

Norðurál Grundartangi ehf.
Financial Statements
2025

Norðurál Grundartangi ehf.
Grundartanga
301 Akranes
id.no. 570297-2609

Norðurál Grundartangi ehf.

Financial Statements

2025

Table of Contents

Independent Auditor's Report	2-4
Endorsement by the Board of Directors and Managing Director	5-6
Income Statement	7
Balance Sheet	8
Cash Flow Statement	9
Notes	10-21
Unaudited appendices	
Corporate Governance Statement	22-24
Non-Financial Information	25-33

Independent Auditor's Report

To the Shareholders and the Board of Directors of Norðurál Grundartangi ehf.

Opinion

We have audited the Financial Statements of Norðurál Grundartangi ehf. for the year ended December 31, 2025 which comprise, the Income Statement, the Balance Sheet, the Cash Flow Statement for the year then ended, and the Notes to the Financial Statements, including a summary of significant accounting policies.

In our opinion, the accompanying Financial Statements give a true and fair view of the financial position of Norðurál Grundartangi ehf. as at December 31, 2025, and its financial performance and its cash flows for the year then ended in accordance the Icelandic Financial Statement Act.

Our opinion in this report on the Financial Statements is consistent with the content of the additional report that has been submitted to the audit committee in accordance with the EU Audit Regulation 537/2014 Article 11.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of Norðurál Grundartangi ehf. in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the Financial Statements in Iceland, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the EU Audit Regulation 537/2014 Article 5.1 has been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	How the matter was addressed in our audit
Inventory	
The value of inventory is USD 152,0 million and the company's second largest asset. Inventory is valued at either lower of cost or net realizable value whereas cost is comprised of direct materials and where applicable direct labor costs and overhead cost. As there are complexities and different valuation method based on nature of inventory we have evaluated inventory as key audit matter in our audit.	Our audit focused on management's valuation of inventory at the end of 2025. In our audit, we reviewed the valuation methodology and the management's main assumptions for the valuation, including: - The projections that the net realizable value is based upon. - Assessment of the methodology of measuring cost and where applicable direct labor cost and overhead cost.
Regarding the assessment of the value of inventory, we refer to Note 9 on inventory and Note 21 on significant accounting policies.	We assessed whether the valuation calculations were prepared in accordance with the underlying account method and rules in Iceland. In addition we have evaluated the company's internal controls regarding the valuation of inventory including existence of inventory.

Independent Auditor's Report

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the endorsement by the Board of Directors and Managing Director, statement of corporate governance and non-financial reporting.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon, except the confirmation regarding report of the Board of Directors as stated below.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. Furthermore, in accordance with Paragraph 2 article 104 of the Icelandic Financial Statement Act no. 3/2006, we confirm to the best of our knowledge that the accompanying report of the Board of Directors includes all information required by the Icelandic Financial Statement Act that is not disclosed elsewhere in the Financial Statements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of the Financial Statements in accordance with the Icelandic Financial Statement Act, and for such internal control as the Board of Directors and the Managing Director determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, the Board of Directors and the Managing Director are responsible for assessing Norðurál Grundartangi ehf.'s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors and the Managing Director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Statement.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Financial Statements, including the disclosures, and whether the consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation

Independent Auditor's Report

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

We communicate with the Board of Directors and the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors and the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors and the Audit Committee, we determine those matters that were of most significance in the audit of the Financial Statement of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In addition to our work as the auditors of Norðurál Grundartangi ehf., Deloitte has provided the firm with permitted additional services such as review of interim financial statements, translation services on Financial Statements and limited consultation on accounting matters. Deloitte has in place internal procedures in order to ensure its independence before acceptance of additional services. Deloitte has confirmed in writing to the Audit Committee that we are independent of Norðurál Grundartangi ehf.

Deloitte was appointed auditor of Norðurál Grundartangi ehf. by the general meeting of shareholders on April 30th 2025. Deloitte have been elected since the general meeting 2004.

Kópavogur, April 29, 2026

Deloitte ehf.

Páll Daði Ásgeirsson

Páll Daði Ásgeirsson
State Authorized Public Accountant

Report by the Board of Directors and Managing Director

Nordural Grundartangi ehf. (Nordural) operates an aluminum smelter at Grundartangi, Iceland and produces high quality aluminum in a responsible, safe, and efficient manner. Quality control protocols are subject to regular review in a process of continuous improvement. All staff is encouraged to participate in maintaining and improving the quality of our operations at all levels.

Nordural is certified by the Aluminum Stewardship Initiative (ASI) for responsible production, sourcing, and stewardship of aluminum. The ASI Performance Standard defines environmental, social and governance principles and criteria, with the aim to address sustainability issues in the aluminum value chain. Quality systems are ISO 9001 certified. Environmental and safety systems are certified according to ISO 14001 and ISO 45001 standards. Production processes, environmental and safety standards are under continuous review. Nordural has implemented the Equal Pay Standard ÍST85:2012 and received Certification with PwC Gold standard.

