



umicore

*materials for a better life*

# Ordinary and special shareholders' meetings

29 April 2021

# Agenda

Horizon 2020

Maintaining the strategic course

Q1 2021 Business update

Outlook 2021

Accelerating health & safety investments

Governance

Remuneration

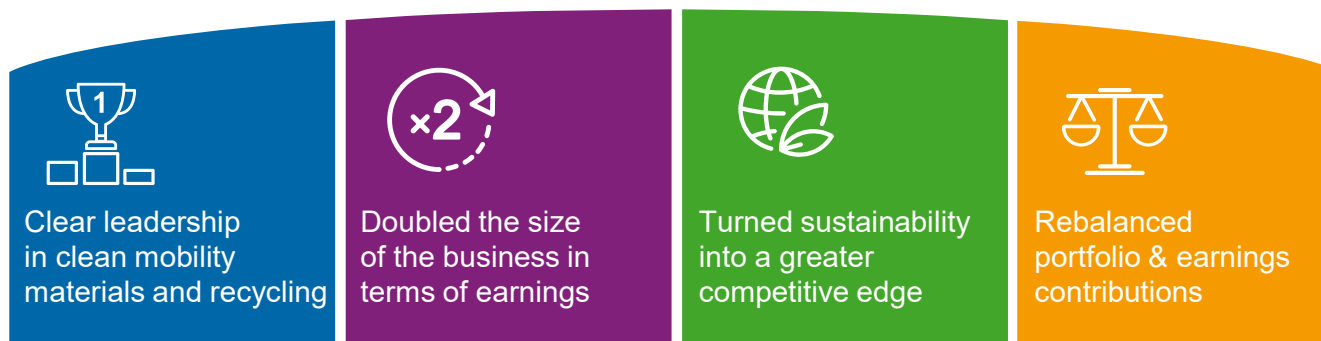
Q&A

Voting



# Horizon 2020

# Horizon 2020 successfully delivered



Record earnings for  
FY20 in unprecedented  
conditions

REVENUES  
**€3.2bn** +4.3%  
CAGR 15-20

ADJUSTED EBIT  
**€536m** +10.2%  
CAGR 15-20

ROCE  
**12.1%**

EPS  
**€1.34**

CAPEX  
**€403m**

R&D  
**€223m**

# Clear leadership in clean mobility & recycling

## A leap forward over the Horizon 2020 timespan



### CATALYSIS

Strong market share gains in LDV gasoline applications, in particular in China and Europe

Leading light-duty catalyst supplier in China since 2019

Strongly growing HDD business in China and Europe

Growing traction for fuel cells and new production plant in Korea for fuel cells catalysts fully ramped up



### ENERGY & SURFACE TECHNOLOGIES

Record €1.1bn investments in cathode materials expansion since 2016 in Korea, China and Poland

Construction of first industrial-scale cathode materials production plant in Europe

Sizeable multi-year strategic supply agreements with LG Energy Solutions and Samsung SDI for NMC cathode materials

Integrated battery materials footprint enhanced through Kokkola acquisition



### RECYCLING

Successful ramp-up of new capacity and enhanced capabilities in Hoboken

Record performance in 2020 with a nearly doubling of adjusted EBIT YoY

Optimization of supply feed to benefit from structural growth in highly complex PGM-containing materials

