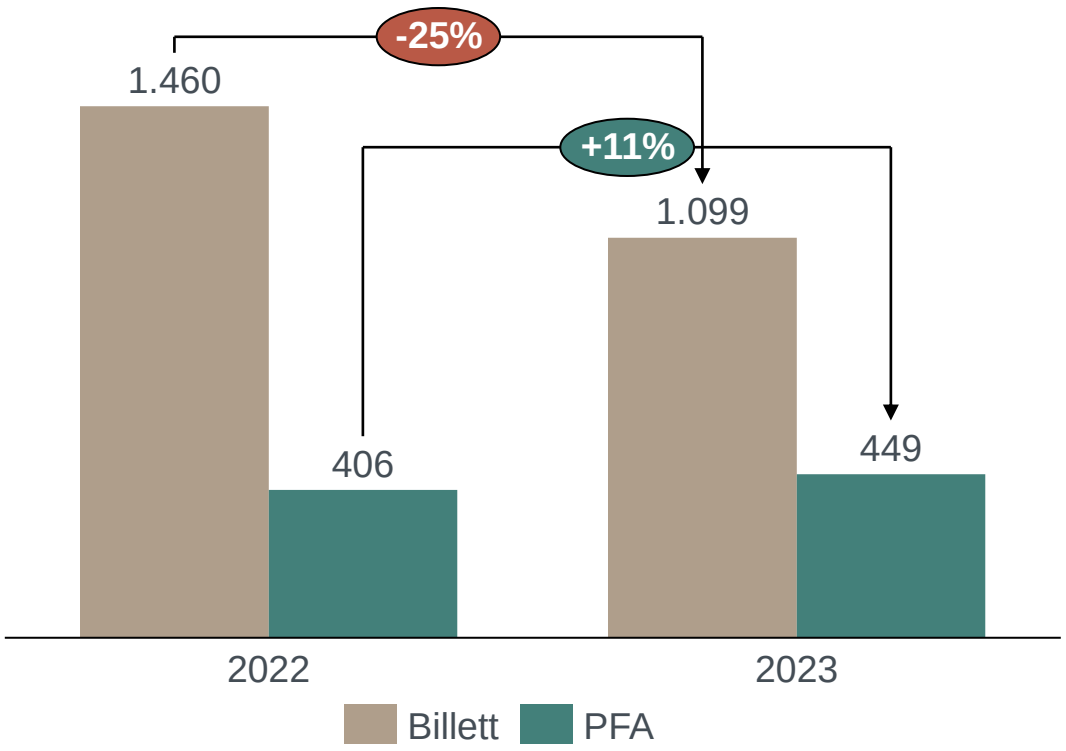
NOK billion



Handling short-term volatility

Utilizing portfolio flexibility, margin management, freeing up cash, and securing downside

VAP demand development in Europe, YoY



Source: CRU

Short-term and medium-term mitigation

Aluminium Metal

- Electrolysis production curtailed by ~130kt (Norwegian smelters)
- Volumes shifted between product segments
- Utilizing short-term flexibility in recyclers

Extrusions

- Strong margin management
- Shifting volumes between product segments
- Continuous adaption of extrusion capacity to demand through reduced number of shifts
- Manning reductions in Europe to manage cost in challenging market
- Utilizing short-term flexibility in recyclers

Continued efforts to reduce working capital

- Year to date cash release of more than NOK 4 billion

Hedging program securing margins in challenging market

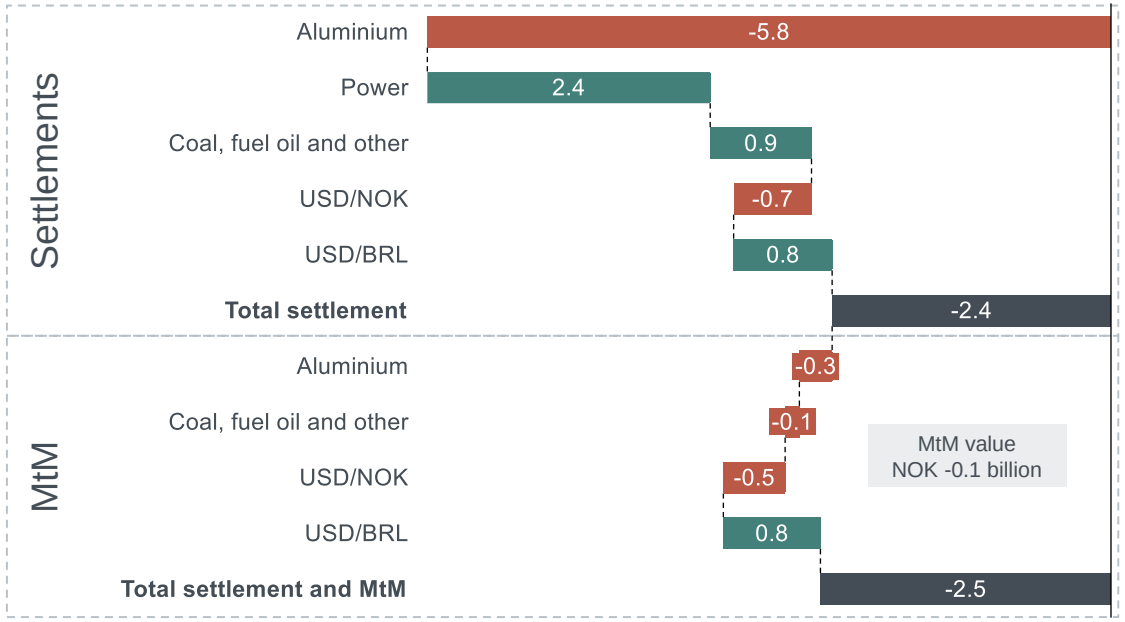
- Implemented hedges for most of the exposure to coal, electricity and gas for 2024 in B&A.
- 2024 gas and power hedges in place for 50% of exposure in both Metal Markets and Extrusions
- Integrated margin hedge in place for 2024 and 2025
- USD/BRL hedges in place for Alunorte and Albras

Integrated margin hedging strengthens low-cycle earnings

- Derivative positions locked in at historical strong margins
- Negative realised values through a strong market, and positive market value going into a softer market
- Hedged raw materials offset part of cost increase

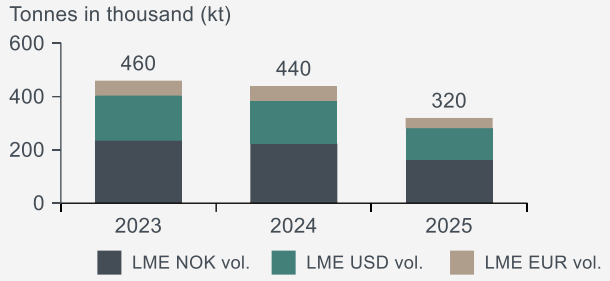
Strategic hedging status[1)]

NOK Billion

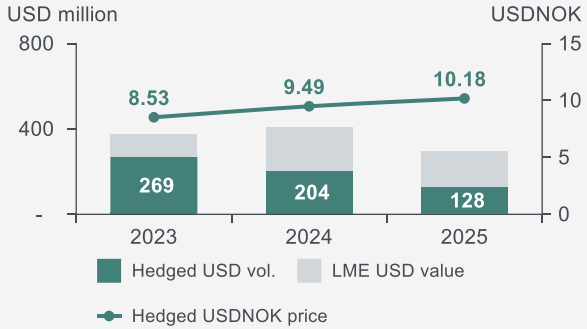


Hedged volumes and Integrated Margin[2)]

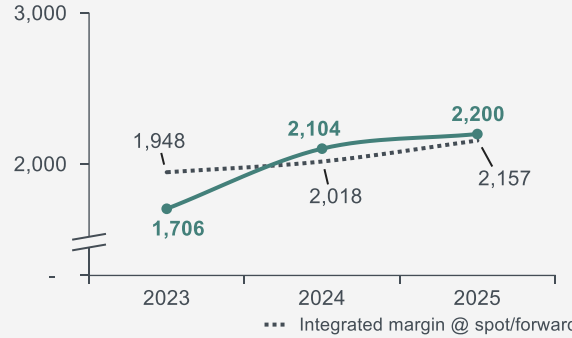
Hedged aluminium volumes



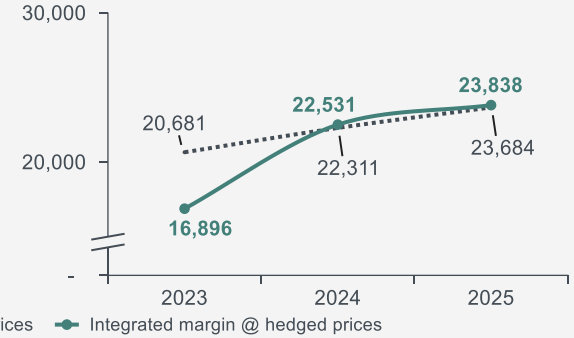
Hedged USDNOK volumes and prices



Integrated margin (USD/t)



Integrated margin (NOK/t)



1) Mark to Market as of October 31, 2023
The hedges are entered in the following FX: NOK (51% of total hedged volume), USD (37%) and EUR (12%)
USD/NOK locked FX rate: 2023: 8.5; 2024:9.49; 2025: 10.18

2) Forward prices as of November 10, 2023. Spot prices per October 31, 2023

Our financial framework guides the short and long-term

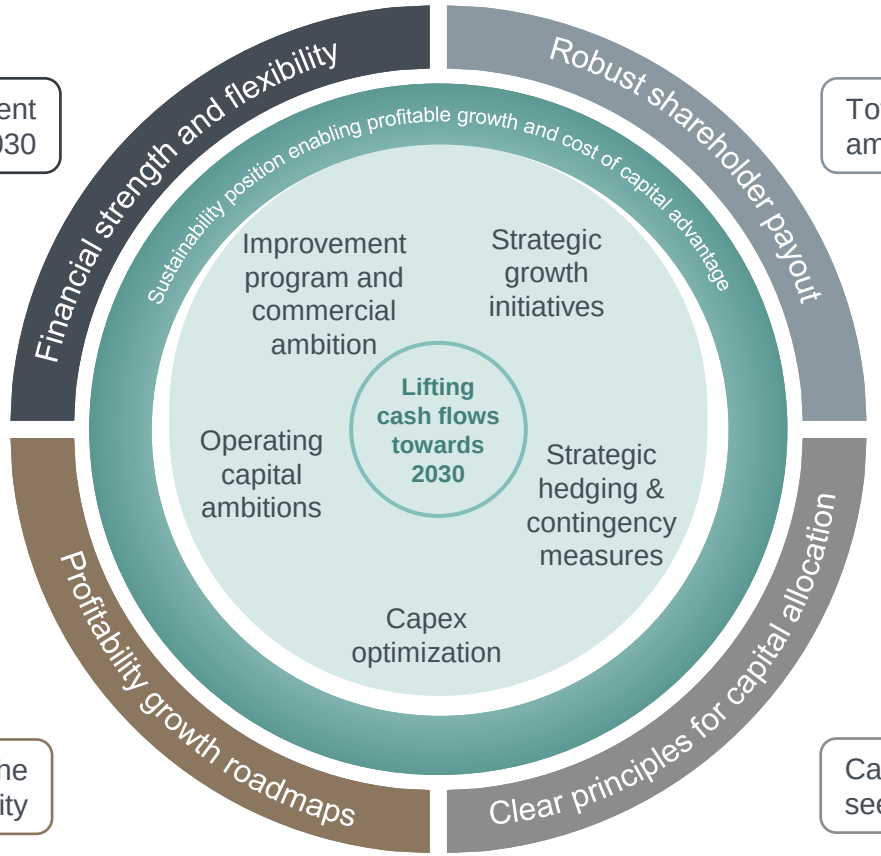
Solid framework for lifting returns and cash flow and managing uncertainty