In October our Grundartangi smelter was forced to temporarily idle production on one of its two potlines due to the failure of two transformers over a seven week period in September and October 2025. As a result, production at the smelter has been temporarily reduced by approximately two-thirds. Grundartangi's other potline remains unaffected and in full production. Total hot metal production in 2025 was 260,155 MT of hot metal (Casted 263,030 MT) compared to production of 308,335 MT of hot metal in 2024 (Casted 309,564 MT).

Losses expected arising from this event, less applicable deductibles, will be covered under our insurance policies. We currently estimate to begin resumption of production of the idled potline in second quarter of 2026.

The operating revenue of Nordural amounted to USD 793 million (2024: USD 793 million) which are the same operational revenue as in preceding year but with lower volume of metal produced and sold but offset by favorable market prices in 2025. Operating profit before financial items and depreciation amounted to USD 1 million (2024: USD 71 million). Nordural's loss for the year 2025, amounted to USD 50 million (2024: profit USD 17 million). According to the Balance Sheet the Company's assets amount to USD 1,061 million (2024: 1,105 million), the year's end book value of equity was USD 639 million (2024: USD 690 million) and the Company's equity ratio was 60% (2023: 63%).

Our operating results depend on the market for primary aluminum which can be volatile and subject to many factors beyond our control. The overall price of primary aluminum consists of three components: (i) the base commodity price, which is based on quoted prices on the LME; plus (ii) European Duty Paid premium for metal sold into Europe; plus (iii) any value-added product premium. Each of these three components has its own drivers of variability. The price of aluminum is influenced by a several factors, including global supply-demand balance, inventory levels, speculative activities by market participants, production activities by global producers, political and economic conditions, as well as raw material and other production costs in major production regions. These factors can be highly speculative and difficult to predict which can lead to significant volatility in the price of aluminum.

A deterioration in global economic conditions or a regional or worldwide financial downturn may also adversely affect future demand and prices for aluminum. Geopolitical uncertainty of any kind, major public health issues or other unexpected events have the potential to negatively impact business confidence, potentially resulting in reduced global or regional demand for aluminum and increased price volatility. Such events may also impact prices by causing disruptions in our operations, supply chain, or workforce.

Declines in aluminum prices could cause us to curtail production or take other actions to reduce our cost of production, including deferring certain capital expenditures and maintenance costs and implementing workforce reductions. Any deferred costs achieved through such curtailments and other cost cutting measures could ultimately result in higher capital expenditures and maintenance costs than would have been incurred had such costs not been deferred and increase the costs to restore production capacity if market forces warrant. These factors may have a material adverse effect on our liquidity, the amount of cash flow we have available for our capital expenditures and other operating expenses, our ability to access the credit and capital markets and our results of operations.

Report by the Board of Directors and Managing Director

Electrical power represents one of the largest components of our cost of goods sold. As a result, the availability of electricity at competitive prices is critical to the profitability of our operations. Disruptions in the supply of electrical power to our facilities could have a material adverse effect on our business, financial condition or results of operation.

Cybersecurity incidents have the potential to have a material adverse effect on our business strategy, results of operations and financial condition, including by damaging or interrupting access to our information systems or networks, compromising confidential or otherwise protected information, destroying or corrupting data, or otherwise disrupting our operations. The failure of our information technology systems, network disruptions, cyber-attacks or other breaches in data security could have a material adverse effect on our business, results of operations and financial position.

Labor, taxes, and certain other costs are denominated in Icelandic Krona while majority of our income is in USD. These items are all related to the entity's normal course of business. Unfavorable changes in these factors could have material adverse effect on our business.

Nordural is owned by a foreign parent company Century Aluminum. The foreign ownership shapes to a certain extent the corporate governance of the Company. The parent company has issued internal corporate governance guidelines accessible on the parent company's website which applies to Nordural. Century Aluminum is a publicly traded company listed on the NASDAQ Stock Exchange (NASDAQ) under the symbol "CENX" and as such, it must adhere to strict rules on corporate governance in connection therewith as evidenced by its internal corporate governance guidelines. Nordural in turn follows these internal corporate guidelines and all applicable mandatory Icelandic laws and regulations relating to corporate governance of Nordural. Further information on corporate governance and non-financial information is included in appendix to the Financial Statements.

The sole shareholder of Nordural Grundartangi ehf. is Nordural ehf. as it was at the beginning of the year.

Statement by the Board of Directors and the Managing Director

The Financial Statements of Nordural Grundartangi ehf. are prepared in accordance with generally accepted accounting principles in Iceland.

The Board of Directors recommends that dividend will not be paid to the shareholders. As regards to changes in the equity of the Entity, the board refers to the Notes attached to the Financial Statements.

It is the opinion of the Board of Directors and the Managing Director of Nordural Grundartangi ehf. that these Financial Statements present all the information necessary to show the financial position of the Company as of December 31, 2025, and the operating results and cash flows for the year then ended.

