



Norsk Hydro ASA

Bank of America ML Conference

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Trends supporting demand for low-carbon aluminium

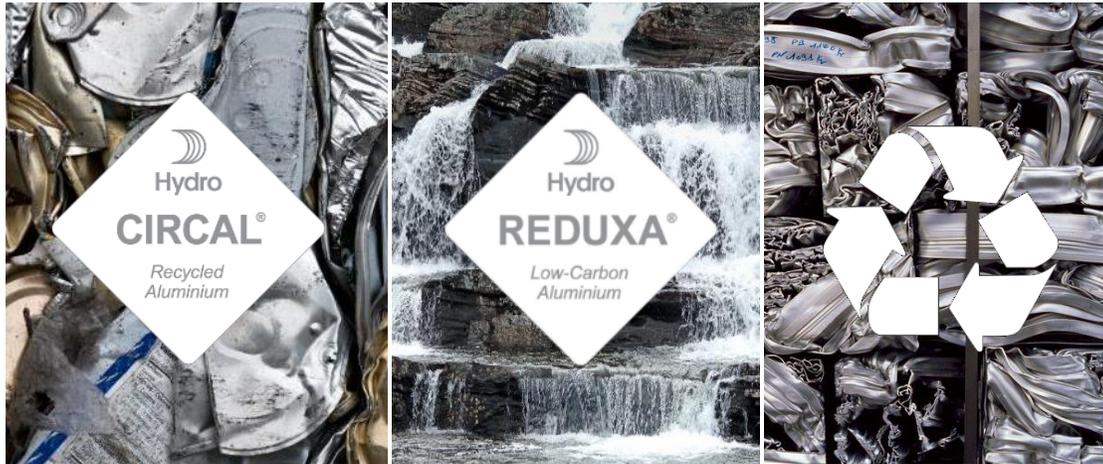
- Green transition in major regions requires more aluminium, e.g., higher aluminium content in EVs
- Higher end-product adaption of aluminium due to recyclability
- Focus on ESG could phase significant upside for green products
- Primary aluminum based on renewable power will qualify under the EU taxonomy criteria
 - No thresholds have been included for recycling. All secondary aluminium is taxonomy compliant.
- Increasing cost of supply towards next decade due to new projects with higher capex based on hydropower
- Restrictions on supply growth, especially in China, reduce risk of sustained over-capacity next decade



Hydro 2025 strategy

Seizing opportunities where our capabilities match megatrends

1 Strengthen position in low-carbon aluminium



2 Diversify and grow in new energy



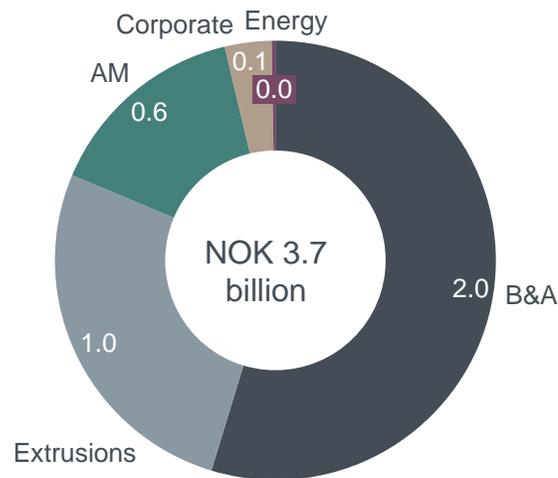
Profitability & Sustainability

Improvement program ahead of plan

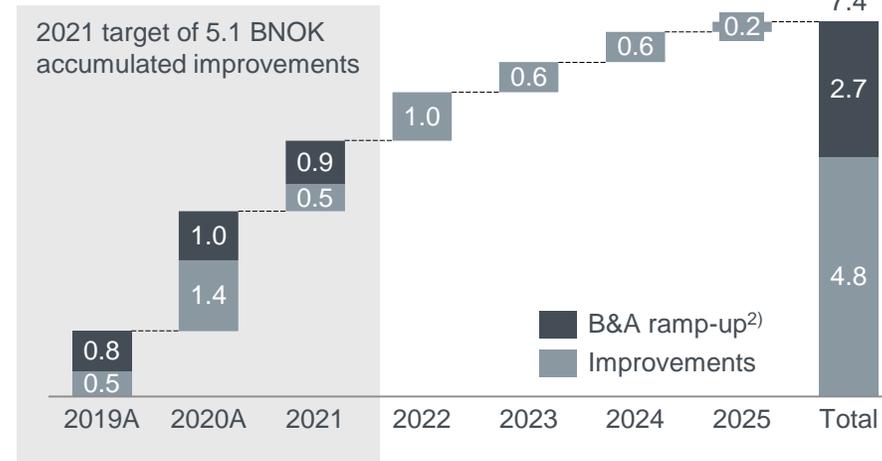
New improvement target of NOK 7.4 billion by 2025 and commercial ambition of NOK 1.5 billion adjusted for Rolling¹⁾