NOK 6.1 billion — Strengthening improvement and commercial ambition 2024 - 2030

25% — Exposure in 2024-2025 secured through integrated hedging program

17% ARoaCE[1)] — Robust profitability growth roadmap navigating/despite challenging markets

NOK 2 billion — Greener premium potential across the value chain supporting profitability



Total shareholder distribution since 2019 amounting to 30.7 BNOK — NOK 30.7 billion

31% of the 2BNOK 2023/2024 share buyback program repurchased[2)] — 31%

Targeting reduction in working capital for 2024 — NOK 2 billion

Capital share allocated to growth and return seeking projects for the period 2024 - 2028 — 45%

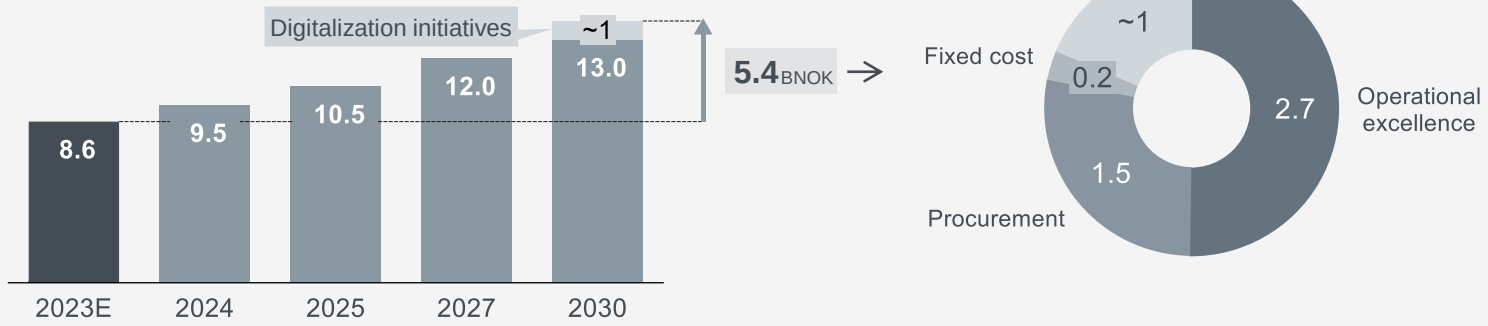
1) Hydro group external scenario 2030 ARoaCE based on CRU price and premium assumptions and S&P Global FX assumptions, with adjustments as specified in the footnotes
2) 31% repurchased as of 24th of November

Extended improvement ambitions

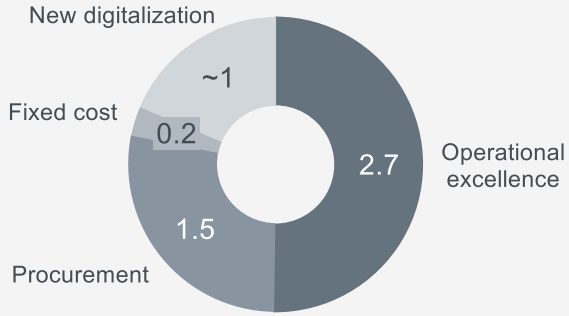
Strengthening future competitiveness and positioning with additional potential from digitalization, greener premiums and commercial improvements in Energy

Improvement program

Ambitions extended with additional NOK 1 billion until 2030

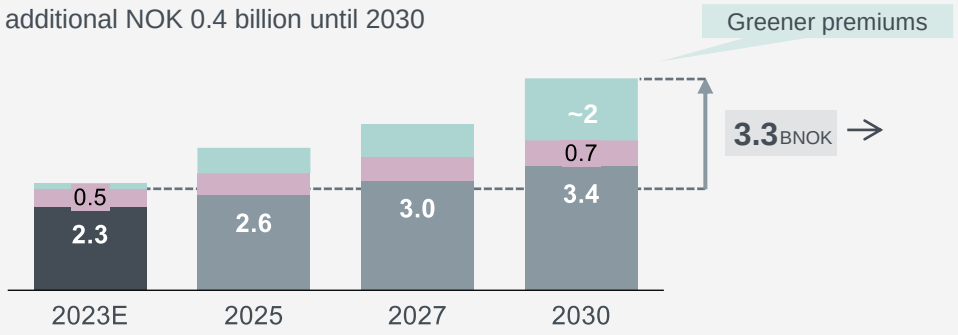


5.4 BNOK →

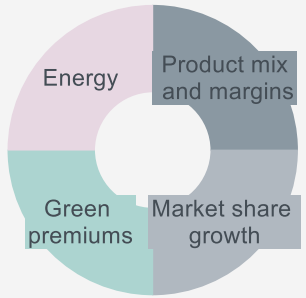


Commercial initiatives

Ambition increased in 2025 and 2027, and extended with additional NOK 0.4 billion until 2030



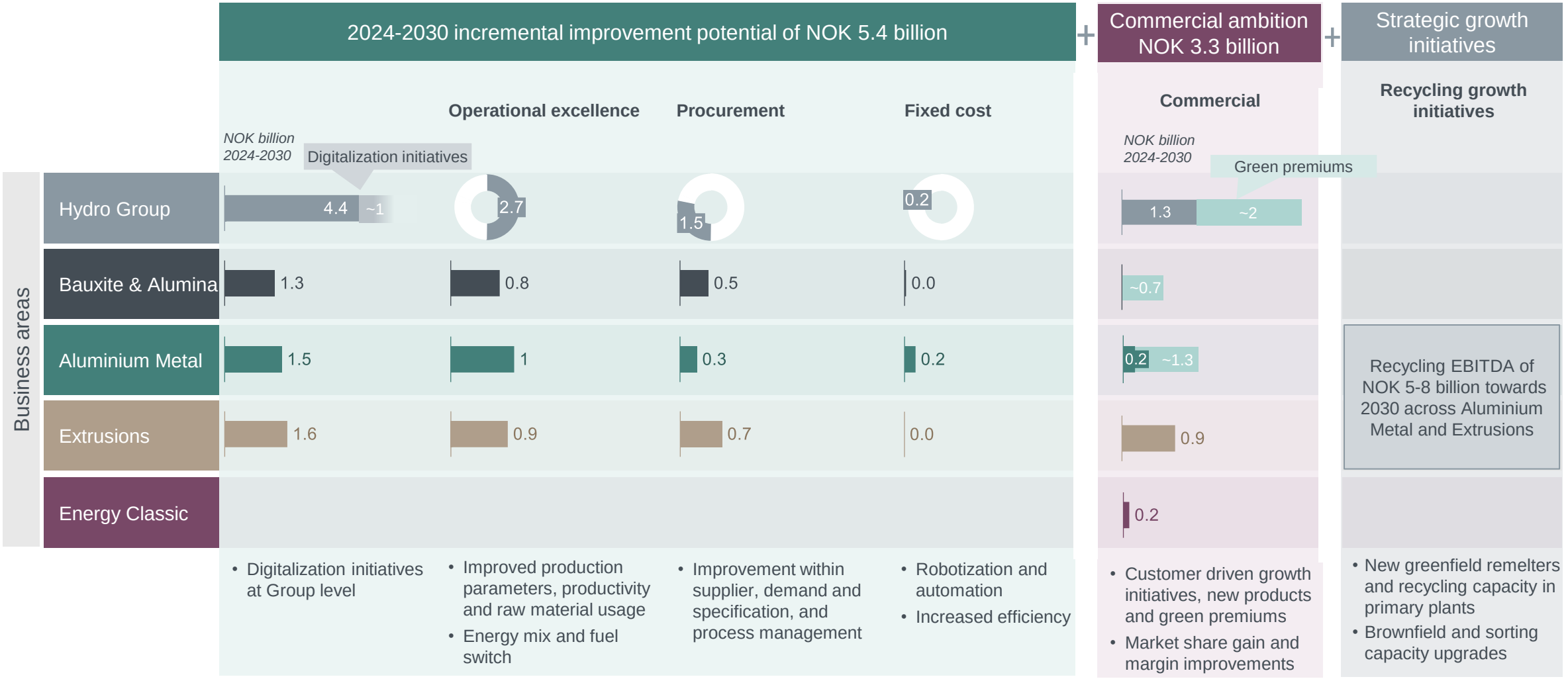
3.3 BNOK →



Note: NOK 1.5 billion in annual average CAPEX to meet remaining improvement and commercial ambitions.

Extending the improvement ambitions to 2030

Targeting NOK 14.0 billion in accumulated improvements and NOK 6.1 billion in commercial ambitions by 2030



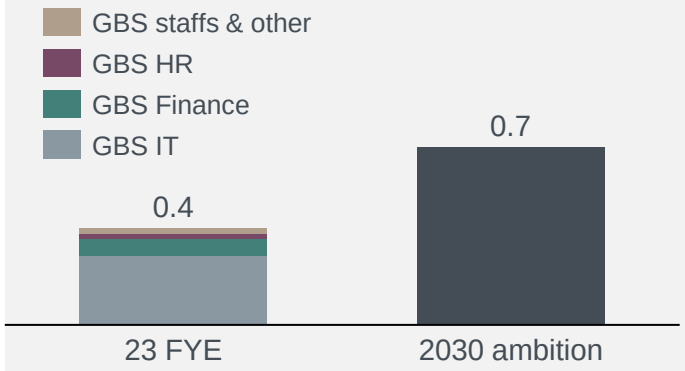
Note: ~1.5-2 BNOK in annual average CAPEX to meet remaining improvements and commercial ambitions

Significant thematic improvements across organization

NOK 6.8 billion improvements through global business services, procurement and digitalization

Global Business Services

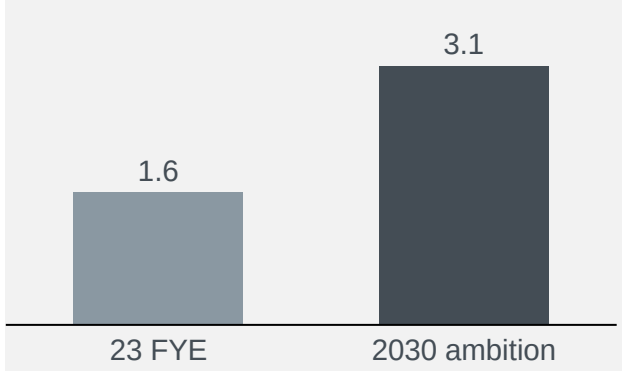
NOK billion



- NOK 360 million delivered since 2019, NOK 300 million targeted until 2030
- World class staff costs levels, driven by geographic footprint, scale, analytics and automation