The Board of Directors and Managing Director of Nordural Grundartangi ehf. hereby confirm the Financial Statements for the year 2025 with their signatures.

Reykjavik, 29 April 2026

Board of Directors

John DeZee

Gunnar Guðlaugsson

Sigrún Helgadóttir

Rob Hofmann

Hólmfríður Kristjánsdóttir

Managing Director

Gunnar Guðlaugsson

Income Statement 1 January to 31 December 2025

	Notes	2025	2024
Operating revenue		793,207	793,304
Production, selling and administrative expenses		(792,280)	(721,969)
Depreciation and amortization	7	<u>(36,786)</u>	<u>(37,386)</u>
Operating (Loss) Profit		<u>(35,859)</u>	<u>33,948</u>
Share of loss of subsidiary	11	(5,451)	(3,248)
Interest income		2,778	4,616
Derivative contracts	16	0	(3,035)
Finance costs	5	(15,744)	(11,319)
Exchange rate (loss) gain		<u>(6,258)</u>	<u>1,990</u>
(Loss) Profit before taxes		<u>(60,533)</u>	<u>22,953</u>
Income tax	6	10,055	(5,466)
(Loss) Profit profit for the year		<u><u>(50,478)</u></u>	<u><u>17,487</u></u>

Balance Sheet at 31 December 2025

Assets	Notes	31.12.2025	31.12.2024
Non-current assets			
Property, plant and equipment	7	791,409	796,382
Non-Current loans due from related party	10	19,200	22,400
Investment in subsidiaries	11	67,834	73,285
Other long term assets		77	1,879
		<u>878,520</u>	<u>893,946</u>
Current assets			
Inventories	9	151,964	170,205
Trade receivables	8	17,363	26,526
Current loans due from related party	10	3,410	3,460
Other receivables	8	8,893	6,651
Cash and cash equivalents	8	1,246	3,846
		<u>182,875</u>	<u>210,689</u>
Assets		<u><u>1,061,396</u></u>	<u><u>1,104,635</u></u>
Equity and liabilities			
Equity			
	12		
Share capital		146,988	146,988
Share premium		117,964	117,964
Other reserves		46,731	49,220
Revaluation reserves		236,482	245,185
Retained earnings		90,303	129,589
Accumulated other comprehensive income		948	1,097
Total equity		<u>639,416</u>	<u>690,043</u>
Long-term liabilities			
Non-Current loans and borrowings	15	120,000	114,175
Lease liabilities	18	802	1,031
Deferred tax liabilities	13	115,341	125,313
		<u>236,143</u>	<u>240,519</u>
Current liabilities			
Trade and other payables	14	81,415	87,686
Current tax liabilities	6.13	0	5,168
Current maturities of lease liabilities	18	1,017	1,297
Current loans and borrowings	15	91,397	69,815
Other current liabilities		12,008	10,107
		<u>185,837</u>	<u>174,073</u>
Liabilities		<u>421,979</u>	<u>414,592</u>
Total equity and liabilities		<u><u>1,061,396</u></u>	<u><u>1,104,635</u></u>

Statement of Cash Flows January 1st to December 31st 2025

Operating activities	Notes	2025	2024
(Loss) profit for the year		(50,478)	17,487
Adjustments to reconcile profit for the period to net cash provided by operating activities			
Depreciation and amortization		36,786	37,386
Income tax	6	(10,055)	5,466
Share of gain of subsidiaries	11	5,451	3,248
Net finance cost		19,224	4,713
Derivative contracts	16	0	3,035
		927	71,335
Changes in:			
Inventories, changes		18,241	(41,360)
Receivables, changes		6,922	(13,617)
Short term liabilities, changes		(6,711)	9,868
Cash provided by operating activities		19,380	26,224
Interest received		2,826	4,675
Interest paid		(12,675)	(10,772)
Proceeds from derivative contracts	16	0	3,020
Income tax paid		(5,574)	(18,111)
Net cash provided by operating activities		3,957	5,037
Investing activities			
Investment in fixed assets	7	(31,178)	(39,150)
Loans due from related party		3,200	3,200
Other investments		0	34
Cash used in investing activities		(27,978)	(35,916)
Financing activities			
Dividend paid	12	0	(50,000)
Loan from related parties		120,000	(17,257)
Loans from financial institutions		(97,568)	50,966
Payments of lease liabilities		(1,011)	(1,080)
Cash from (used) in financing activities		21,422	(17,371)
Net decrease in cash and cash equivalents		(2,600)	(48,250)
Cash and cash equivalents at the beginning of the year		3,846	52,096
Cash and cash equivalents at the end of the year		1,246	3,846

Notes

1. General information

Nordural Grundartangi ehf. ("Company" or "Nordural Grundartangi") is owned by Nordural ehf. The Company operates an aluminum smelter at Grundartangi, Iceland. Nordural ehf. is ultimately owned by Century Aluminum Company, a U.S. based holding company. Nordural Grundartangi ehf. is part of consolidated financial information for Century Aluminum Company which are published on its company website.