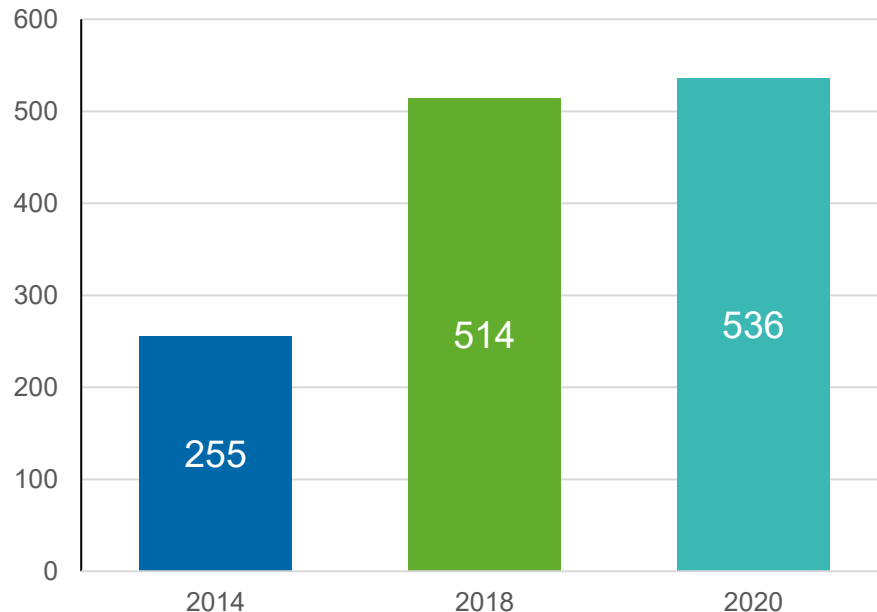
Acceleration of environmental investments (€25m per annum)

# Double the earnings

## Objective achieved 2 years ahead of target in 2018

### ADJUSTED EBIT\*

Million of Euros



### Record adjusted EBIT in 2020

Adj. EBITDA\* steadily growing from € 405m in 2014 to € 804m in 2020

Average ROCE 15%+ target:  
Steady ROCE increase through 2018;  
average capital employed nearly doubled  
over Horizon 2020

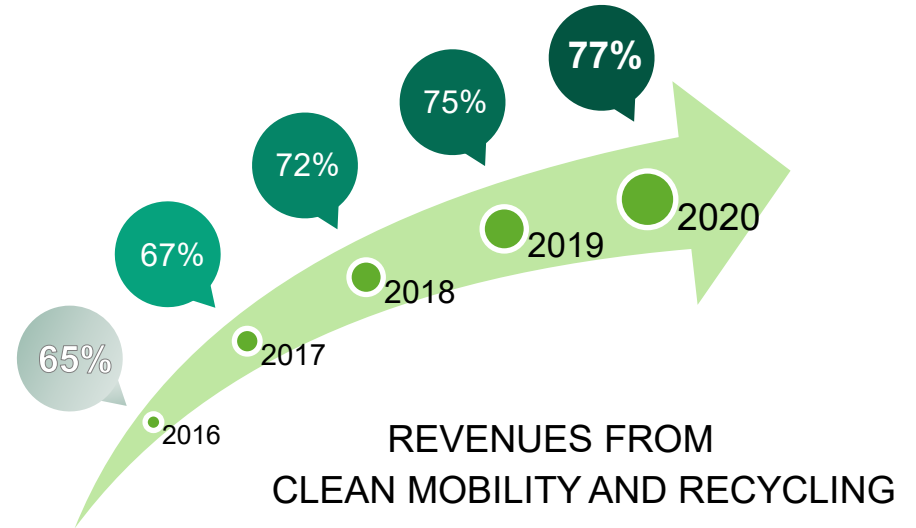
\*excluding discontinued operations

# Sustainability is in our DNA

## Value chain and society



Gold & silver certified conflict-free by LBMA  
Responsible custody/sourcing certified by RJC for platinum, palladium & rhodium  
Founder of Global Battery Alliance (GBA)  
Promotor of Battery Passport project of GBA



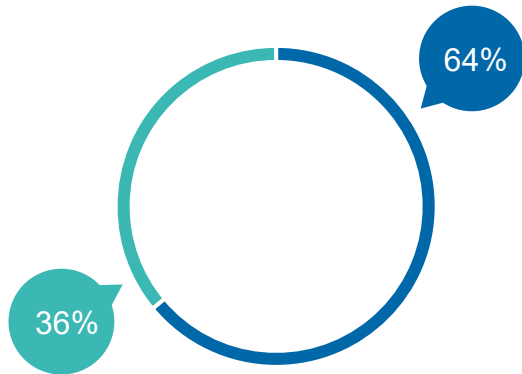
First **Platinum Medal** by EcoVadis (rated since 2013)

