



**umicore**  
*materials for a better life*

## Q1 2021 Business Update

29 April 2021

# Agenda

Q1 2021 Business update

2021 Outlook

Maintaining the strategic course

Accelerating health & safety investments

Q&A

# Q1 2021 business update

# Umicore off to a very strong start

**Benefiting from soaring precious metal prices,  
strong demand across businesses and robust operations**



## CATALYSIS

Substantially outperformed global car market

- Market share gains in China and Europe LDV
- Favorable mix

Strong demand for China V catalyst technologies in HDD

Growth in PMC and FCSC

Higher PGM prices

Impact of footprint optimization and cost improvements carried out in 2020



## ENERGY & SURFACE TECHNOLOGIES

Strong growth of cathode materials sales

Strong demand in Europe, benefiting sales mix

Continued overcapacity in cathode materials industry in China, resulting in pricing pressure

Higher demand in CSM and MDS



## RECYCLING

Soaring precious metal prices, in particular rhodium

Volume growth and robust operations across BUs and regions

Higher intake of complex PGM-containing materials

Sustained high demand for investment products and gold recycling in JIM

Favorable trading conditions in PMM

# 2021 outlook



# Umicore set for outstanding performance in 2021

## Umicore expects adjusted EBIT for 2021 to approach € 1 billion

based on soaring precious metal prices, strong demand across businesses and robust operations. Compared to 2020, this FY outlook incorporates on a like-for-like basis an exceptional additional contribution of roughly € 250m linked to higher precious metal prices. The guidance also assumes no degradation in demand patterns in the automotive industry or, more generally, in the macro-economic environment, due for instance to the evolution of the pandemic.



### CATALYSIS

Adjusted EBIT expected to more than double from € 154m in 2020:

- Market share gains in gasoline applications for LDV in China and Europe
- Very favorable platform mix and benefit from continued decline of diesel cars in Europe
- Savings from footprint adjustments and cost improvements carried out in 2020
- Strong demand in PMC and FCS and higher PGM prices



### ENERGY & SURFACE TECHNOLOGIES

Adjusted EBIT meaningfully up<sup>1</sup> YoY to slightly exceed the February guidance of € 115m:

- Substantial growth in cathode materials for EVs (especially in Europe) and improving mix, more than compensating pricing pressure in China and € 50m fixed costs increase
- Strong demand in EOM, CSM, MDS



### RECYCLING

Adjusted EBIT very substantially above € 362m of 2020:

- Exceptionally high metal prices
- Strong growth across business units and regions
- Excellent supply mix
- High contribution from trading

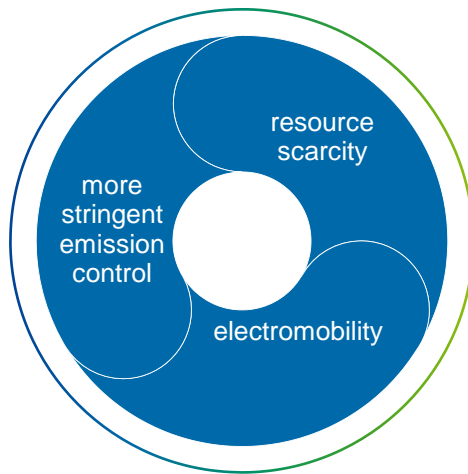
<sup>1</sup> from € 75m adjusted EBIT in 2020

# Maintaining the strategic course

# Megatrends are more relevant than ever

## Strong regulatory drivers underpin Umicore's growth strategy

### Supportive megatrends



### Regulatory drivers



Higher NEV penetration rates

- **NEV subsidy plan** extended
- **NEV mandate policy** – NEV credit targets increased

Creation of specific **policy for fuel cell vehicles**



#### Green Deal

EU climate-neutrality by 2050 pushing (fuel cell) EVs

**CO2 directive** applicable on entire new fleet as of 2021

Green recovery plan



**Biden infrastructure plan** including \$ 174bn EV push

Electrification in transport is rapidly accelerating  
Europe projected to surpass China in market size in 2021

Increasing interest in hydrogen as transportation fuel and energy source



# Preparing the next phase of growth

## Building on strong foundations and regulatory drivers



### CONTINUED INVESTMENTS IN CATHODE MATERIAL CAPACITY IN NYSA, POLAND

Growing demand in Europe from existing  
and new customers



### HYDROGEN AS PROMISING GROWTH VECTOR

Building on profitable fuel  
cell catalyst business to expand in other  
growth areas

# Accelerating health & safety investments

# Improving health and safety at Hoboken

## Investments and measures

Multiple environmental improvements over the years, investing € 25m per annum to further increase eco-efficiency

- Recent improvements include
  - full encapsulation of the lead refinery
  - encapsulation of storage area
  - introduction of smart logistics based on wind speed and direction
  - introduction of real time measurement of dust emissions
- New measuring techniques and processes being tested and applied
- Provision of € 50 million to address the cost of creating a green zone
- Enhanced bio-monitoring program is being developed
- Enhanced fire prevention program on the plant

Recurring  
environmental  
investments of  
**€ 25m / year**









# horizon 2020



We see it as our mission  
to be an industry leader  
in sustainability



**Going beyond Horizon 2020.**  
Leading the way towards a sustainable future.  
Join us on our journey.

**34 : 03 : 30 : 00**

DAYS

HOURS

MINUTES

SECONDS



**Find out more on**  
June 2, 2:00 pm CEST

# Q&A