Improvement program

2020 accumulated improvement
NOK billion

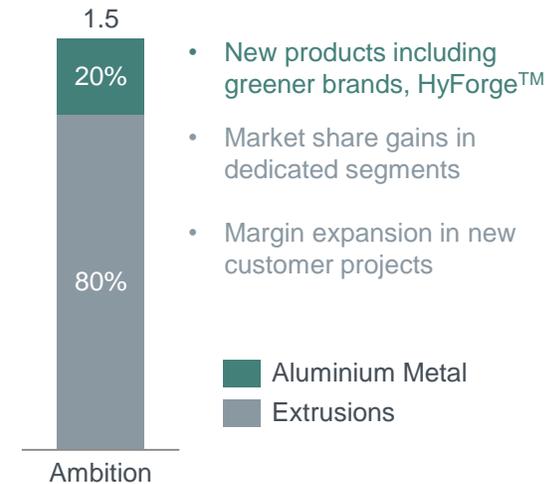


2025 accumulated improvement potential by year
NOK billion



Commercial ambition

Additional NOK 1.5 billion in market and customer growth opportunities by 2025



1) Achieved NOK 0.5 billion of 1.1 billion 2025 target by 2020, and represented a commercial ambition of NOK 0.5 billion
 2) Alunorte and Paragominas ramp-up to full nameplate capacity

We experience strong demand for our low-carbon product, Hydro REDUXA



Google Hudson Square in Hydro REDUXA facade...



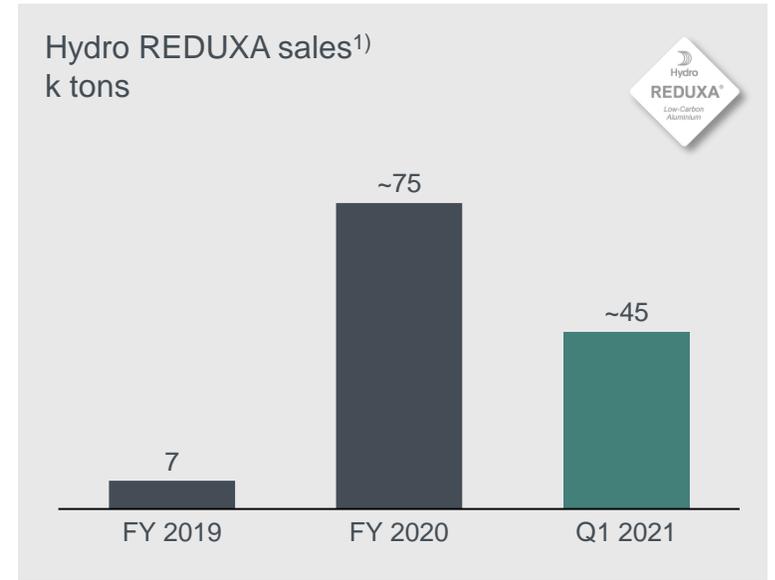
- 450 tonnes of Hydro REDUXA
- 1.3 million square feet office space

... produced at Hydro's Sunndal plant in Norway



- Hydro REDUXA capacity of ~415 kt, ~20% of Hydro total

Strong Q1 sales for Hydro REDUXA



- Increased Hydro REDUXA demand in Q1

Sustainability: The basis for our future positioning



Social responsibility

Human right, dialogue and being a good neighbor



Empowering 500,000 people with education and skills development by end-2030



Environment

Tailings Dry Backfill¹⁾ represents the end of new facilities for storage of bauxite tailings with CAPEX reductions of BRL ~2 billion²⁾



