

Umicore FY 2021 performance

16 February 2022



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Agenda

- All-time record results and cash flows
- FY 2021 business review
- Update on Let's go for Zero
- 2022 outlook
- Capital Markets Day: 22 June 2022
- Wrap-up
- Q&A





Umicore 2021 FY Record Results and Cash Flows

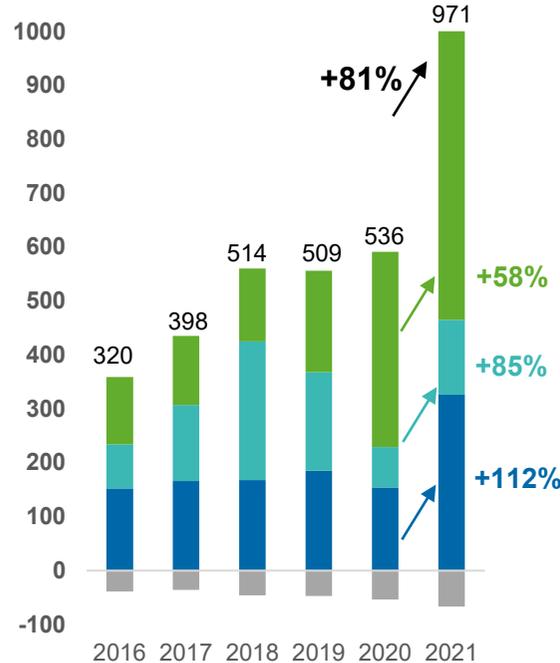
Record results and cash flows

Strong operational performance across business groups, further boosted by metal prices

Revenues
billion €



Adjusted EBIT
million €



Revenue and earnings growth across business groups

- **Strong and resilient operational performance** in all business units
- Outperformance of automotive market in **Catalysis**
- Recovery of demand in key end-markets and higher EV cathode materials volumes in **E&ST**
- Optimized intake complex PGM-rich materials in **Recycling**
- Additional boost of € 270 million versus 2020 from exceptional precious metals price environment

Record free cash flows of € 989 million

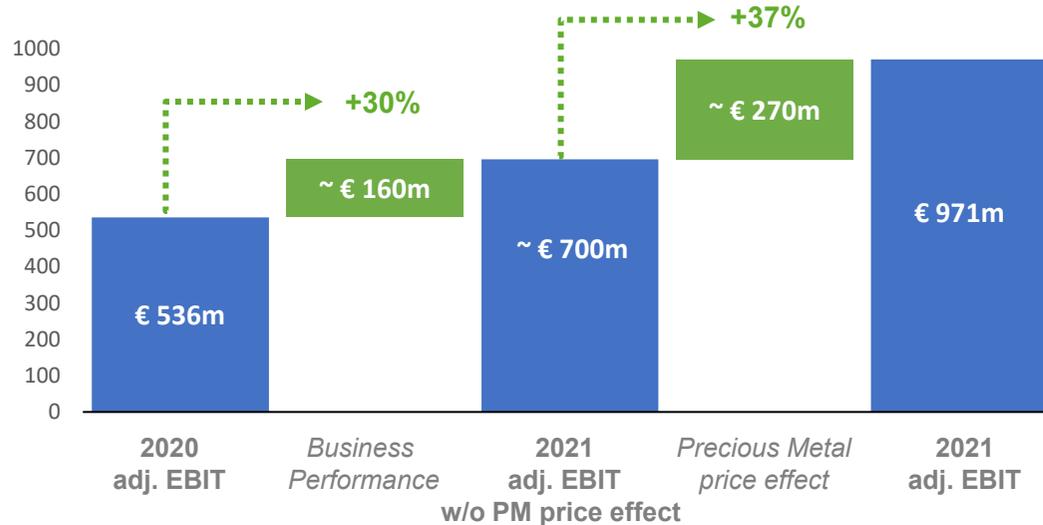


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Note: All references to revenues in this document refer to revenues excluding metals (all revenue elements – value of purchased metals)

Strong growth of Business Performance

30% adj EBIT growth excluding precious metal price effect



Business Performance: appr. + € 160 million

- ~ € 700 million adj EBIT 2021 and approx. 30% adj. EBIT growth excluding precious metal price effect
- **Strong operational performance improvements** in all business groups
- Increase of adj. EBIT margin above historic levels