**4.1%** of cobalt used from recycled origin

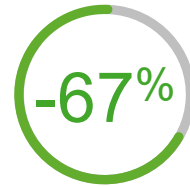


# Sustainability is in our DNA

## Eco-efficiency



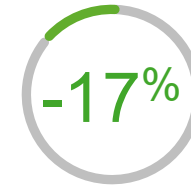
- 64% Secondary & end-of-life materials
- 36% Primary materials



**Metal emissions to air\***



**Metal emissions to water\***



**Energy consumption\***

\*vs 2015 benchmark

**38** energy efficiency projects at  
**26** sites accounting for  
**95%** of our energy consumption





# Sustainability is in our DNA

## Great place to work

Very high retention rate at 96% globally

Increased focus on Diversity & Inclusion with:

- 30% of managers recruited being women in 2020
- Increase of women in management roles and in senior management positions (23% and 10.7% respectively in 2020)
- 74 nationalities employed at Umicore

Colleagues remained connected through the digital workplace during the pandemic

83% of sites without LTAs



- 56% Europe
- 30% Asia-Pacific
- 12% North & South America
- 2% Africa

**10,859** colleagues in **33** countries



# 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.

**33 : 20 : 30 : 00**  
DAYS HOURS MINUTES SECONDS



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

# A focused and balanced portfolio

## Through simplification and targeted investments

### Divestment of non-core activities

2016: sale of **Zinc Chemicals**

2017: sale of **Building Products** and large area coating activities of **Thin Film Products**

2018: sale of **European activities of Technical Materials**

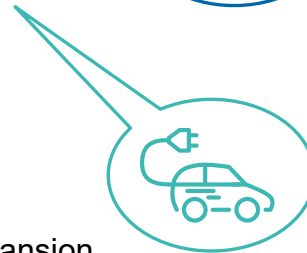
Production footprint from 66 to 47 sites

### Complemented with selected acquisitions and investments, to focus on clean mobility & recycling



#### RECYCLING

- Capacity and capability expansion
- Multi-year investments in safety and environmental performance of Hoboken plant



#### CLEAN MOBILITY

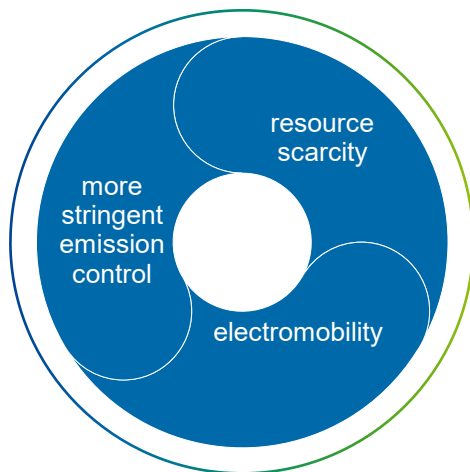
- Haldor Topsoe and Ordeg acquisitions
- Capacity expansions in automotive and fuel cell catalyst production
- Significant production capacity expansions in cathode materials
- Kokkola acquisition

# 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

**CO<sub>2</sub> 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



# Attractive growth opportunities in the hydrogen economy

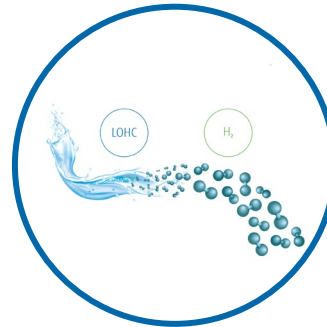
## MOBILITY OPPORTUNITY

### TRANSPORTATION FUEL CELLS



**Attractive near-term growth potential**

### LIQUID ORGANIC HYDROGEN CARRIER FOR TRANSPORTABLE FUEL



**Long-term growth potential**

## ENERGY OPPORTUNITY

### GREEN HYDROGEN (ELECTROLYSIS)



**Long-term growth potential**

#### Active business

Profitable with a turnover\* of € 40 Mn in 2020

#### Business incubation program

R&D program and joint development agreements to establish future growth and success