Procurement

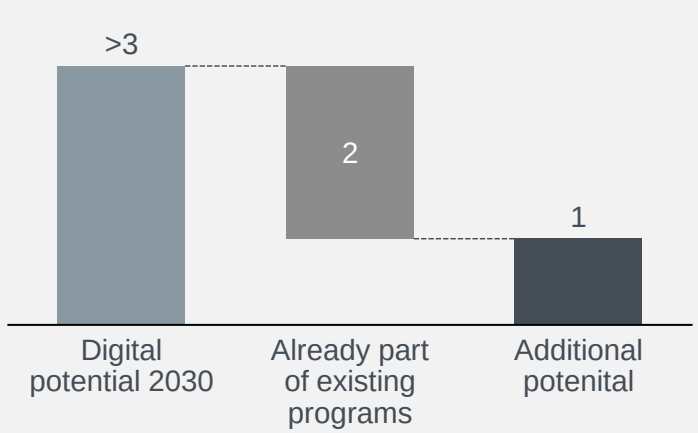
NOK billion



- NOK 400 million group procurement program launched in 2019
- Delivered NOK 1.6 billion, and targeting additional potential of NOK 1.5 billion

Digitalization

NOK billion

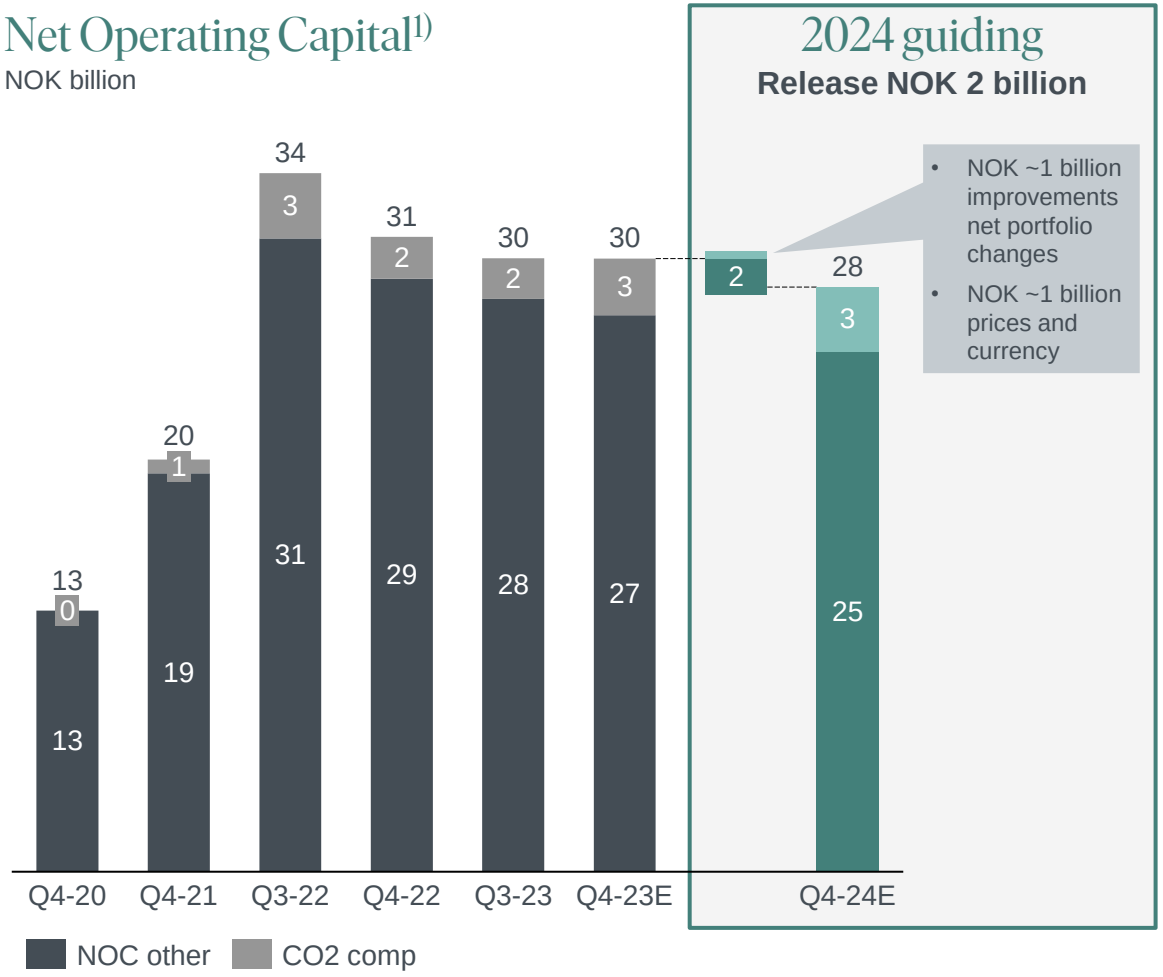


- Overall digital potential of > NOK 3 billion, where 60-70% is covered by existing improvement program
- Ambition to deliver NOK 1 billion in digital improvements on top of existing improvement program by 2030

Targeting NOK 2 billion Net Operating Capital release 2024

Net Operating Capital[1)]

NOK billion

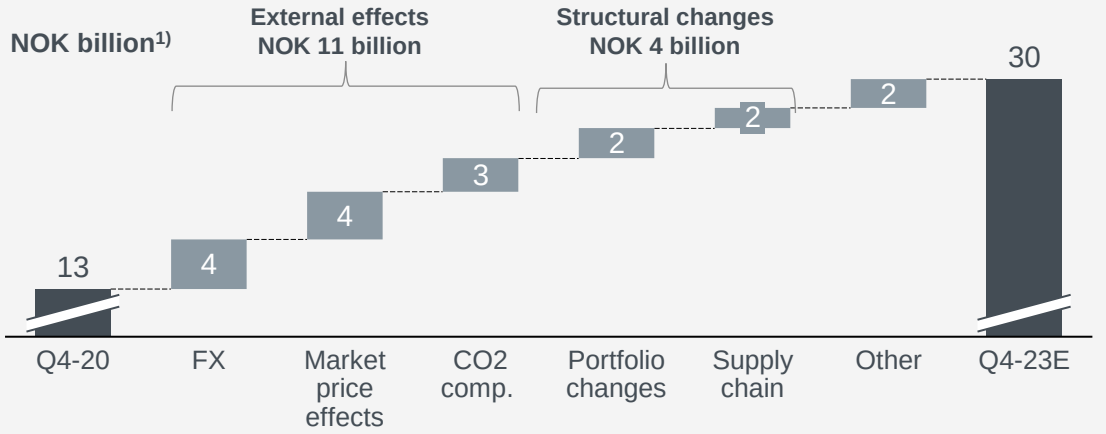


1) Net Operating Capital end of period.

Structural changes and market effects driving Net Operating Capital increase historically

NOK 17 billion NOC increase since Q4-20

- Weakening reporting currency (NOK) (all BAs)
- Higher sales- and raw material prices (all BAs)
- Introduction of CO2 compensation scheme (AM)
- Portfolio changes (AM, HE)
- Strategic supply chain changes (AM)
- M&A and growth
- Transitional inefficiencies due to restructuring and market volatility (AM, HE)



Capital allocated according to strategic modes

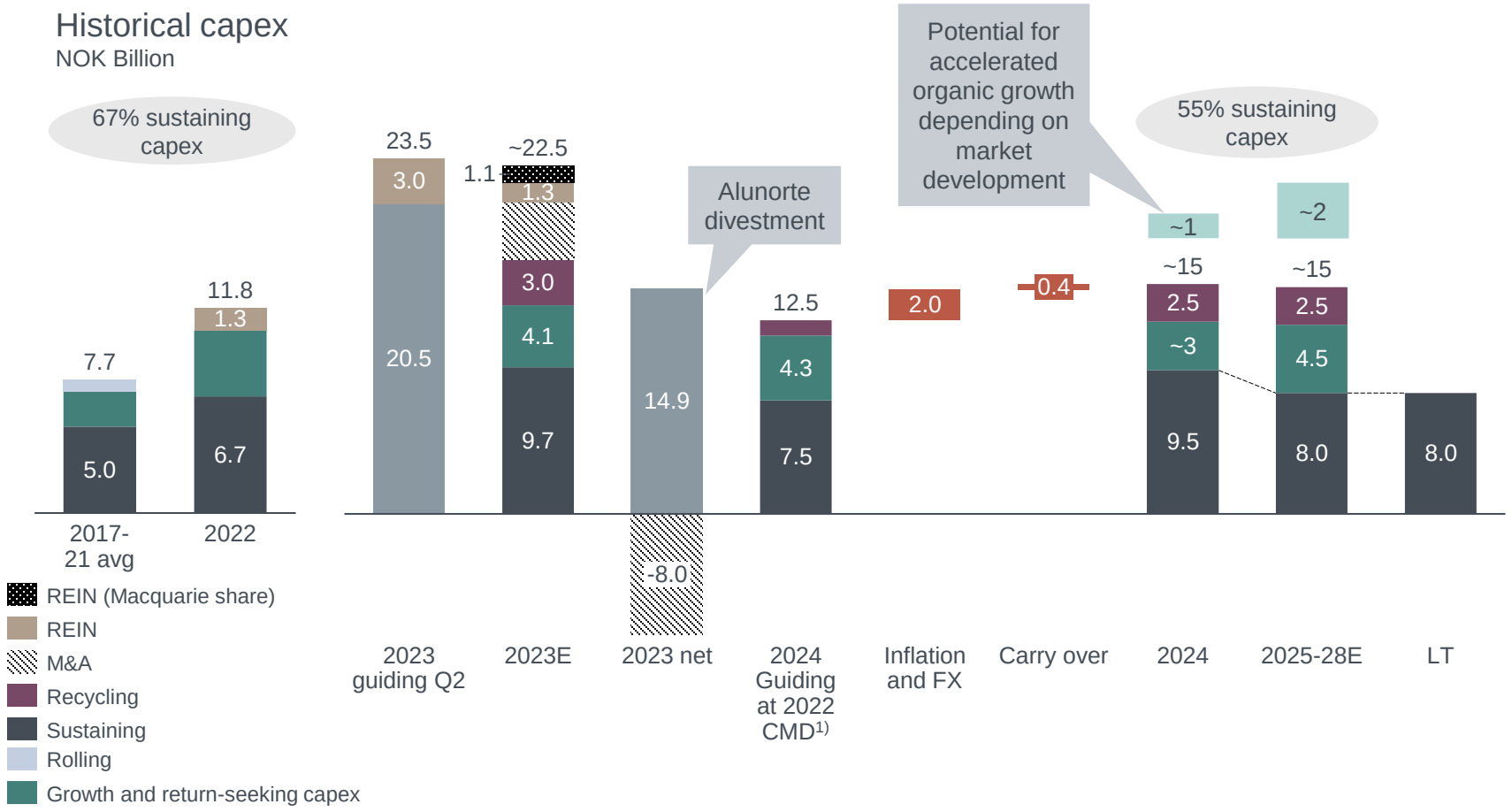
Strategic modes reflect global megatrends and high-return opportunities

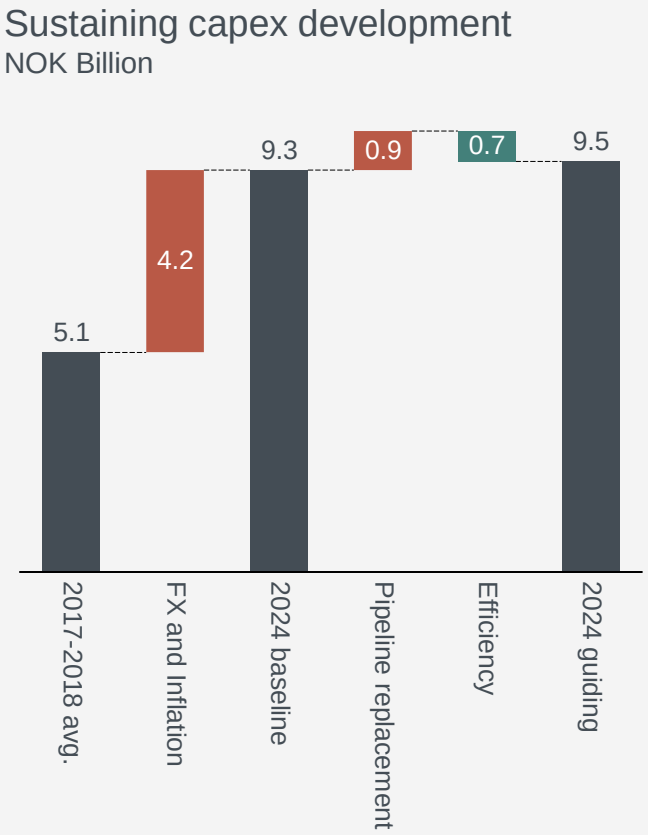
Safe, compliant and efficient operations
The Hydro Way