Precious Metal price effect: appr. + € 270 million

- Includes impact of strategic hedges
- Includes price effect on higher 2021 volumes
- More than $\frac{3}{4}$ in Recycling, less than $\frac{1}{4}$ in Catalysis
- Majority of the precious metal impact in H1 21

*Relatively high precious metal **strategic hedge** ratios for **2022** expected to **mitigate precious metal price risk** (rhodium still largely unhedged).*



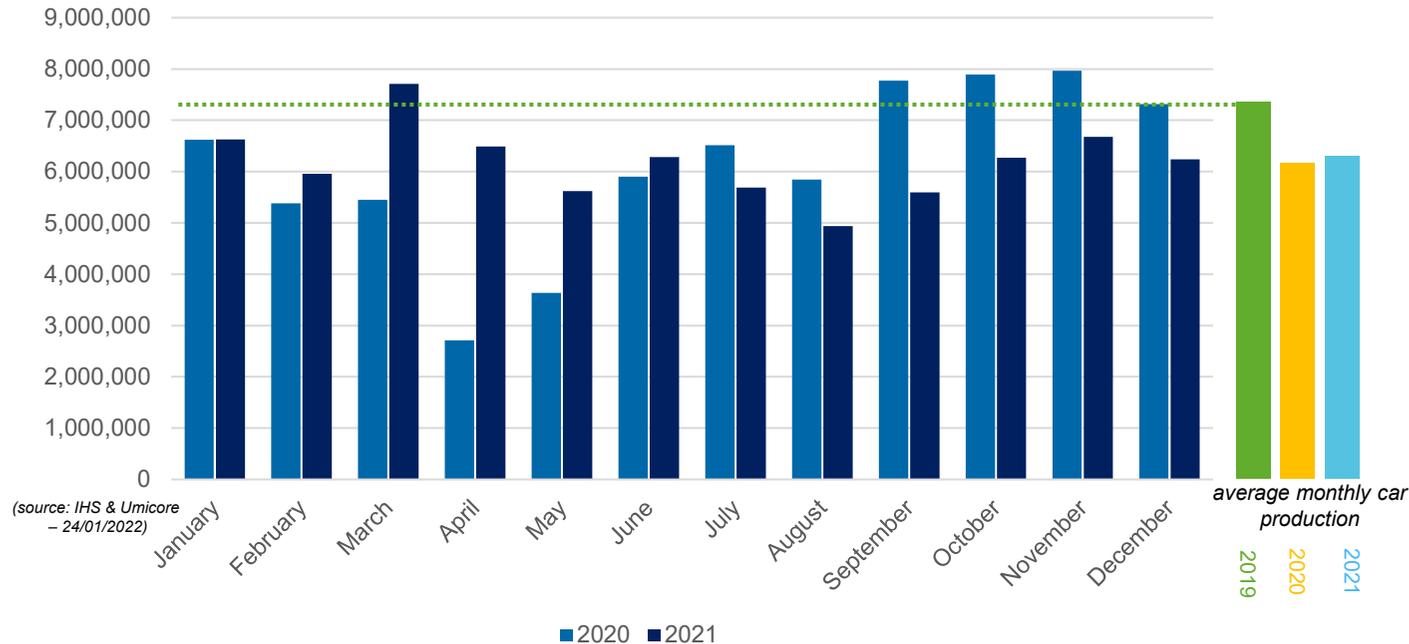
Substantial outperformance of the automotive market and high operational efficiency in Catalysis



Auto industry significantly impacted by semiconductor shortages in H2 2021

Monthly global passenger car production (all powertrains)

Source: IHS (Jan. 2022 update) & Umicore



- **Visible recovery** of automotive industry from COVID-19 in **1H 21**
- **Severe decline** in car production in **2H 21** due to **semiconductor supply shortage**
- **Stable** car production in **2021 vs** already difficult **2020**
- **2021** global car production still **-16%** below pre-COVID levels of **2019**





Catalysis FY 2021 performance

Revenues +24% and adj. EBIT +112%



Strong performance across business units further supported by favorable PGM price environment

Automotive Catalysis

Strongly outperforming car market in key regions: further **market share gains** and favorable platform mix in **LDV**, esp. in Europe and China, strong demand for China V **HDD** catalysis in H1