Rehabilitate mined out areas within two years³⁾



Climate

Important progress towards target to cut CO₂ emissions by 30% by 2030



Move towards net zero emissions 2050



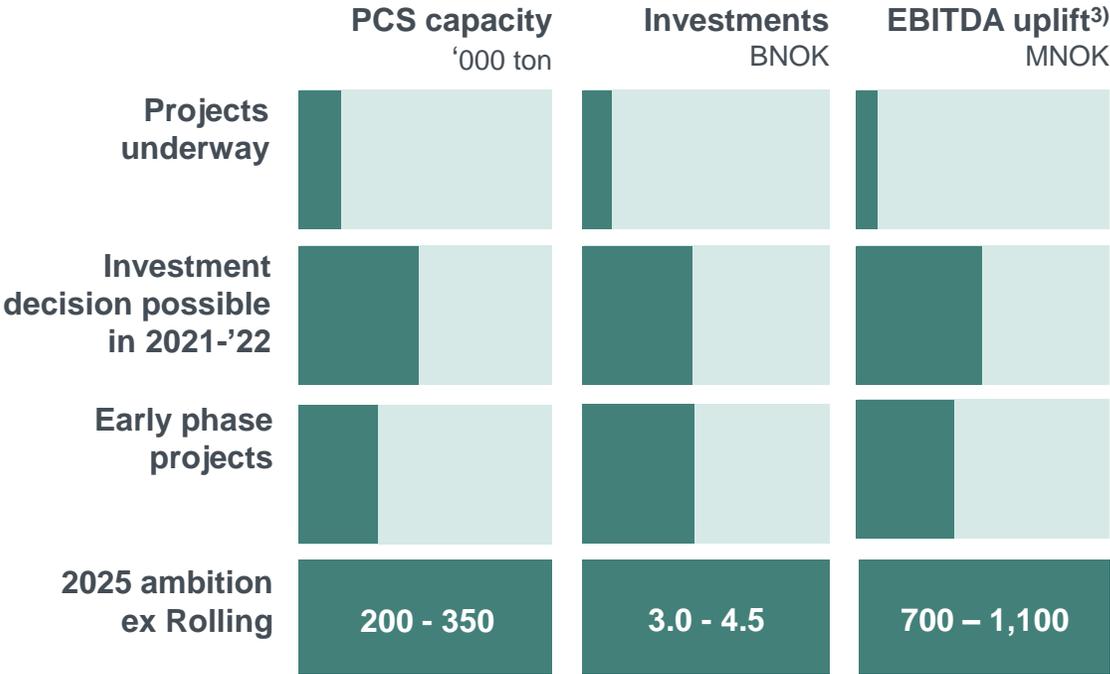
1) Tailings dry backfill at Paragominas mine

2) Capex savings refer to 10-15-year period. Savings reflected in capex forecast from CMD December 2020.

3) Rolling rehabilitation target, aiming to begin rehabilitation of all available mined areas within two hydrological seasons after release from operations

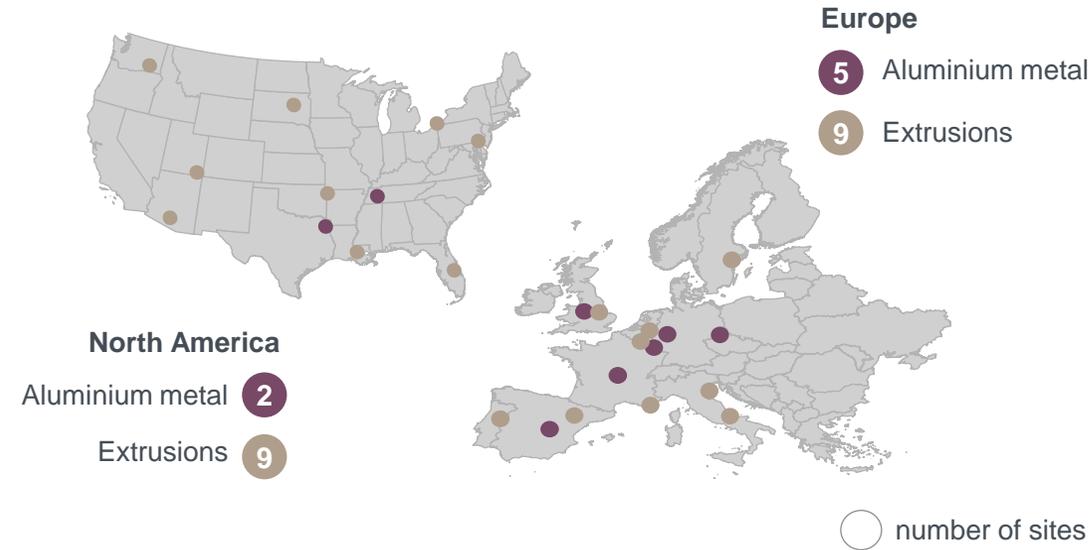
Recycling - an attractive value creation opportunity

Projects under way to meet recycling ambition¹⁾



~2 Mt recycling capacity currently in operation

25 recyclers and 1 sorting plant



1) Ambition across Hydro Extrusion and Aluminium Metal. Rolling excluded in all numbers.
 2) Post-consumer scrap (PCS): scrap from products that have been in use, e.g., cars, buildings reaching end of life.
 3) Recycling is an integrated part of the BAs' value creation and is reported as part of the BAs' total financial results. EBITDA uplift also driven by e.g., utilizing pre-consumed low-priced, complex scrap types. Pre-consumer scrap: internal or customer's/external process scrap.

Expand and diversify in new energy areas.

Hydro REIN established



Milestones

- 1GW investment decisions 2021
- Equity raise to be evaluated

Extensive batteries pipeline with two investments in operations



2025 ambition

- NOK 2.5-3.0 billion investments
- Pro rata EBITDA MNOK 600-700

Exploring hydrogen opportunities



Strategy

- Explore hydrogen potential
- Equity raise to be evaluated



Hydro

Industries that matter