The Company has an Operating license for the production of up to 350,000 metric tons per year ("MTPY") of aluminum. This license was issued by the National Planning Agency in December 2015. The license is valid until December 2031.

Production in 2025 was 260,155 MT of hot metal (Casted 263,030MT) compared to production of 308,335 MT of hot metal in 2024 (Casted 309,564 MT). Decrease in hot metal production in 2025 from 2024 is due to temporarily idle production in one of Grundartangi larger of two potlines due to electrical equipment failure in fourth quarter of 2025.

2. Basis of preparation

The Financial Statements of Nordural Grundartangi for the year 2025 are prepared according to generally accepted accounting principles in Iceland. Cost method is used in the Financial Statements. The Financial Statements are prepared in United States dollars, which is the Company's functional currency. All amounts have been rounded to the nearest thousand unless otherwise stated.

3. Salaries and other employee expenses

Salaries and salary-related expenses paid by the Company are specified as follows:

	2025	2024
Salaries	71,343	60,220
Pension fund	10,533	8,946
Salary-related expenses	6,147	5,832
Other employee expenses	801	731
	<u>88,824</u>	<u>75,729</u>
Average number of positions	681	645

Information about management salaries is included in the Notes to the Financial Statements of Nordural ehf.

4. Fees to Auditors

	2025	2024
Deloitte - audit.....	500	465
PWC - other services.....	0	2
KPMG - other services.....	134	96
	<u>634</u>	<u>563</u>

5. Finance costs

	2025	2024
Interest to related parties.....	3,055	2,341
Lease interest expenses.....	159	218
Other finance costs.....	12,530	8,761
	<u>15,744</u>	<u>11,319</u>

Notes

6. Income tax

	2025	2024
Current tax liabilities.....	0	5,168
Changes in deferred tax liabilities.....	(10,055)	298
	<u>(10,055)</u>	<u>5,466</u>

7. Property, plant and equipment

	Leased assets	Real estates and related rights	Machinery and equipment	Construction in progress	Total
Cost or valuation					
At beginning of the year.....	6,640	788,858	701,051	5,019	1,501,568
Reclassified.....		1,527	7,756	(9,283)	0
Additions.....	820			31,406	32,227
Disposals.....			(228)		(228)
At end of the year.....	<u>7,460</u>	<u>790,385</u>	<u>708,579</u>	<u>27,142</u>	<u>1,533,567</u>
Accumulated depreciation					
At beginning of the year.....	4,406	308,970	391,810		705,186
Charge for the year.....	1,292	9,284	26,397		36,972
Disposals.....			0		0
At end of the year.....	<u>5,698</u>	<u>318,254</u>	<u>418,207</u>		<u>742,158</u>
Carrying Amount					
At beginning of the year.....	2,234	479,888	309,241	5,019	796,382
At end of the year.....	<u>1,763</u>	<u>472,131</u>	<u>290,372</u>	<u>27,142</u>	<u>791,409</u>
Carrying Amount without revaluation					
At beginning of the year.....	2,234	286,269	196,240	5,019	489,762
At end of the year.....	<u>1,763</u>	<u>283,756</u>	<u>183,145</u>	<u>27,142</u>	<u>495,806</u>

Depreciation and amortization:

	31.12.2025	31.12.2024
Depreciation of property, plant and equipment	36,972	37,572
Amortization of gain on forward contracts	(186)	(186)
	<u>36,786</u>	<u>37,386</u>

In 2021 the Company changed its accounting policy for plant, equipment, tools, and land and apply the revaluation model as allowed under the Icelandic Financial Statements Act. Revaluation to fair value was carried out as of December 31, 2021, and an increase in the total carrying amount of the aforementioned assets in the total amount of USD 461.7 million was recognized. The revaluation was allocated on a pro-rata basis to the individual assets in the revalued class of assets.

According to the Icelandic Financial Statements Act a revaluation is to be carried out annually. At the year end 2025 revaluation was carried out by management, based on value in use to determine whether there is any indication that those assets have suffered an impairment loss.

Management assessed the value in use of tangible assets at year end and determined that the difference between the value in use and the carrying amount was immaterial. The assessment was affected by uncertainties regarding the timing of full operational capacity achievement in 2026 and the final determination amount of insurance claim proceedings. Accordingly, no revaluation adjustment was recorded at December 31, 2025. Management will continue to monitor these factors and reassess in future periods. Following are the key assumptions used in calculation of value in use:

Notes

7. Property, plant and equipment (continued)

Weighted average cost of capital is estimated 11.5%. Production capacity is assumed 215,000 tons in 2026 and to increase to maximum capacity of 326,000 tons of hot metal in 2028 of which 130,000 tons casted in PFA and 132,000 casted in Billets. Revenue is based on the price of forward aluminium contracts 2026-2028. From 2028 prices are assumed to increase annually by 2.5% in line with price increases on Norðurál's power contracts. Future growth is estimated 2.2% which is in line with long-term inflation expectations in the United States, as the company's revenue is in USD.