	Bauxite & Alumina	Aluminium Metal	Recycling	Energy	Extrusions
Businesses					
Strategic mode	Sustain and improve	Sustain and improve	Growth	Selective growth	Growth
Towards 2030	Reduce risk, improve sustainability footprint, improve cost position	Robustness and greener, increase product flexibility, improve cost position	Substantial shift in conversion of post-consumer scrap	Growth in renewables and batteries	Growth with new capacity and capabilities

Underlying 2024 capex in line with last year's guidance

Added flexibility depending market development





1) 24-26 average guiding

Greener investments drive value creation

Hydro

Hydro's largest prioritized investment areas combine sustainability and profitability

Recycling (PCS)

Several large recycling projects completed or near execution:

- **Cassopolis** ✓
- **Alumetal** ✓
- **Rackwitz** ✓
- **Hungary** ✓
- **Cressona** ✓

IRR 15-30%

Targeting 850 -1200 ktons PCS consumption uplift by 2030

B&A (El-Boilers)

Substantial decarbonization investments in B&A with positive business cases:

- **Elboiler pilot** ✓
- **Elboiler expansion**: In execution
- **Alunorte Fuel Switch:** Near completion

IRR: ~20%[1)]

Bauxite and Alumina CO2 reductions under excecution:
1 million tons

Electrolysis abatement

Technology roadmaps in Aluminium Metal to produce zero carbon primary metal

HalZero: Investment decision taken on Stage 2 facility (1kg Al/hr) ✓

Verdox: Progressing towards first carbon capture

R&D

Creating a pathway to zero carbon primary aluminium

Other

- Energy savings initiatives with short payback time
- Fully electric presses in Extrusion Europe:
- **Nenzing**
- **Tønder**
- **Trzcianka Green Press**

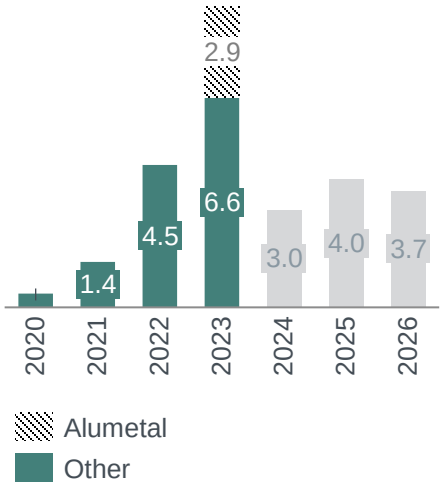
IRR 20-35%

Combining profitability with sustainability improvement

Greener investments / Total Investments

~47%

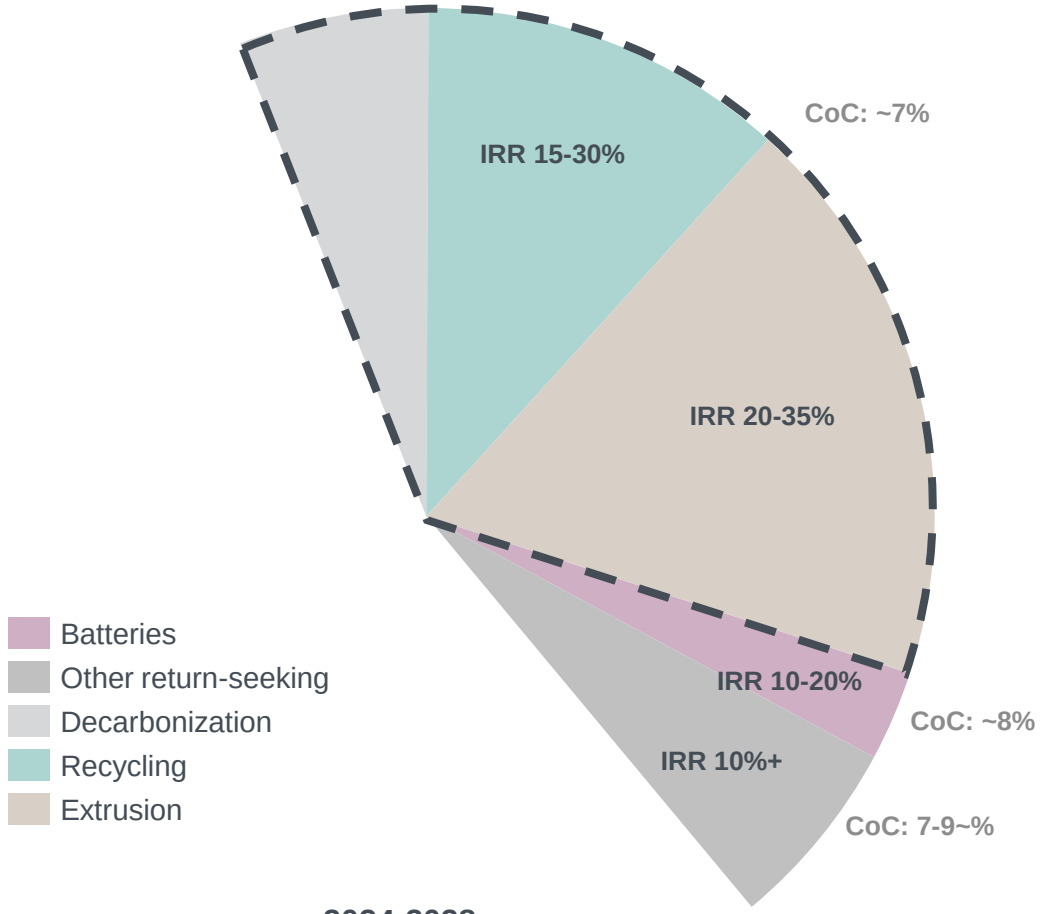
LTM Q3 2023



1) Before any green alumina premium is assumed

Strong profitability in strategic growth areas

Indicative profitability in current return-seeking and growth portfolio



Recycling

- Increase proportion of post consumer scrap (PCS), lowering metal cost
- Improved economies of scale in brownfield expansions
- Sorting technology and equipment standardization

Extrusions

- New presses with improved capabilities and commercial value, capturing market share
- Press replacements with significant cost reductions and increased productivity
- Focus on high growth segments including automotive, systems business and commercial transportation

Decarbonization

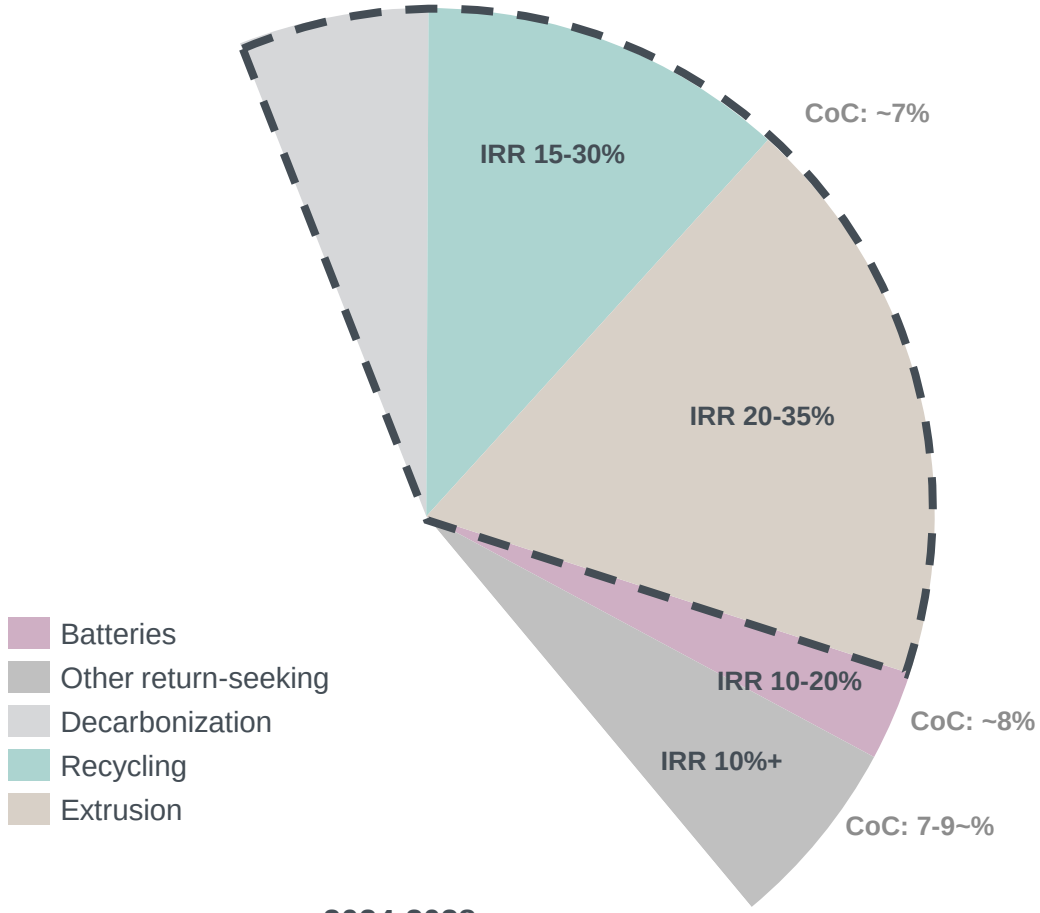
- Alunorte Fuel switch project (IRR 20+%) and electrical boilers
- Carbon capture technology pilots in mid-term, industrial scale pilot volumes by 2030
- HalZero as technology pilots in mid-term, industrial scale pilot volumes by 2030

Batteries

- Focused strategy within sustainable battery materials, leveraging Hydro capabilities
- Establish positions in attractive growth segments in core markets
- Core investments: Hydrovolt (recycling) and Vianode (anode material)

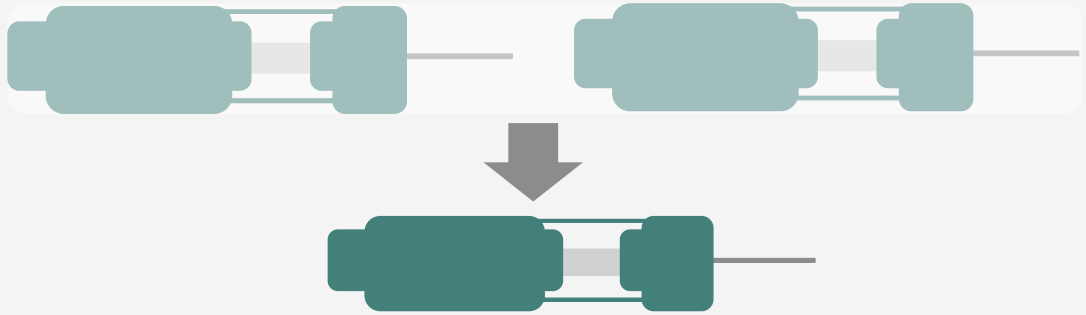
Press replacements giving new capabilities and cost savings