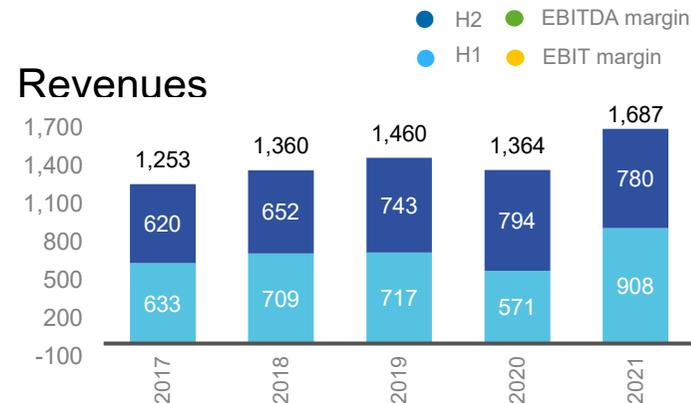
Earnings supported by **structural improvements in fixed cost base** through production footprint- and process- optimization

Precious Metals Chemistry

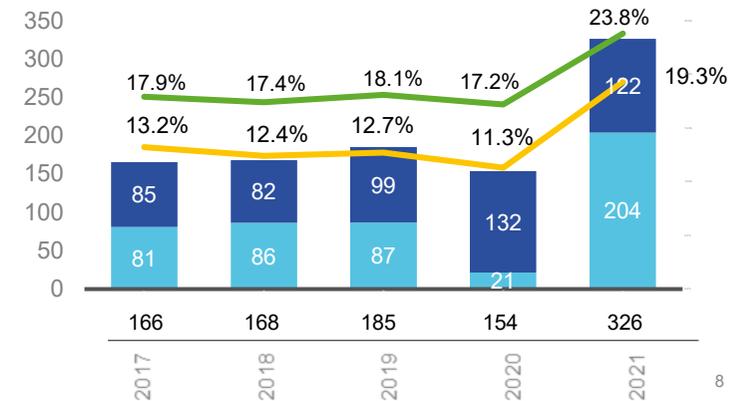
High demand for homogenous catalysis

Fuel Cell & Stationary Catalysis

Growing contribution to business group's earnings. Doubling of PEM fuel cell catalysis sales volumes, achieving **40% market share** in mobility applications, reflecting strong demand from existing customers and **new customer wins in China**



Adjusted EBIT & EBIT(DA) margin



Sharp demand recovery in key end-markets and higher sales volumes of EV cathode materials in E&ST



E&ST FY 2021 performance



Revenues +12% and adj. EBIT +85%, reflecting outstanding CSM contribution

Rechargeable Battery Materials

EV NMC cathode materials **volumes well up**

Strong growth in EU sales volumes in line with market growth

Below market growth in China due to unfavorable customer and platform mix as well as the chemistry mix (LFP)

Cobalt & Specialty Materials biggest uplift to earnings growth

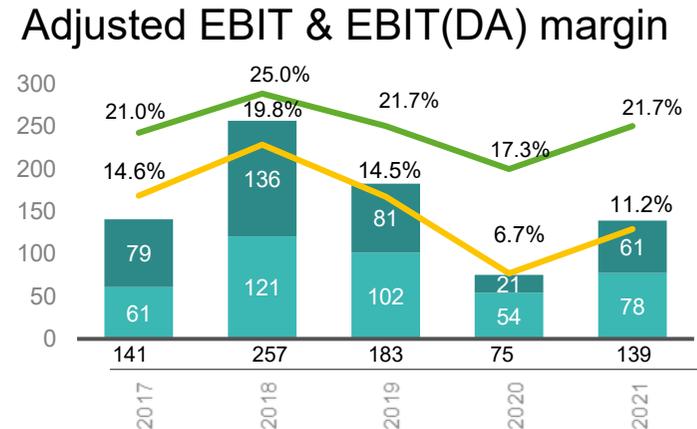
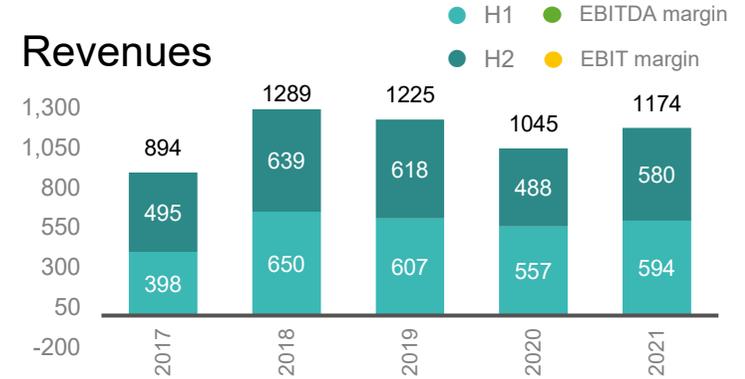
Very **strong demand** after severe COVID-19 slump in 2020