Operation costs consist mainly of cost of alumina, power, carbon and labor. Alumina cost is assumed to be as proportion of LME in line with proportions of LME in previous years. Power supply contracts the company has with energy providers will expire during the forecast period. The contracts are assumed to be renewed on terms of fixed price of USD and expected to increase in line with inflation in USD. Carbon cost is expected to follow forward price of the corresponding products. Labor cost is extrapolated based on long-term inflation and wage index expectation in Iceland.

8. Other financial assets

Trade receivables	<u>31.12.2025</u>	<u>31.12.2024</u>
Trade receivables	561	1,894
Trade receivables from related party	16,801	24,632
	<u>17,362</u>	<u>26,526</u>

Other receivables	<u>31.12.2025</u>	<u>31.12.2024</u>
Value added tax	7,722	5,605
Prepaid expenses	986	869
Capital income tax	121	123
Other receivables	64	54
	<u>8,893</u>	<u>6,651</u>

Cash and cash equivalents

The Company's cash and cash equivalent consists of bank balances.

	<u>31.12.2025</u>	<u>31.12.2024</u>
Bank balances in USD	901	3,225
Bank balances in other currencies	345	621
	<u>1,246</u>	<u>3,846</u>

Notes

9. Inventories

	31.12.2025	31.12.2024
Aluminum finished goods	12,387	42,077
Aluminum in pots	16,628	17,297
Anodes	19,939	12,460
Alumina	34,984	43,343
Other materials	31,652	27,411
Operational supplies	36,375	27,618
	<u>151,964</u>	<u>170,205</u>

10. Loans due from related parties

Non-current loans due from related parties are specified as follows:

	31.12.2025	31.12.2024
Loans due from related parties	22,610	25,860
Current maturities of loans due from related parties and current loans	(3,410)	(3,460)
	<u>19,200</u>	<u>22,400</u>

Non-Current loan due from related party is due in twenty even semiannual payments with last payment 2032. Interest payments are due semiannual each year. Weighted average interest rates on non-current loans due from related parties are 440 bps + SOFR.

11. Investments in subsidiaries

	Proportion of ownership	Book value 31.12.2025	Gain (Loss)	
			2025	2024
Shares in subsidiaries				
Century Vlissingen Aluminum B.V.	100.00%	67,834	(2,490)	(348)
Klafi ehf, Grundartanga, Transport Company	50.00%	0	(31)	30
Balance at January 1			73,285	76,533
Goodwill Amortization			(2,930)	(2,930)
Loss for the year			(2,520)	(317)
At December 31			<u>67,834</u>	<u>73,285</u>

Investments in subsidiaries are divided as follows:

	2025	2024
Share in subsidiaries equity	50,252	52,772
Goodwill	17,582	20,513
Investment subsidiaries	<u>67,834</u>	<u>73,285</u>

Notes

12. Equity

Share capital is specified as follows:

	Share capital	Share premium	Other reserves	Revaluation reserve	Retained earnings	Accumulated OCI
Equity 1.1.2024	146,988	117,964	49,568	343,469	148,809	1,246
Currency options, net of tax						(149)
Legal reserve for the share of earnings of affiliates			(348)		348	
Revaluation of fixed assets				(85,339)		
Dissolution of revaluation of property, plant and equipment ...				(12,945)	12,945	
Dividends paid					(50,000)	
Profit for the year					17,487	
Equity 31.12.2024	146,988	117,964	49,220	245,185	129,589	1,097
Currency options, net of tax						(149)
Legal reserve for the share of earnings of affiliates			(2,490)		2,490	
Dissolution of revaluation of property, plant and equipment ...				(8,703)	8,703	
Loss for the year					(50,478)	
Equity 31.12.2025	146,988	117,964	46,731	236,482	90,303	948

The Company's share capital according to its Articles of Association amounts to USD 163.320 million. Each share has the nominal value of one USD. One vote is attached to each share in the Company. The Company holds treasury shares in the nominal value of USD 16.332 million, recognised as decrease in equity.

Other reserves consist of Statutory reserves USD 40.830 million (2024: USD 40.830 million) and Legal reserves for the share of earnings of affiliates USD 5.901 million (2024: USD 8.390 million) which cannot be paid out as dividend to shareholders. According to the Icelandic Companies Act, 25% of nominal value share capital must be held in as Statutory reserves.

The Company's fixed assets revaluation is recognized in revaluation reserve. Changes in revaluation to fair value in year end is entered to the revaluation reserve. The revaluation is dissolved in accordance with annual depreciation of the revaluation in the income statement. Dissolution of the revaluation is recognized in retained earnings.