Indicative profitability in current return-seeking and growth portfolio



2024-2028 capex

Press consolidation



	Two old presses	One new press
Manning	2 x 8 FTEs per shift	4-5 FTEs per shift
Maintenance cost p.a.	EUR 1,500K	EUR 350-450K
Downtime	15-20%	5-10%
Scrap rate	33-35%	25-28%
Annual production	2x9K tonnes	16K tonnes

Based on cost savings alone **IRR: 30%+**

Benefits

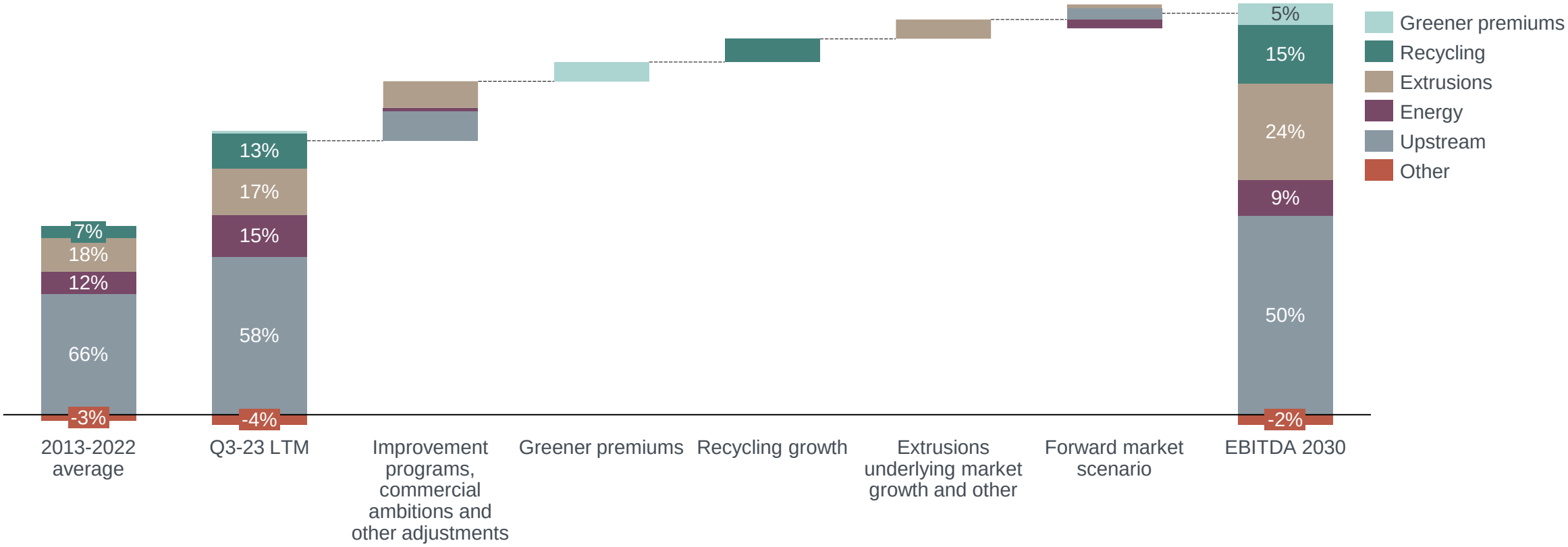
- Higher levels of automation and better ergonomics, state-of-the-art technology .
- New and improved technical capabilities to serve new segments at higher prices
- High energy efficiency, lower cost per kilo & higher EBITDA per ton

Capital allocation increases earnings resilience

Extrusion and recycling margins, greener premiums growing as share of total earnings

EBITDA

NOK billion

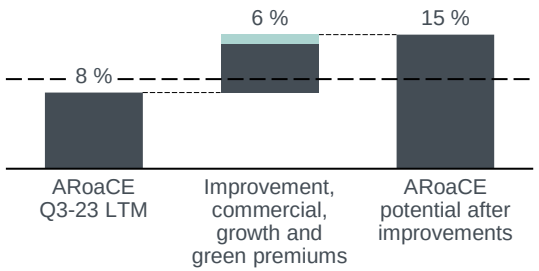


Note: 2013-2022 average and Q3-23 LTM EBITDA as reported

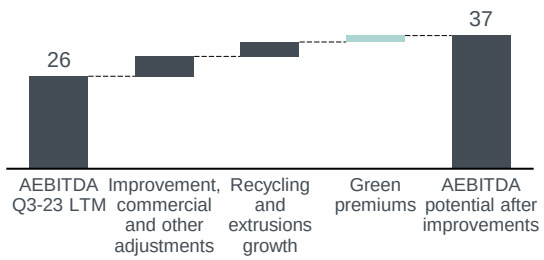
Hydro profitability growth roadmap

Main drivers – improvement efforts, growth and market development

ARoaCE potential 2030
Profitability target of >10%

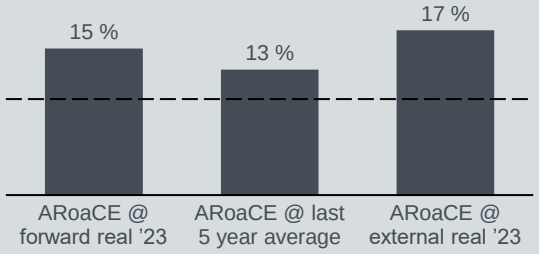


AEBITDA potential 2030
NOK billion

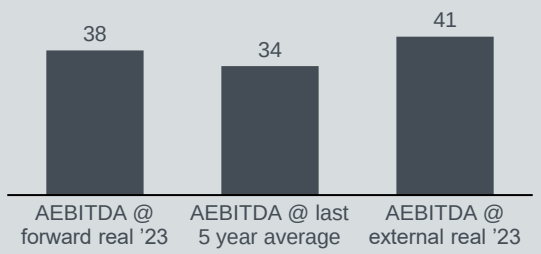


Cash flow potential after sustaining CAPEX[1] 2030
NOK billion

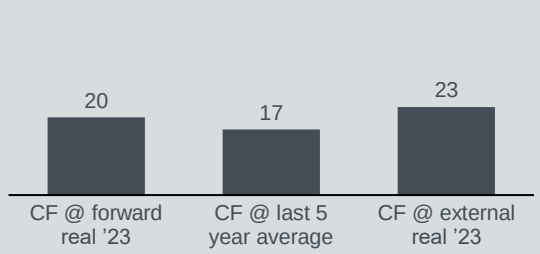
Market scenarios 2030



Market scenarios 2030



Market scenarios 2030



Main further upside drivers

- Sustainability differentiation and ability to produce net-zero aluminium
- Positive market and macro developments
- High-return growth projects
- Technology and digitization
- Portfolio optimization

Main downside risks

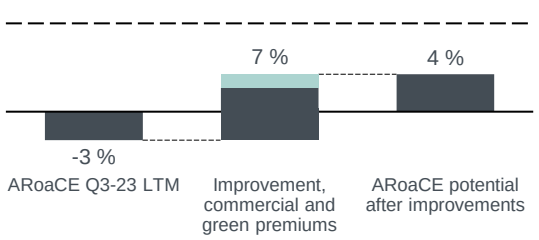
- Negative market and macro developments, incl. trade restrictions
- Operational disruptions
- Inflation pressure
- Project execution and performance
- Deteriorating relative positions
- Regulatory frameworks, CSR and compliance

1) Cash flow calculated as EBITDA + tax + long-term sustaining CAPEX + other (lease payments, interest expenses)
Assumptions and sources behind the scenarios can be found in Additional information
Sources: External scenario is based on CRU price and premium assumptions and S&P Global FX assumptions, with adjustments as specified in the footnotes

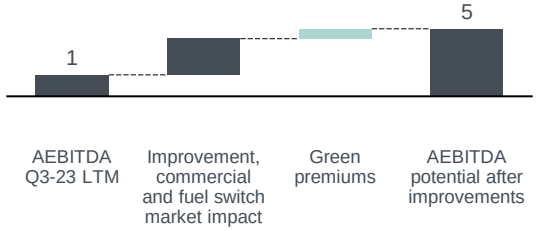
Bauxite & Alumina profitability growth roadmap

Main drivers – fuel switch, commercial differentiation and market development

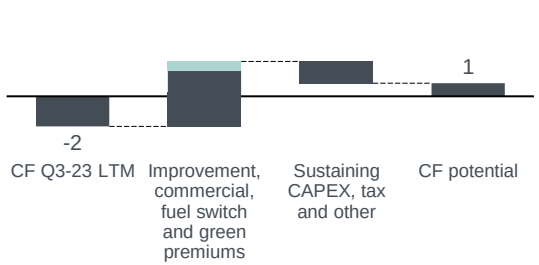
ARoaCE potential 2030
Profitability target of >10%



AEBITDA potential 2030
NOK billion



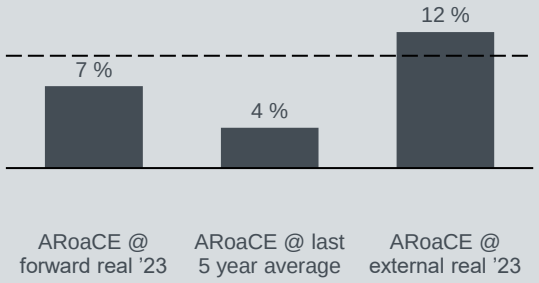
Cash flow potential after sustaining CAPEX[1] 2030
NOK billion



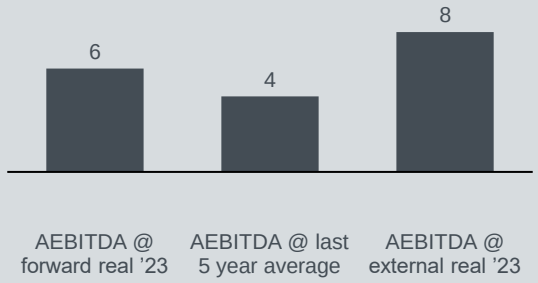
Main further upside drivers

- Positive market and macro developments
- Further commercial differentiation, incl. greener alumina
- Fleet optimization at the mine
- Sustaining CAPEX optimization

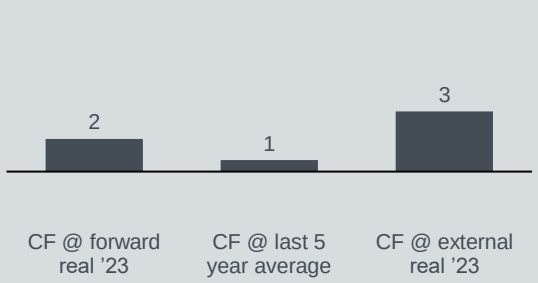
Market scenarios 2030



Market scenarios 2030



Market scenarios 2030



Main downside risks

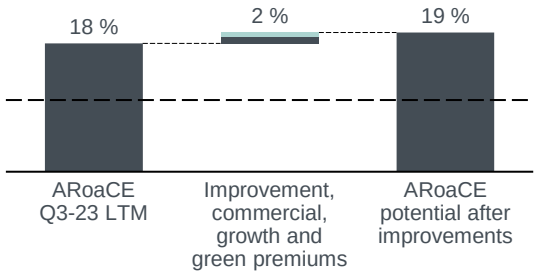
- Operational disruptions
- Negative market and macro developments
- Regulatory, CSR and country risk
- Supply chain disruptions
- Value chain concentration in Brazil