Particularly for **cobalt** and **nickel chemicals** and tool materials

Overall recovery and strong price environment

Metal Deposition Solutions and Electro-Optic Materials

Higher revenues driven by strong demand

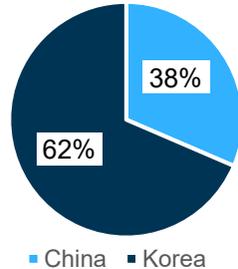




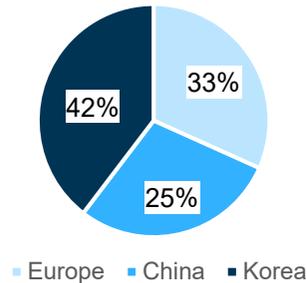
Global cathode materials capacity

Targeting to almost double capacity towards 2024

2021
65 GWh



2024
120 GWh



Growing portion of high nickel sales volumes

- Well-advanced qualifications for high nickel platforms with European and Asian cell and car OEMs
- First sizeable portion of **high nickel cathode materials** in second half of 2023 and growing to **75%** of anticipated sales volumes in **2024**

Flexible production capacity across NMC grades

- Adjustment of existing production lines for high nickel applications in line with expected high nickel sales volumes
- EU volumes** (Nysa) to start immediately with high nickel production lines **mid-2022**

Umicore production target capacity of 120 GWh in 2024.

- This **excludes** the capacity investments in scope of intended **JV** with **Volkswagen AG**
- North America** capacity expansion under review, **not included** in 2024 target





European CAM Gigafactory Nysa

Production start in Q2/2022



- **First industrial scale cathode materials** production plant in **Europe**
- Commissioned end of H1 2021 with initial commercial production volumes **mid-2022 starting** with Samsung SDI
- **Capacity** to reach **40 GWh in 2024** with potential to increase to more than **200 GWh**

Carbon neutral as of start of production with 100% green power supply; long-term PPA for the supply of renewable electricity to Nysa

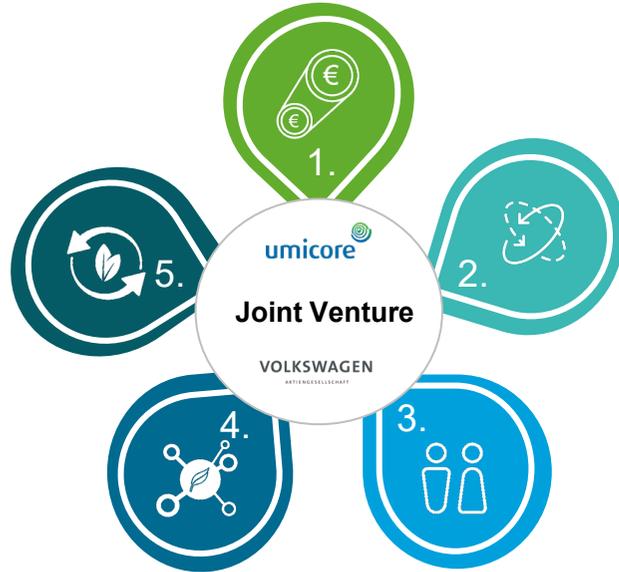
Proprietary, state-of-the-art process with **industry leading purity-, consistency- and quality-levels**





Battery Materials JV with Volkswagen AG

Securing significant cathode materials volumes in Europe



JV Principles

1. **JV** providing secured access to significant part of the European EV market resulting in **substantial economies of scale for Umicore**
2. **Valorizing** Umicore's long-standing **technological innovation** and industrial know-how **while protecting critical IP and know-how**
3. **Umicore's** upstream know-how in combination with both partners' sourcing needs will create **significant opportunities on raw material supply**
4. **Investment** needs are **shared** between both partners and are agreed to be **value creative** for both JV partners
5. **Partnership** investigating closed loop **Battery Recycling** as next step

JV Dimensions

Annual production of **20 GWh** from **2025** with target to increase to **160 GWh** by **2030**



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Robust operational performance, strong contribution from trading and exceptional precious metals price environment in Recycling





Recycling FY 2021 performance

Revenues +33% and adj. EBIT +58%



Precious Metals Refining

Extraordinary metal price environment, with average price levels of most precious metals well above previous year