13. Deferred tax liabilities

The changes in Deferred tax liabilities are as follows:

	2025	2024
At January 1,	125,313	146,389
Income tax in the Financial Statements	(10,055)	5,466
Effect of joint taxation	120	0
Deferred tax due to currency options	(37)	(37)
Income tax payable for next year	0	(5,168)
Revaluation of fixed assets	0	(21,335)
At December 31,	115,340	125,313

The following are the major deferred tax liabilities recognised:

	31.12.2025	31.12.2024
Property, plant and equipment	122,821	123,304
Other items	(7,480)	2,008
	115,340	125,313

Notes

14. Trade and other payables

	31.12.2025	31.12.2024
Functional currency	47,678	54,445
Other currencies	14,689	6,950
Accruals	19,049	26,291
	<u>81,415</u>	<u>87,686</u>

Trade and other payables to affiliated companies amounted to USD 41.6 million in end of year 2025 (2024: USD 48.6 million)

15. Loans and borrowings

Non-current loans and borrowings are specified as follows:	31.12.2025	31.12.2024
Loans and borrowings	211,397	183,990
Current maturities of non-current liabilities and current liabilities	91,397	69,815
	<u>120,000</u>	<u>114,175</u>

Nordural Grundartangi loans agreements contains covenants on financial conditions and the Company meets all of its covenants on December 31, 2025.

In 2021, in connection with the Casthouse project, Nordural Grundartangi entered into an eight-year Term Facility Agreement with Arion Bank hf, to provide for borrowings up to USD 130.0 million. In October 2025, all outstanding Casthouse Facility borrowings were fully repaid, which totaled \$116.4 million in outstanding borrowings and \$1.9 million in interest. Additionally a \$1.5 million loss was recorded on early extinguishment of debt, consisting of a write-off of deferred financing costs.

In October 2025 Nordural Grundartangi entered into 120.0 million USD loan agreement with related party, Century Aluminum Company, ultimate parent company. Interest paid semi-annual with first interest payment October 1st, 2026 and with principal amount payable in one payment, April 1st, 2032. Interest rates are fixed, 7.0% for the period of the loan agreement. As of December 31, 2025, there were USD 121.6 million in borrowings outstanding under the loan agreement. Interest expenses to related parties amounted to USD 1.6m. for the year 2025.

Nordural Grundartangi have a Revolving Credit Facility with Landbankinn hf, in amount of USD 100.0 million which expires in December 2026. This Credit Facility is insured with pledges in Grundartangi trade receivables and inventories. At December 31, 2025, there was USD 61.0 million in outstanding borrowings under this Credit Facility.

In 2023, Nordural Grundartangi, entered into a structured repurchase arrangement with an affiliate of Glencore pursuant to which Nordural Grundartangi sold European Union Allowances ("Carbon Credits") for total EUR 35.4 million. The repurchase arrangement was amended and extended three times with final settlement date in August 2025. In August 2025, all Carbon Credits subject to the Amended Carbon Credit Agreement with Glencore were settled in full. Interest expenses to related parties amounted to USD 1.5m. for the year 2025 (2024: USD 2.2 m.)

In August 2025 Nordural Grundartangi entered in structured repurchase agreement with Goldman Sachs pursuant to which Nordural Grundartangi sold European Union Allowances ("Carbon Credits") for total EUR 24.0 million with settlement date in August 2026.

Given the repurchase element of the repurchase agreements, the Company retains substantially all of the remaining benefits of the assets and has accounted for the transaction as a financing arrangement in accordance IFRS 9.

Notes

16. Derivatives

In the year 2024, the Company settled all LME forward financial sales contracts to fix forward LME aluminum price and all forward contracts to hedge the risk of fluctuations associated with the Icelandic Krona (ISK) and Euro for contracts related to the construction of the Grundartangi Billet casthouse. As of December 31, 2024, the Company had no open derivative positions.

The following table sets forth the Company's derivative assets and liabilities that were accounted for at fair value and not designated as cash flow hedges:

Asset Fair Value:	<u>31.12.2025</u>	<u>31.12.2024</u>
Commodity Contracts	0	0
Foreign exchange contracts	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Liability Fair Value:	<u>31.12.2025</u>	<u>31.12.2024</u>
Commodity Contracts	0	0
Foreign exchange contracts	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>

Commodity contracts reflect our outstanding LME forward financial sales contracts. Foreign exchange contracts reflect our outstanding FX swaps.

The following table summarizes the net gain on forward and derivative contracts:

	<u>2025</u>	<u>2024</u>
Commodity Contracts	0	3,118
Foreign exchange contracts	<u>0</u>	<u>(98)</u>
	<u>0</u>	<u>3,020</u>

Notes

17. Related parties

Related parties are those parties which have considerable influence over the Company, directly or indirectly, including parent company, owners or their families, large investors, key employees and their families and parties that are controlled or dependent on the Company, i.e. affiliates and joint ventures. Business with related parties has been done on a similar basis as business with unrelated parties.