\*Turnover: including metal content



# 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

# 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**





# Future prospects

## Sustainable co-existence

- Committed to further reducing the impact on the environment and on the health of its neighbours
  - by continuing to invest in improvements and protective measures on site
  - by creating a green zone of 5 ha of woodland between the plant and the residential area, which will benefit the health situation in the neighborhood
- Ensuring that the local community and industry can co-exist sustainably



# Governance

# Supervisory board

## Key supervisory board meeting topics in 2020

- Financial performance and budget for the Group
- Covid-19 updates
- Issuance of convertible bonds
- Strategy and ESG objectives
- M&A projects
- Major investment projects
- Business reviews and market updates
- Corporate governance (incl. adoption of a new charter)
- Supervisory/Management board succession



11 full board meetings in 2020 (mostly videoconferences)

86% attendance for full board meetings

100% attendance for all committees

# Remuneration

## Remuneration Policy

- Fixed remuneration reflecting the level of responsibility
- Variable remuneration with 50% undeferred, based on individual performance
- Variable remuneration with 50% deferred over 3 years, based on multi-year Company performance
- Share-based compensation: share grant + stock options (both with 3-year lock up)
- Pension plan and other benefits
- Minimum shareholding requirement

## Changes as of 2021

- Increased annual variable cash remuneration potential (+ € 20,000) for the EVPs of the management board, as of the year of performance 2021.
- Grant of 80,000 Umicore stock options for the CEO with respect to the reference year 2021 (compared with 140,000 in 2020).

# Remuneration management board 2020

in (€)

Name Position	Fixed	Undeferred Variable 50%	Deferred Variable 50%	Shares	Stock Options	Pension Plans	Other	Total
Grynberg M. - CEO	720.000	315.000	159.300	470.800	904.400	214.677	54.332	2.838.509
Csoma S.	440.000	190.000	88.500	329.560	193.800	128.089	40.447	1.410.396
Goffaux D.	440.000	95.000	88.500	334.273	258.400	128.196	162.352	1.506.721
Kiessling R.	440.000	190.000	0	329.627	193.800	91.872	23.306	1.268.605
Nolens G.	440.000	190.000	88.500	329.560	193.800	131.857	16.517	1.390.234
Platteeuw F.	440.000	190.000	88.500	329.560	193.800	132.421	23.823	1.398.104
Steegen A.	440.000	190.000	22.125	329.560	193.800	91.872	21.922	1.289.279
Reymondet P.*	-	-	88.500	-	-	-	-	88.500
Van Sande M.**	-	-	22.125	-	-	-	-	22.125

\* End mandate 31/01/2019

\*\* End mandate 31/03/2018

Shares held by the  
members of the  
management board at  
end 2020

**1,144,097 shares**

# Supervisory Board

## Remuneration Policy

- Fixed fee reflecting the level of responsibility
- Attendance fee
- Share-based compensation

## Changes as of 2021

- No changes

Shares held by the  
members of the  
supervisory board at  
end 2020

**960,387 shares**



# Q&A



# Questions received ahead of the shareholders' meetings

- Are you planning to increase the percentage of women at the Board next year?
- Umicore CDP Climate Change Report rates D. The company has not published detailed CO<sub>2</sub> scope 3 emissions nor significant CO<sub>2</sub> reduction objectives. Given the ESG impact of your activities, have you considered including ESG objectives as a CEO variable remuneration criteria and aim for an improvement in reporting and objectives?