1) Cash flow calculated as EBITDA + tax + long-term sustaining CAPEX
Assumptions and sources behind the scenarios can be found in Additional information
Sources: External scenario is based on CRU price and premium assumptions and S&P Global FX assumptions, with adjustments as specified in the footnotes

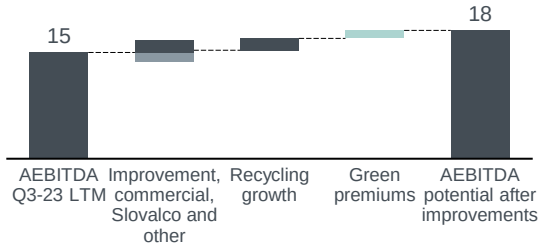
Aluminium Metal and Metal Markets profitability growth roadmap

Main drivers – improvement efforts, commercial differentiation and market development

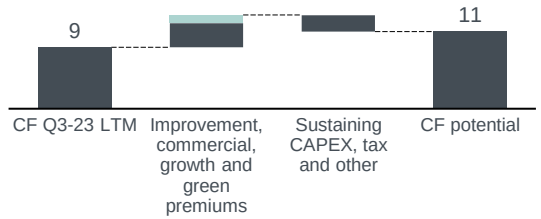
ARoaCE potential 2030
Profitability target of >10% (>8%)



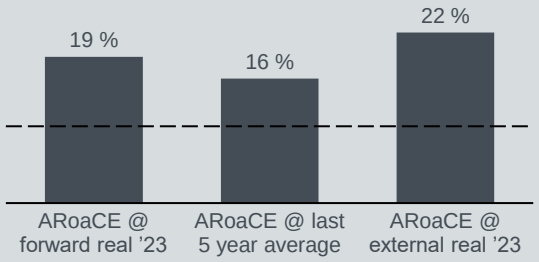
AEBITDA potential 2030
NOK billion



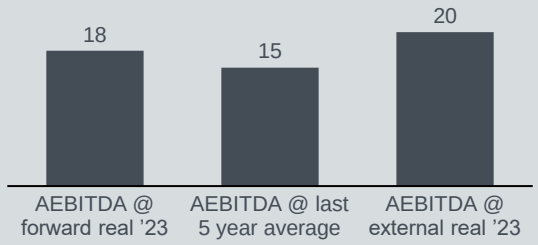
Cash flow potential after sustaining CAPEX[1] 2030
NOK billion



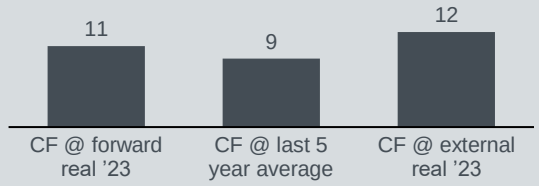
Market scenarios 2030



Market scenarios 2030



Market scenarios 2030



Main further upside drivers

- Positive market and macro developments
- Commercial differentiation, incl. greener brands
- Further recycling growth opportunities
- Portfolio optimization
- Further potential in automation, process control and efficiency, operational excellence

Main downside risks

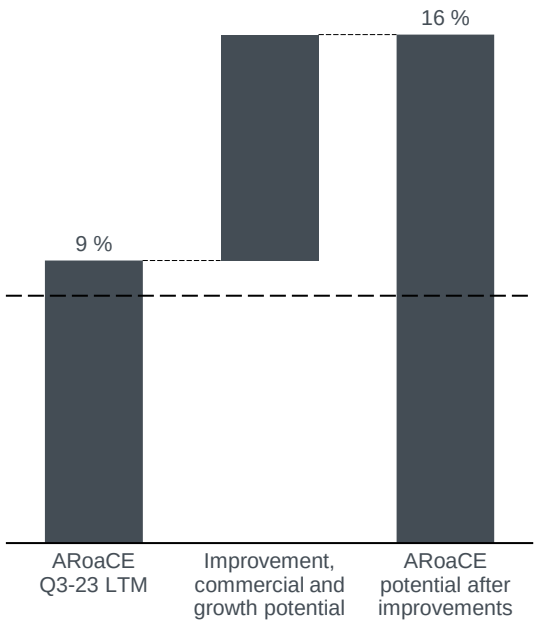
- Negative market and macro developments, incl. trade restrictions
- Deteriorating relative cost and market positions
- Operational disruptions
- Supply chain disruptions
- Regulatory and country risks, incl. tax

1) Cash flow calculated as EBITDA + tax + long-term sustaining CAPEX
Assumptions and sources behind the scenarios can be found in Additional information
Sources: External scenario is based on CRU price and premium assumptions and S&P Global FX assumptions, with adjustments as specified in the footnotes

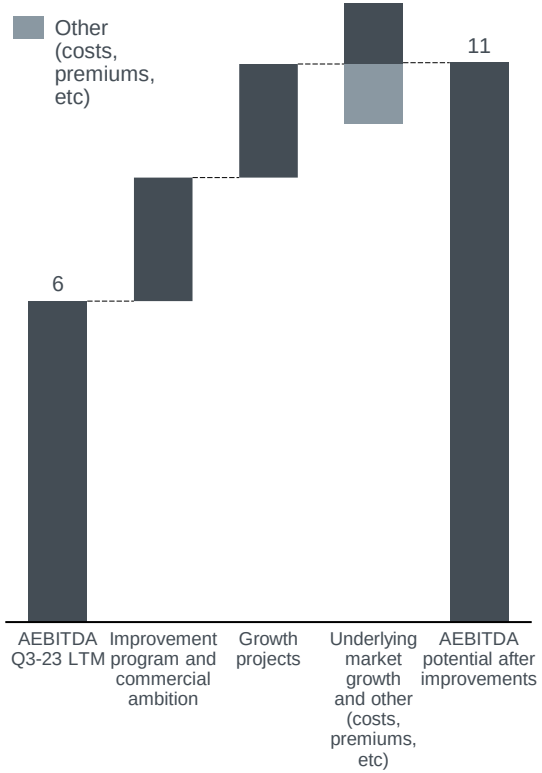
Extrusions profitability growth roadmap

Main drivers – improvement program and commercial ambition

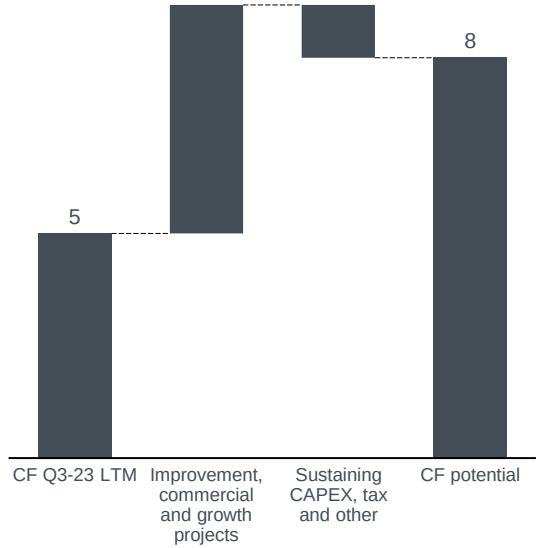
ARoaCE potential 2030
Profitability target of >8%



AEBITDA potential 2030
NOK billion



Cash flow potential after sustaining CAPEX[1] 2030
NOK billion



Main further upside drivers

- Selective profitable growth including larger projects
- Continuous portfolio review and optimization
- Operating and fixed cost optimization
- Positive market and macro developments

Main downside risks

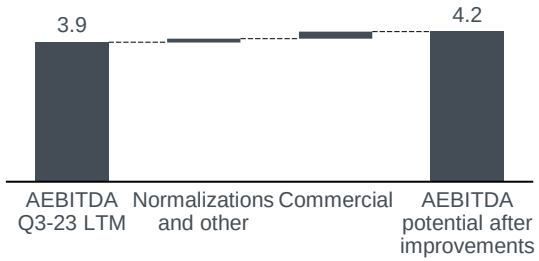
- Negative market and macro developments, incl. trade restrictions
- Inflation pressure
- Loss of large customer contracts
- Supply chain disruptions
- Regulatory and country risks

1) Cash flow calculated as EBITDA + tax + long-term sustaining CAPEX
Assumptions and sources behind the scenarios can be found in Additional information

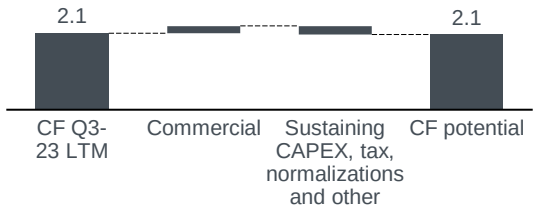
Energy profitability growth roadmap

Main drivers – Net spot sales volume and market development

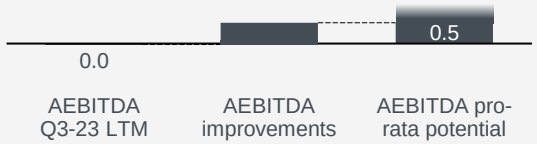
Classic - AEBITDA potential 2030
NOK billion



Classic - Cash flow potential after sustaining CAPEX[1] 2030
NOK billion



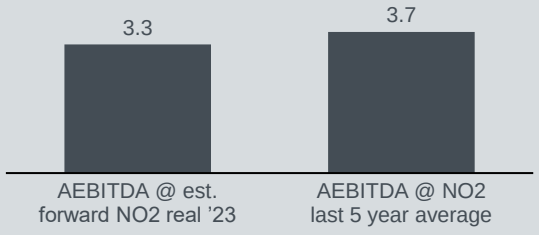
REIN JV – pro-rata AEBITDA potential (Hydro's share)[2] 2030
NOK billion



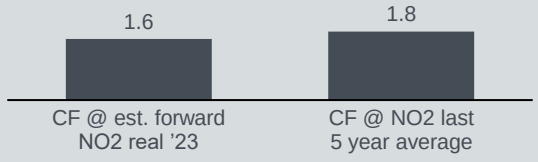
Main further upside drivers

- Additional growth opportunities
- Further commercial and operational improvements
- Positive market and macro developments
- Batteries not included – return target of 3x invested capital

Classic - Market scenarios 2030



Classic - Market scenarios 2030



REIN JV – Accounting treatment

- REIN JV will be booked as an equity accounted investment after transaction
- This means the Hydro share of net income will be included as part of the Energy AEBITDA

Main downside risks

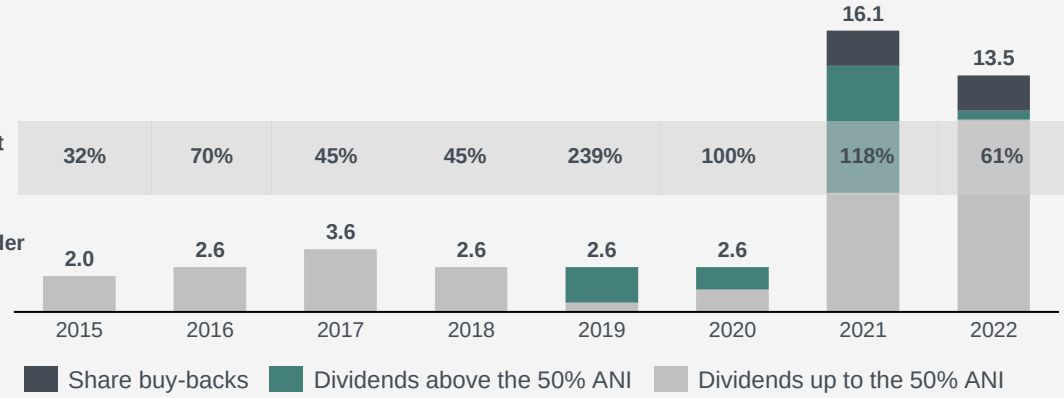
- Negative market and macro developments
- Regulatory and framework conditions, incl. tax
- New project execution