Robust operational performance: volumes in line with high levels of 2020 and leveraging unique recycling technology to maximize input of complex precious metals containing feed

Excellent supply conditions

Jewelry & Industrial Metals

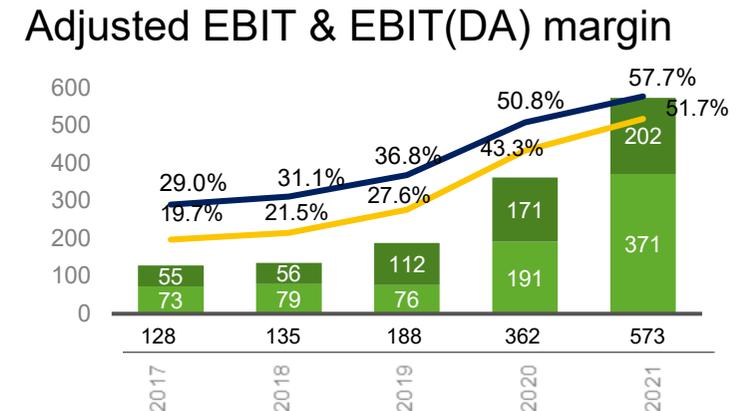
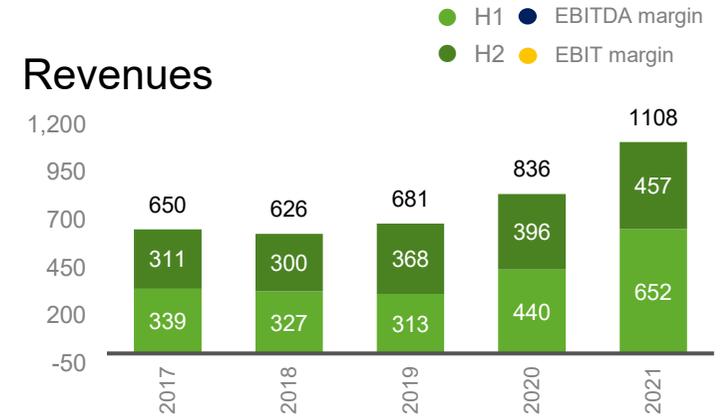
High order levels for investment products and **strong recovery in demand** for jewelry products and platinum engineered materials

Precious Metals Management

Strong earnings contribution, in line with previous year, due to favorable trading conditions



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Update on Let's Go for Zero

Implementing our ESG strategy



Net Zero GHG

Clear inroads made on tackling **scope 2 emissions with several green PPAs** in place

New on-site renewables installations completed

Scope 3 emissions target to be announced by **mid-2022**



Committed in 2021

Zero inequality & Zero harm

New diversity, inclusion, wellbeing and safety **training programs** rolled out

Water use reduction target to be announced by **mid-2022**

Additional measures taken to further **reduce emissions** of the **Hoboken** plant; preparing for the creation of the green zone



Best-in-class Governance

Strengthened **ESG Governance**

Proposal for **ESG-linked executive remuneration** policy to be submitted for the April 2022 AGM

Increased disclosure beginning in the 2021 Annual Report, available 25 March 2022

Inaugural **€ 500 million Sustainability Linked Loan** linked to Umicore's decarbonization and diversity targets, refinancing an existing € 300 million syndicated credit facility



Net Zero GHG. Zero regrets.
Endless possibilities.



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2022 outlook



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Guidance for full year 2022

Umicore expects again a strong underlying performance in 2022 across all of its business groups, despite the cost inflation and provided that geopolitical developments, the pandemic or supply-chain constraints will not result in additional material disruptions to the economy or Umicore's operations. Assuming current metal prices prevail for the remainder of the year, earnings (including the effect of strategic hedging) would still include a significant precious metal price uplift versus 2020, albeit below the € 270 million uplift of 2021..



Capital Markets Day 2022



Umicore is setting out its strategic roadmap to further build on its leadership positions in clean mobility materials and recycling and its unique approach to sustainability

“We are looking forward to sharing our strategic roadmap at our Capital Markets Day.”

Save the date: **Umicore CMD on June 22, 2022**





Wrap-up



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Wrap up

Outstanding **operational performance** across business groups leading to record results

Full year **2022** guidance for **another strong underlying performance**

Significant progress in **preparing Umicore** for the **next chapter of growth**

Long-term strategy to be presented at **Capital Markets Day** on **22 June 2022**

“Let’s go for zero” underpinning our way forward





Q&A

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materials for a better life