# Voting

# Agenda

## **Ordinary shareholders' meeting**

1. Annual report of the supervisory board and report of the statutory auditor on the statutory annual accounts 2020
2. Approval of the remuneration report
3. Approval of the statutory annual accounts 2020 including the proposed allocation of the result
4. Approval of the grant of an identical profit premium to Umicore employees in Belgium

# Agenda

5. Communication of the consolidated annual accounts as well as the supervisory board report and the auditor's report on those consolidated annual accounts
6. Discharge to the members of the supervisory board
7. Discharge to the statutory auditor

## 8. Supervisory board composition

- Re-electing Mr Thomas Leysen as member of the supervisory board for a period of 3 years
- Re-electing Mr Koenraad Debackere as independent member of the supervisory board for a period of 3 years
- Re-electing Mr Mark Garrett as independent member of the supervisory board for a period of 3 years
- Re-electing Mr Eric Meurice as independent member of the supervisory board for a period of 3 years
- Electing Mrs Birgit Behrendt as new, independent member of the supervisory board for a period of 3 years

# Agenda

## 9. Supervisory board remuneration

- Approving the board members' remuneration proposed for the financial year 2021

## 10. Election of a new statutory auditor and remuneration

- Electing EY Bedrijfsrevisoren BV / EY Réviseurs d'Entreprises SRL for a period of 3 years
- Approving the remuneration of the statutory auditor for the financial years 2021 through 2023

# Agenda

## **Special shareholders' meeting**

Approval of change of control provisions

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*First resolution*

**Approval of the remuneration report**

*Première résolution*

**Approbation du rapport de rémunération**

*Eerste besluit*

**Goedkeuring van het remuneratieverslag**



Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Second resolution*

**Approval of the statutory annual accounts of the company for the financial year ended on 31 December 2020 including the proposed allocation of the result**

*Deuxième résolution*

**Approbation des comptes statutaires de la société relatifs à l'exercice social clôturé le 31 décembre 2020 y compris la proposition d'affectation du résultat**

*Tweede besluit*

**Goedkeuring van de enkelvoudige jaarrekening van de vennootschap voor het boekjaar afgesloten op 31 december 2020 met inbegrip van de voorgestelde resultaatsbestemming**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Third resolution*

**Approval of the grant of an identical profit premium to Umicore employees in Belgium**

*Troisième résolution*

**Approbation de l'octroi d'une prime bénéficiaire aux salariés d'Umicore en Belgique**

*Derde besluit*

**Goedkeuring van de toekenning van een identieke winstpremie aan de werknemers van Umicore in België**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Fourth resolution*

**Discharge to the members of the supervisory board**

*Quatrième résolution*

**Décharge aux membres du conseil de surveillance**

*Vierde besluit*

**Kwijting aan de leden van de raad van toezicht**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Fifth resolution*

**Discharge to the statutory auditor**

*Cinquième résolution*

**Décharge au commissaire**

*Vijfde besluit*

**Kwijting aan de commissaris**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Sixth resolution*

**Re-electing Mr Thomas Leysen as member of the supervisory board for a period of three years**

*Sixième résolution*

**Réélection en qualité de membre du conseil de surveillance de Monsieur Thomas Leysen pour un terme de trois ans**

*Zesde besluit*

**Herbenoeming van de heer Thomas Leysen tot lid van de raad van toezicht voor een periode van drie jaar**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Seventh resolution*

**Re-electing Mr Koenraad Debackere as independent member of the supervisory board for a period of three years**

*Septième résolution*

**Réélection en qualité de membre indépendant du conseil de surveillance de Monsieur Koenraad Debackere pour un terme de trois ans**

*Zevende besluit*

**Herbenoeming van de heer Koenraad Debackere tot onafhankelijk lid van de raad van toezicht voor een periode van drie jaar**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Eighth resolution*

**Re-electing Mr Mark Garrett as independent member of the supervisory board for a period of three years**

*Huitième résolution*

**Réélection en qualité de membre indépendant du conseil de surveillance de Monsieur Mark Garrett pour un terme de trois ans**

*Achtste besluit*

**Herbenoeming van de heer Mark Garrett tot onafhankelijk lid van de raad van toezicht voor een periode van drie jaar**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Ninth resolution*

**Re-electing Mr Eric Meurice as independent member of the supervisory board for a period of three years**

*Neuvième résolution*

**Réélection en qualité de membre indépendant du conseil de surveillance de Monsieur Eric Meurice pour un terme de trois ans**