Note: Classic excluding growth from new energy areas
1) Cash flow calculated as EBITDA + tax + long-term sustaining CAPEX
2) EBITDA from assets. S&GA at JV-level not included
Assumptions and sources behind the scenarios can be found in Additional information

Ambition for shareholder distribution

- Final proposal for distribution at Q4 reporting in February 2024
- Pay out depending on year-end financials
- Aiming at 50-60% of adjusted net income for 2023
- A combination of ordinary dividends and share buy-back if supportive financials
- Proposal conditional upon Annual General Meeting approval
- Capital structure policy and targets stating an adjusted net debt target over the cycle around NOK 25 billion, with proposed shareholder cash distribution added to cash position at year-end
- Share buybacks ongoing, approximately 31% of the program repurchased as of 24th of November 2023

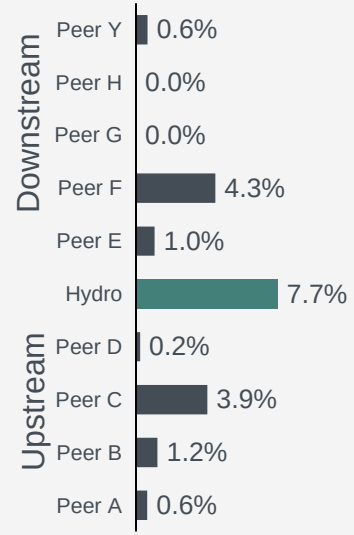
	2015	2016	2017	2018	2019	2020	2021	Paid out May 23 2023
Dividend, NOK/share	1.00	1.25	1.75	1.25	1.25	1.25	6.85	5.65
Dividend yield[1]	3.0%	3.0%	2.8%	3.2%	3.8%	3.1%	9.9%	7.7%
Share of Adj. Net Income[3]	32%	70%	45%	45%	239%	100%	118%	61%
Total shareholder distribution, NOK billion	2.0	2.6	3.6	2.6	2.6	2.6	16.1	13.5



Hydro's Dividend Policy

- Pay out minimum 50 percent of adjusted net income as ordinary dividend over the cycle
- The dividend policy has a floor of NOK 1.25 per share
- Share buybacks or extraordinary dividends will supplement dividends during periods of strong financials, due consideration being given to the commodity cycle and capital requirements for future growth
- The pay out should reflect Hydro's aim to give its shareholders competitive returns, benchmarked against alternative investments in comparable companies

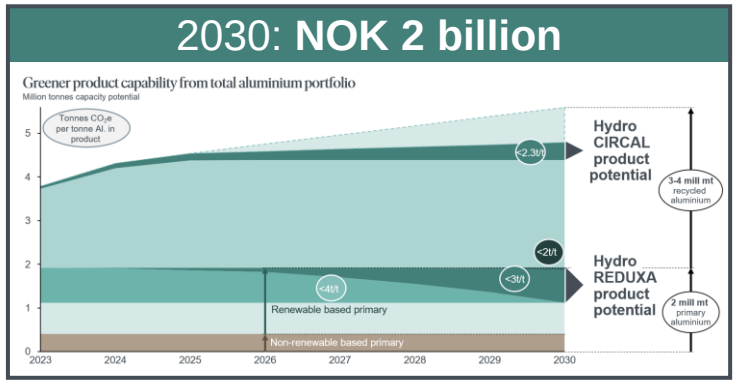
Dividend yield vs peers[2]



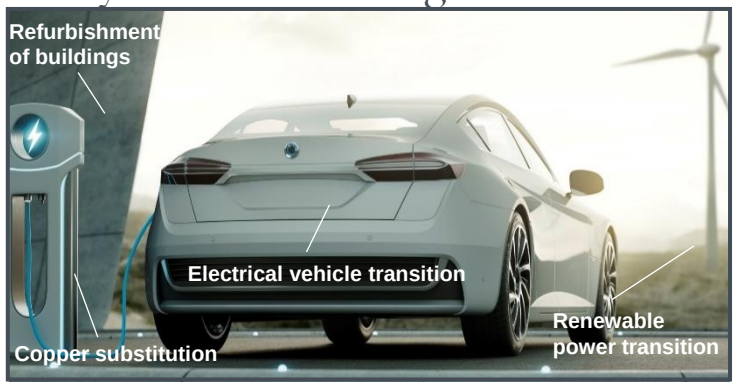
1) Based on share price at year end
2) Peer group includes (in alphabetical order): Upstream: Alcoa, Century, Chalco, Hindalco, Rusal Downstream: Amag, Arconic, Constellium, Kaiser
3) Distributed share of underlying net income including share buy-backs

Why invest in Hydro: key takeaways from today

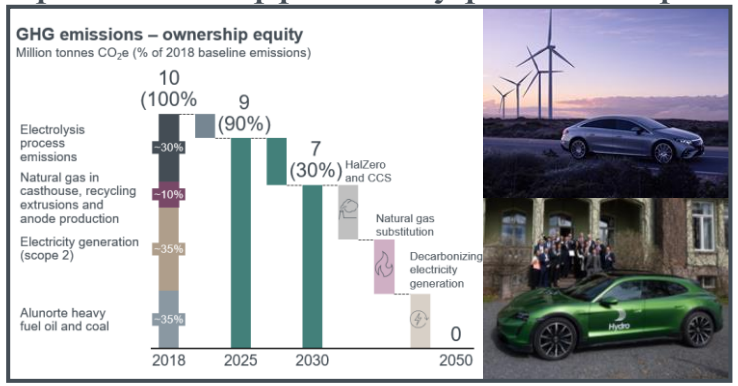
Greener earnings uplift potential 2030



Portfolio of profitable growth projects as key enablers for the green transition



Pathway to net-zero aluminium products supported by partnerships



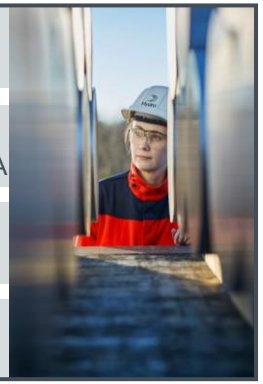
Robust positioning with ambition to strengthen competitiveness

1st
quartile cost position AM and B&A

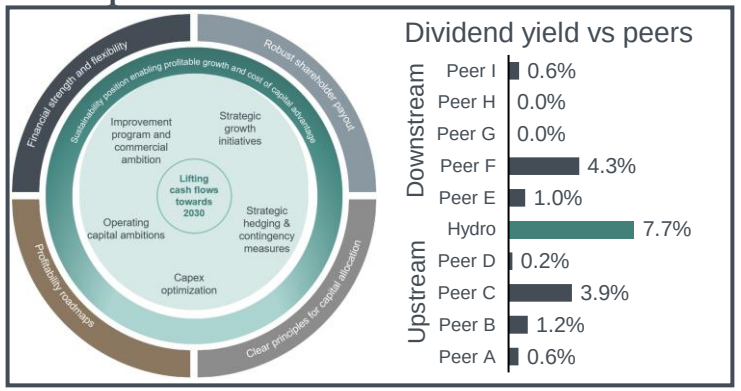
1st
quartile emission position AM and B&A

Long-term
renewable power contracts

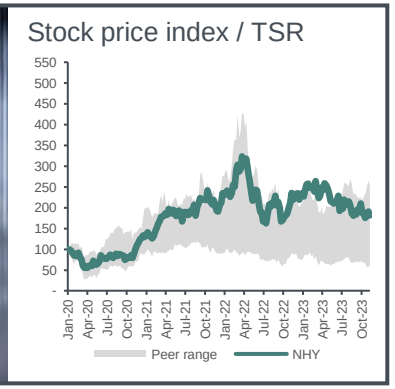
Increased
improvement ambitions



Resilient financial framework and competitive shareholder distribution



Good track record on relative shareholder value creation

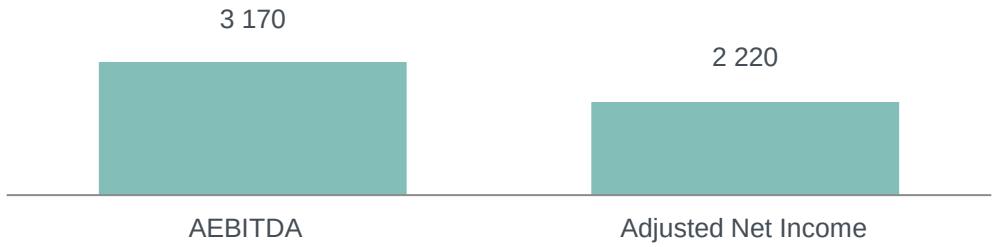


Appendix

Significant exposure to commodity and currency fluctuations

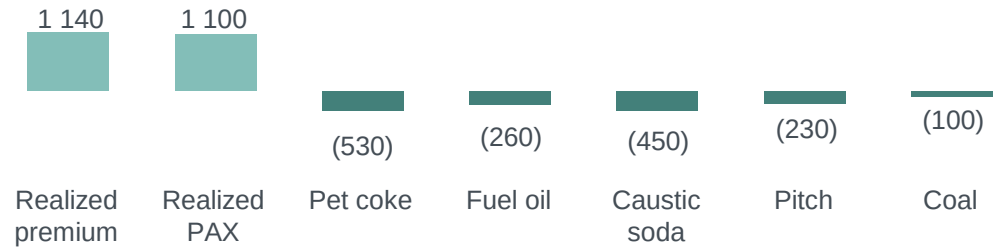
Aluminium price sensitivity +10%

NOK million



Other commodity prices, sensitivity +10%

NOK million



Currency sensitivities +10%

Sustainable effect:

NOK million	USD	BRL	EUR
AEBITDA	3,840	(890)	10

One-off reevaluation effect:

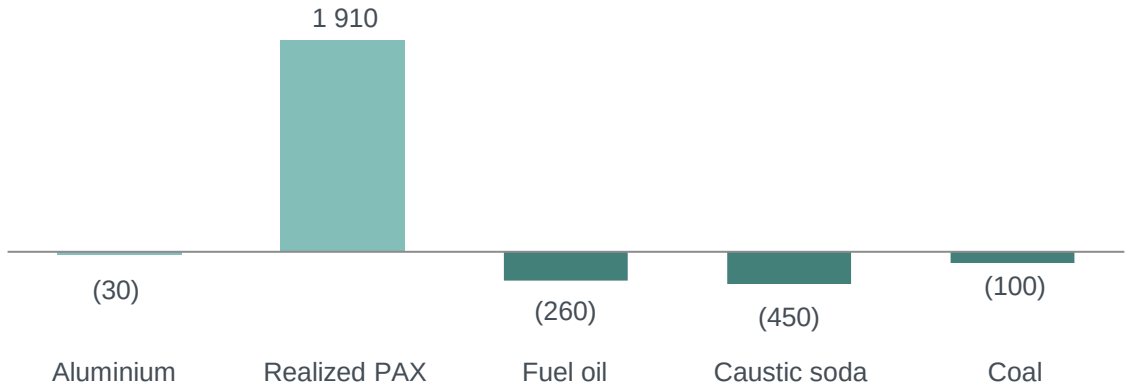
Financial items	(1,040)	1,220	(3,730)