Related parties transactions in the year 2025:

	Purchases of goods and services	Sales of goods and services	Assets	Liabilities
Norðurál ehf., parent company	11,647	0	383	14,026
Century Aluminum Vlissingen B.V. subsidiary	119,766	11,114	23,245	15,778
Century Aluminum Company, ultimate parent	10,723	0	3,505	133,372
Glencore Int., affiliated company	0	753,491	12,278	0
CATCO, affiliated company	246,789	0	0	0
Klafi ehf., subsidiary	3,183	0	0	0
	<u>392,107</u>	<u>764,605</u>	<u>39,412</u>	<u>163,175</u>

Related parties transactions in the year 2024:

	Purchases of goods and services	Sales of goods and services	Assets	Liabilities
Norðurál ehf., parent company	8,971	0	1	9,603
Century Aluminum Vlissingen B.V. subsidiary	122,629	11,690	27,526	31,069
Century Aluminum Company, ultimate parent	5,717	0	0	7,961
Glencore Int., affiliated company	0	753,779	22,885	25,386
CATCO, affiliated company	226,281	0	0	0
Klafi ehf., subsidiary	2,219	0	0	0
	<u>365,817</u>	<u>765,470</u>	<u>50,413</u>	<u>74,019</u>

18. Leases

The company elected to apply IFRS 16 Leases from January 1, 2019. Under IFRS 16, distinctions of operating leases (off balance sheet) and finance leases (on balance sheet) are removed for lessee accounting, and replaced by a model where the right-of-use asset and a corresponding liability have to be recognized for all leases by the lessees. The nature of recognised expenses related to operating leases will change because the Company will recognise a depreciation charge for right-of-use assets and interest expense on lease liabilities. Previously, the Company recognised operating lease expense on a straight-line basis over the term of the lease.

Leased assets are factory site, warehouses and car leases. Leases are generally 24-36 months except for the factory site which is long term.

Notes

18. Leases (continued)

Right-of-use assets are specified as follows:

	2025	2024
Right-of-use assets beginning of the year	2,234	2,136
Depreciation	(1,292)	(1,126)
Additions to right-of-use assets	820	1,224
Right-of-use assets end of year	<u>1,763</u>	<u>2,234</u>

Effects of leases in Income statement is divided as follows:

	2025	2024
Interest payment of lease liabilities	159	218
Depreciation	1,292	1,126
	<u>1,450</u>	<u>1,343</u>

Lease liabilities are specified as follows:

Payments next year	1,017	1,297
Payments after year one	802	1,031
Net investment in leases end of year	<u>1,820</u>	<u>2,328</u>

19. Insurance

Nordural Grundartangi has purchased commercial property and business interruption insurance intended to compensate for temporary breakdown of operations. The property insurance amount is USD 250 million.

20. Commitments and Contingencies

Power contracts

Power is currently supplied to Grundartangi from hydroelectric and geothermal sources under long-term power purchase agreements with three separate power suppliers - HS, Landsvirkjun and OR. These power purchase agreements expire on various dates from 2026 through 2036 (subject to extension). The power purchase agreements with each of HS and OR provide power at LME-based variable rates for the duration of these agreements. The larger Landsvirkjun agreement provides for fixed rates with an additional variable rate linked to the LME. Grundartangi also has a separate 25 MW power purchase agreement with Landsvirkjun at LME-based variable rate. Historically, all of the power supplied to Grundartangi has been delivered at prices indexed to the price of primary aluminum. Each power purchase agreement contains take-or-pay obligations with respect to a significant percentage of the total committed and available power under such agreement.

Sale and Raw Material Contracts

Nordural Grundartangi has a sales contracts to be delivered through the year 2029 with Glencore International for all aluminum produced each year. Under these contracts Nordural Grundartangi receives price based on the LME primary aluminum plus an applicable premium.

Nordural Grundartangi has a contract for the supply of anodes with Century Aluminum Vlissingen B.V. The contract is effective through 2027 and can be extended. During the term of the agreement, Century Aluminum Vlissingen B.V. shall supply to Nordural the annual quantity of anodes in accordance with the written production schedule agreed to by the parties.

Nordural Grundartangi has a short-term contracts with various suppliers for key raw materials required for its aluminum production. Key raw material including Alumina, Cathodes, and Fluoride.

Notes

21. Accounting policies

Estimates and decisions

For the Annual Report, the Management, in accordance with laws on Financial Statements, needs to make decisions, estimates and draw conclusions which affect assets and liabilities at the reporting date, information in the notes and Income Statement. All conclusions and estimates are based on knowledge and experience and other relevant factors. Those factors make up the basis that can not be ascertained by any other means.

Risk management and derivatives

As a global producer of primary aluminum, our operating results and cash flows from operations are subject to risk of fluctuations in the market prices of primary aluminum, raw materials and power. We may from time to time enter into financial contracts to manage our exposure to such risk. We value our derivative and hedging instruments using quoted market prices and other significant unobservable inputs. We recognize changes in fair value and settlements of derivative instruments in net gain (loss) on forward and derivative contracts in the Income Statement of operations as they occur.

