Press release

Regulated information
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Umicore launches “Umicore 2030 - RISE”, its new strategic plan designed to accelerate value creative growth

Umicore will hold today its Capital Markets Day for investors and analysts at 09:00 BST/10:00 CEST. The event is being held in London and will also be streamed via live webcast, which can be found at: Umicore Capital Markets Day

Chief Executive Officer Mathias Miedreich, along with his Management Board colleagues, will unveil Umicore’s new strategy “Umicore 2030 - RISE”.

The strategy is underpinned by following key elements:

- Continuity in Umicore’s strategic journey by further building on its leadership in clean mobility materials and recycling achieved under the Horizon 2020 strategy
- Strategy driven by powerful mega-trends, in particular the rapid acceleration towards cleaner mobility, which is anticipated to result in a tripling of Umicore’s addressable mobility market by 2030
- At the core of the strategy: a unique value proposition to be a reliable transformation partner for the customers, supporting them on their sustainability journey
- Execution of the strategy and scaling-up built on 4 RISE (Reliable transformation partner, Innovation & technology leader, Sustainability champion, Excellence in execution) implementation pillars
- Deliver profitable growth with constant value creation towards 2030 and beyond

Umicore CEO Mathias Miedreich: *“Our “Umicore 2030 – RISE” strategy builds on our proven ability to embrace megatrends, our strong market positions, technology leadership and organizational excellence and will allow us to accelerate sustainable and profitable growth and to be a net beneficiary of the changing world, particularly of the rapidly accelerating mobility transformation.*

In line with our vision for sustainable growth, we continue to build on our clear purpose to produce “materials for a better life” through businesses that will help shape a more healthy planet and society, while delivering sustainable value to our stakeholders.”

Umicore will be a net beneficiary of the changing world

The mobility transformation is accelerating and the shift to cleaner mobility is expected to grow threefold by 2030. Through its complementary portfolio and presence in all drivetrain technologies, Umicore is uniquely positioned to capture this growth opportunity.

Against this background, Umicore’s **Rechargeable Battery Materials** activity is set to deliver profitable growth by focusing on reinforcing and further growing its footprint in key regions. In Europe, Umicore will build on its first movers' advantage through long-term customer partnerships and further expansions of the regional footprint along the CAM value chain. Based on ongoing customer qualifications, Umicore is preparing to establish a regional presence in North America across the CAM value chain by the end of 2025. At the same time, Umicore will be strengthening its position in Asia through a more diversified customer and platform exposure. Enabled by the investments planned over the period, Rechargeable Battery Materials has the ambition to reach adjusted EBITDA margins of approximately 20% in 2030. Umicore is expecting to earn more than its cost of capital shortly after 2026 in this business unit with growing returns thereafter.

Based on its strong technology portfolio, Umicore's **Automotive Catalysts** activity is well positioned to capture the market value peak ahead and to maximize business value through a continued focus on process efficiency and operational agility. The business unit has the potential to generate a free cash flow of approximately € 3 billion between 2022 and 2030, with approximately 20% adjusted EBITDA margins maintained over the period. In **Fuel Cell Catalysts,** Umicore will be leveraging its leading technology and market position in PEM fuel cell catalysts to capture the growth in hydrogen-based mobility. To cater for the rapidly growing customer demand, Umicore will expand its PEM-catalyst mass-production capabilities with a greenfield plant in China to be commissioned in 2024. This plant will be the world's largest fuel cell catalyst plant by that time.

As a frontrunner in battery recycling and through its differentiating pyro-hydro technology, **Battery Recycling Solutions** is uniquely positioned in that market. Based on growing customer demand, Umicore's battery recycling capabilities will be scaled up significantly in Europe, while an expansion in North America is being analyzed. The strategic plan assumes an investment of approximately € 500 million in a large-scale battery recycling greenfield plant with a name-plate capacity of 150 kT, deploying the newest evolution in Umicore's pyro-hydro flowsheet. Upon commissioning of the plant in 2026, Umicore is expected to be the first company in Europe covering the full CAM value chain at large scale, thereby strongly contributing to the European Union's objective to establish a sustainable and circular EV battery ecosystem in Europe.

Precious Metals Refining, through its leadership in sustainable and complex recycling, is seen to continue to create sustainable value with EBITDA margins above 35% and to continue to generate substantial cash flows, also at normalized PGM (Platinum Group Metals) prices.

Financial ambition of the Group: sustainable value creation by balancing growth, returns and cashflows throughout the plan

- Potential to more than double revenues by 2030[1]
- Adjusted EBITDA margins > 20% throughout the period
- Returns above cost of capital throughout the plan, targeting 15% ROCE by 2030
- Phased investment of approximately € 5 billion between 2022 – 2026, with Battery Recycling and Rechargeable Battery Materials accounting for the bulk, subject to value creative agreements
- Attractive free cash flow generation at Group level in the second half of the decade.

[1] Assuming a gradual PGM price normalization scenario and stable average 2021 battery metal prices

Sustainability at the core

One of the pillars in Umicore's "Let's go for Zero" sustainability ambitions is a plan to minimize it's impact on climate. Next to its recently unveiled ambition to achieve net zero scope 1 and 2 GHG emissions by 2035, Umicore is now also setting an ambitious target for its scope 3 emissions to drive decarbonization in the value chain: a 42% reduction of CO_2e/ton of its purchased materials by 2030.

Join Umicore's Capital Markets Day 2022 live

Date: Wednesday, 22 June 2022
Time: 09:00 BST/10:00 CEST
Click to register for the webcast: here

For the Q&A, participants will have the possibility to send written questions during the event, directly through the webcast platform. It will not be possible to ask questions by phone.

Umicore Capital Markets Day's presentations will be made available on 22 June 2022 on the Capital Markets Day website at https://capitalmarketsday.umicore.com/en/agenda/

Disclaimer

This press release contains forward-looking information that involves risks and uncertainties, including statements about Umicore's plans, objectives, expectations and intentions. Should one or more of these risks, uncertainties or contingencies materialize, or should any underlying assumptions prove incorrect, actual results could vary materially from those anticipated, expected, estimated or projected. Readers are cautioned that forward-looking statements include known and unknown risks and are subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of Umicore. As a result, neither Umicore nor any other person assumes any responsibility for the accuracy of these forward-looking statements.

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About Umicore

Umicore is the *circular* materials technology Group. It focuses on application areas where its expertise in materials science, chemistry and metallurgy makes a real difference. Its activities are organised in three business groups: Catalysis, Energy & Surface Technologies and Recycling. Each business group is divided into market-focused business units offering materials and solutions that are at the cutting edge of new technological developments and essential to everyday life.

Umicore generates the majority of its revenues and dedicates most of its R&D efforts to clean mobility materials and recycling. Umicore's overriding goal of sustainable value creation is based on an ambition to develop, produce and recycle materials in a way that fulfils its mission: materials for a better life.

Umicore's industrial and commercial operations as well as R&D activities are located across the world to best serve its global customer base. The Group generated revenues (excluding metal) of € 4.0 billion (turnover of € 24.1 billion) and employed 11,050 people in 2021.