- Annual adjusted sensitivities based on normal annual business volumes. LME 2,240 USD/mt, realized premium 490 USD/mt, PAX 350 USD/mt, fuel oil 820 USD/mt, petroleum coke 610 USD/mt, pitch 1,260 EUR/mt, caustic soda 650 USD/mt, coal 150 USD/mt, USDNOK 10.41, BRLNOK 2.06, EURNOK 11.11
- Aluminium price sensitivity is net of aluminium price indexed costs and excluding unrealized effects related to operational hedging
- BRL sensitivity calculated on a long-term basis with fuel oil assumed in USD. In the short-term, fuel oil is BRL-denominated
- Excludes effects of priced contracts in currencies different from underlying currency exposure (transaction exposure)
- Currency sensitivity on financial items includes effects from intercompany positions
- 2023 Platts alumina index (PAX) exposure used
- Adjusted Net Income sensitivity calculated as AEBITDA sensitivity after 30% tax
- Sensitivities include strategic hedges for 2023 (remaining volumes for 2023, annualized)

Bauxite & Alumina sensitivities

Annual sensitivities on adjusted EBITDA if +10% in price

NOK million



Currency sensitivities +10%

NOK million	USD	BRL	EUR
AEBITDA	870	(650)	-

Revenue impact

- Realized alumina price lags PAX by one month

Cost impact

Bauxite

- ~2.45 tonnes bauxite per tonne alumina
- Pricing partly LME-linked

Caustic soda

- ~0.1 tonnes per tonne alumina
- Prices based on IHS Chemical, pricing mainly monthly per shipment

Energy

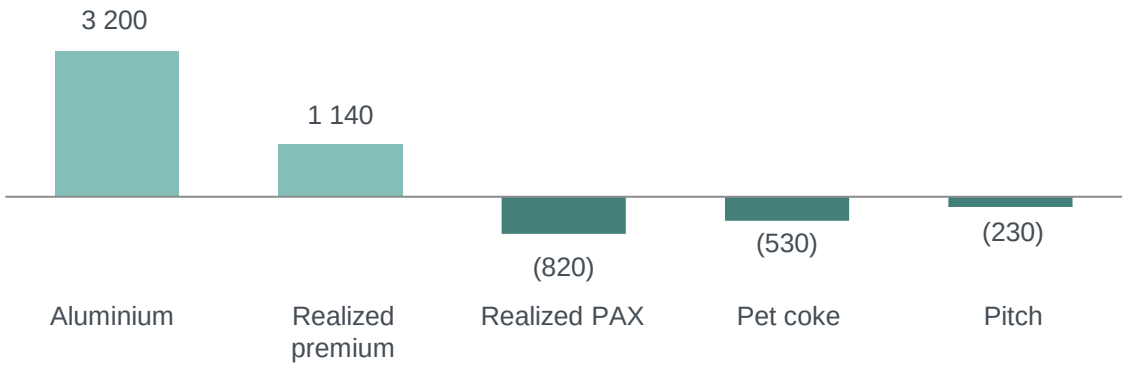
- ~0.12 tonnes coal per tonne alumina, Platts prices, one year volume contracts, weekly per shipment pricing
- ~0.11 tonnes heavy fuel oil per tonne alumina, prices set by ANP/Petrobras in Brazil, weekly pricing (ANP) or anytime (Petrobras)

Annual adjusted sensitivities based on normal annual business volumes. LME 2,240 USD/mt, realized premium 490 USD/mt, PAX 350 USD/mt, fuel oil 820 USD/mt, petroleum coke 610 USD/mt, pitch 1,260 EUR/mt, caustic soda 650 USD/mt, coal 150 USD/mt, USDNOK 10.41, BRLNOK 2.06, EURNOK 11.11
BRL sensitivity calculated on a long-term basis with fuel oil assumed in USD. In the short-term, fuel oil is BRL-denominated. 2023 Platts alumina index (PAX) exposure used

Aluminium Metal sensitivities

Annual sensitivities on adjusted EBITDA if +10% in price

NOK million



Currency sensitivities +10%

NOK million	USD	BRL	EUR
AEBITDA	2,940	(250)	(360)

Revenue impact

- Realized price lags LME spot by ~1-2 months
- Realized premium lags market premium by ~2-3 months

Cost impact

Alumina

- ~1.9 tonnes per tonne aluminium
- ~ 2-3 months lag
- Mainly priced on Platts index

Carbon

- ~0.40 tonnes petroleum coke per tonne aluminium, Pace Jacobs Consultancy, 2-3 year volume contracts, quarterly or half yearly pricing
- ~0.08 tonnes pitch per tonne aluminium, CRU, 2-3 year volume contracts, quarterly pricing

Power

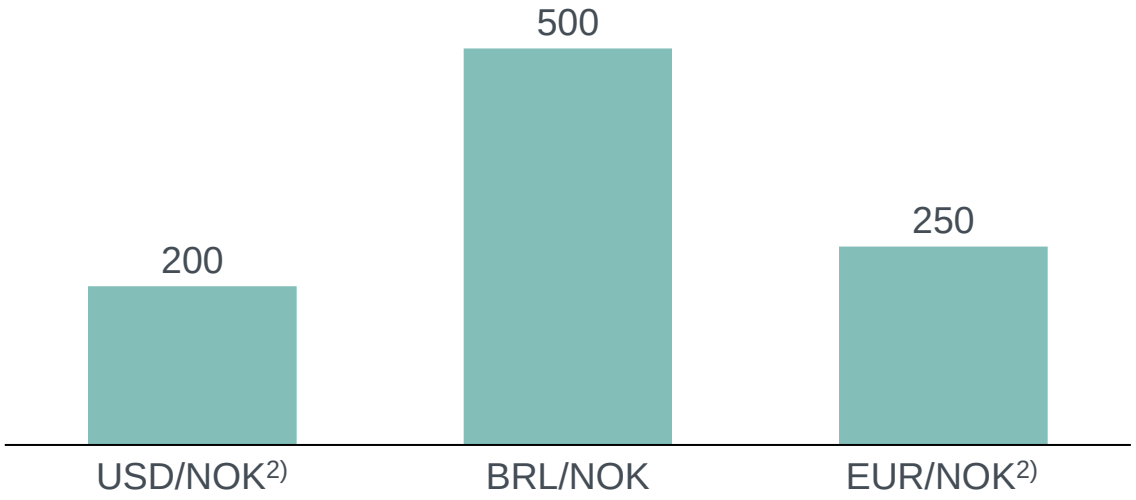
- 14.0 MWh per tonne aluminium
- Long-term power contracts with indexations

Annual adjusted sensitivities based on normal annual business volumes. LME 2,240 USD/mt, realized premium 490 USD/mt, PAX 350 USD/mt, fuel oil 820 USD/mt, petroleum coke 610 USD/mt, pitch 1,260 EUR/mt, caustic soda 650 USD/mt, coal 150 USD/mt, USDNOK 10.41, BRLNOK 2.06, EURNOK 11.11

CAPEX sensitivity to FX

Annual sensitivities on CAPEX if +10% in currency[1)]

NOK million



Capex currency exposure[3)]

- BRL ~40%
- USD ~15%
- EUR ~20%
- NOK and other ~25%

The estimates for the different currencies exposures for capex are based on the 2024-2026 allocation guidance.

The annual sensitivity estimates are based on the 2024 allocation guidance of 15 BNOK

There is possible underlying FX exposure in the Norwegian smelters for the EUR and for the USD

1) Based on the 15 BNOK 2024 capex guidance
2) Possible underlying FX exposure in Norwegian capex
3) Based on 24-26 allocation

Assumptions behind scenarios

Scenarios are not forecasts, but illustrative earnings, cash flow and return potential based on sensitivities

- Starting point – AEBITDA Q3-23 LTM
- Cash flow calculated as AEBITDA less EBIT tax and long-term sustaining capex, less lease payments and interest expenses for the Hydro Group
  - Tax rates: 25% for business areas, 40% for Energy, 28% (LTM) for Hydro Group
- ARoaCE calculated as AEBIT after tax divided by average capital employed
  - Average capital employed assumed to increase with growth capex and return-seeking capex above LT sustaining CAPEX 2024-2026
- The actual earnings, cash flows and returns will be affected by other factors not included in the scenarios, including, but not limited to:
  - Production volumes, raw material prices, downstream margin developments, premiums, inflation, currency, depreciation, taxes, investments, interest expense, competitors' cost positions, and others
- External scenario is based on CRU price and premium assumptions and S&P Global FX assumptions, with adjustments as specified in the footnotes

Price and FX assumptions

Assumptions used in scenarios	Q3 2023 LTM	2024 forward real	2030		
			Forward real 2023	Last 5 year average	CRU / S&P Global real 2023
LME, USD/mt	2,240	2,240 (deflated by 2.5%)	2,300 (deflated by 2.5%)	2,180	2,560 (deflated by 2.5%)
Realized premium, USD/mt	490	380[1)]	380[1)]	430	570[4)] (deflated by 2.5%)
PAX, USD/mt	350	320 (deflated by 2.5%)	340[2)] (deflated by 2.5%)	330	380 (deflated by 2.5%)
Caustic soda, USD/mt	650	320[1)]	320[1)]	430	410 (deflated by 2.5%)
Coal, USD/mt	150	110 (deflated by 2.5%)	100[3)] (deflated by 2.5%)	130	100[7)] (deflated by 2.5%)
Pitch, EUR/mt	1,260	970[1)]	970[1)]	840	920[5)] (deflated by 2.5%)
Pet coke, USD/mt	610	470[1)]	470[1)]	450	500[5)] (deflated by 2.5%)
NO2, NOK/MWh Nordic system, NOK/MWh	1,150 850	770[6)] 480 (deflated by 2.5%)	650[6)] 400 (deflated by 2.5%)	840 620	650[7)] 400[7)] (deflated by 2.5%)
USDNOK EURNOK BRLNOK	10.41 11.11 2.06	10.68 11.77 2.19	10.38 12.25 2.15	9.28 10.35 1.93	8.15[8)] 9.58[8)] 1.47[8)]

1) Spot price. 2) % of LME forward price deflated by 2.5%. 3) 2026 nominal forward price deflated by 2.5% 4) Realized premium based on CRU product premiums 2023 5) Historic average % of LME, using CRU LME price deflated by 2.5%
6) Based on Nordic system forward price and constant NO2-Nordic system area price 7) Based on price from forward case 8) Based on S&P Global
Source: Republished under license from CRU International Ltd. and S&P Global

Next event

Fourth quarter results and 2023 Annual Report February 14, 2024

For more information see www.hydro.com/ir

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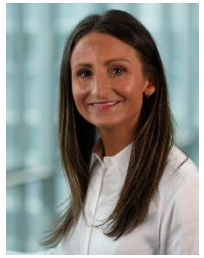

Martine Rambøl Hagen

t: +47 91708918
e: martine.rambol.hagen@hydro.com

Elitsa Boyadzhieva

t: +47 91775472
e: elitsa.boyadzhieva@hydro.com

Frida Rongved Jacobsen

t: +47 47860460
e: frida.jacobsen@hydro.com

Camilla Gihle

t: +47 92637820
e: camilla.gihle@hydro.com


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