*Negende besluit*

**Herbenoeming van de heer Eric Meurice tot onafhankelijk lid van de raad van toezicht voor een periode van drie jaar**



Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Tenth resolution*

**Electing Mrs Birgit Behrendt as new, independent member of the supervisory board for a period of three years**

*Dixième résolution*

**Election de Madame Birgit Behrendt en qualité de nouveau membre indépendant du conseil de surveillance pour un terme de trois ans**

*Tiende besluit*

**Benoeming van mevrouw Birgit Behrendt tot nieuw, onafhankelijk lid van de raad van toezicht voor een periode van drie jaar**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Eleventh resolution*

**Approving the supervisory board members' remuneration**

*Onzième résolution*

**Approbation des émoluments des membres du conseil de surveillance**

*Elfde besluit*

**Goedkeuring van de voorgestelde vergoeding van de leden van de raad van toezicht**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering



*Twelfth resolution*

**Election of EY Bedrijfsrevisoren BV / EY Réviseurs d'Entreprises SRL, represented by Mr Marnix Van Dooren and Mrs Eef Naessens, as new statutory auditor for a duration of three years**

*Douzième résolution*

**Election en qualité de commissaire de EY Réviseurs d'entreprises SRL, représentée par Mr Marnix Van Dooren et Mme Eef Naessens, pour une durée de trois ans**

*Twaalfde besluit*

**Benoeming van EY Bedrijfsrevisoren BV, vertegenwoordigd door de heer Marnix Van Dooren en mevrouw Eef Naessens, tot nieuwe commissaris voor een termijn van drie jaar**

Ordinary general meeting  
Assemblée générale ordinaire  
Gewone algemene vergadering

*Thirteenth resolution*

**Remuneration of the statutory auditor**

*Treizième résolution*

**Rémunération du commissaire**

*Dertiende besluit*

**Vergoeding van de commissaris**

Special general meeting  
Assemblée générale spéciale  
Bijzondere algemene vergadering



*First resolution*

**Approval of a change of control provision, as required under Article 7:151 of the Code of companies and associations (financing agreement EIB of 10 June 2020)**

*Première résolution*

**Approbation d'une clause de changement de contrôle, comme requis sous l'article 7:151 du Code des sociétés et des associations (contrat de financement BEI du 10 juin 2020)**

*Eerste besluit*

**Goedkeuring van een bepaling inzake controlewijziging, zoals vereist onder artikel 7:151 van het Wetboek van vennootschappen en verenigingen (financieringsovereenkomst EIB dd. 10 juni 2020)**

Special general meeting  
Assemblée générale spéciale  
Bijzondere algemene vergadering



*Second resolution*

**Approval of a change of control provision, as required under Article 7:151 of the Code of companies and associations (revolving credit agreement JPM of 11 June 2020)**

*Deuxième résolution*

**Approbation d'une clause de changement de contrôle, comme requis sous l'article 7:151 du Code des sociétés et des associations (contrat de facilité de crédit JPM du 11 juin 2020)**

*Tweede besluit*

**Goedkeuring van een bepaling inzake controlewijziging, zoals vereist onder artikel 7:151 van het Wetboek van vennootschappen en verenigingen (overeenkomst van doorlopende kredietverlening JPM dd. 11 juni 2020)**

Special general meeting  
Assemblée générale spéciale  
Bijzondere algemene vergadering



*Third resolution*

**Approval of a change of control provision, as required under Article 7:151 of the Code of companies and associations (convertible bonds of 15 June 2020)**

*Troisième résolution*

**Approbation d'une clause de changement de contrôle, comme requis sous l'article 7:151 du Code des sociétés et des associations (obligations convertibles du 15 juin 2020)**

*Derde besluit*

**Goedkeuring van een bepaling inzake controlewijziging, zoals vereist onder artikel 7:151 van het Wetboek van vennootschappen en verenigingen (converteerbare obligaties dd. 15 juni 2020)**

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