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity and the ineffective portion is recognised immediately in profit or loss. Profit or loss is moved from Equity to the Income Statement in the same period(s) as the probable transactions affect the Income Statement.

Revenue recognition

Revenues from production are recognized when earned as required by generally accepted accounting principles. Revenues are recognized when title and ownership of the products passes to customers in accordance with contract terms. Interest income is accrued over time, by reference to the principal amount and at the interest rate applicable.

Foreign currencies

Transactions in foreign currencies are initially recorded at the rates of exchange prevailing on the dates of the transactions. Monetary assets and liabilities denominated in such currencies are retranslated at the rates prevailing on the balance sheet date. Profits and losses arising from currency fluctuations are included in net profit or loss for the period.

Taxation

Income tax is calculated and recognised in the Financial Statements. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods, and it further excludes items that are never taxable or deductible. The Company's tax rate in 2025 was 20% compare to 21% in 2024.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax basis used for calculation of taxable profit, and is accounted for using the balance sheet liability method. The difference is due to different assumptions in calculation of income tax.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized.

The Company is jointly taxed with its Icelandic parent company.

Notes

21. Accounting Policies (continued)

Property, plant and equipment

Assets are recognised as property, plant and equipment when it is probable that the future economic benefits associated with the asset will flow to the Company and the cost of the assets can be measured reliably. Property, plant and equipment are either recognised at amortised cost or at their revalued amounts. Under the cost method, property, plant and equipment are recognised at original cost less accumulated depreciation and impairment. The cost of property, plant and equipment consists of the purchase price and all direct costs of bringing the property into a revenue-generating state. According to the revaluation method, assets are recognised at the fair value at the valuation date, less any accumulated depreciation and impairment.

Any revaluation increase, less income tax effects, is recognised as revaluation reserve among equity. Depreciation on revalued assets is recognised in profit or loss. On the subsequent sale or retirement of a revalued asset, the attributable revaluation surplus remaining in the asset's revaluation reserve is transferred directly to retained earnings.

The depreciable amount of the asset is allocated on a fixed annual percentage of the historical cost over its useful life, less residual value.

The gain or loss arising from the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Impairment

At each balance sheet date, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specified to the asset. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses on cash generating units reduces first goodwill, and after that to reduce other assets. Impairment losses are recognised as an expense immediately.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment loss on goodwill is not reversed.

Inventories

Inventories are stated at the lower of cost or net realisable value, after taking obsolete and defective goods into consideration. Cost comprises of direct materials and, where applicable, direct labor costs and those overhead expenses that have been incurred in bringing the inventories to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Trade receivables

Accounts receivable are valued at nominal value. Accounts receivable in currencies other than USD have been recorded at the exchange rate prevailing at the balance sheet date.

Notes

21. Accounting Policies (continued)

Loans due to and from related parties and borrowing costs

Loans due to related parties are initially recognised at fair value plus all related transaction costs. After initial recognition loans due to related parties are recognised at amortised cost using the effective interest method.

Trade payables

Trade payables are valued at nominal value and accounts payable in other currencies have been recorded at the exchange rates prevailing at the balance sheet date.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that the Company will be required to settle that obligation.

Corporate Governance Statement

Nordural Grundartangi ehf. is owned by Nordural ehf. which is owned by a foreign parent company Century Aluminum. The foreign ownership shapes to a certain extent the corporate governance of the Company. The parent company has issued internal corporate governance guidelines accessible on the parent company's website which applies to Nordural. Century Aluminum is a publicly traded company listed on the NASDAQ Stock Exchange (NASDAQ) under the symbol "CENX" and as such, it must adhere to strict rules on corporate governance in connection therewith as evidenced by its internal corporate governance guidelines. Nordural in term follows these internal corporate guidelines and all applicable mandatory Icelandic laws and regulations relating to corporate governance of Nordural.

Laws, rules and regulations

The following are some of the most important laws applicable to Nordural's operations:

Act on Annual Accounts

Act on Private Limited Companies

Act on Pollution Prevention

The Competition Law

Act on Data Protection and the Processing of Personal Data

Act on Measures against Money Laundering and Terrorist Financing

The above mentioned laws are accessible on www.althingi.is.

The Company furthermore operates in accordance with an operating licence accessible on www.ust.is.

Internal controls and risk management

The Board of Directors holds the ultimate responsibility for an effective internal control system. The management of Nordural is responsible for implementing and maintaining adequate internal controls.

The internal control system is designed with the purpose of providing reasonable assurance that financial reporting is in accordance with accepted accounting standards. The management of Nordural assess the effectiveness of the internal control system which is based on "Internal Control – Integrated Framework" issued by COSO and on Sarbanes Oxley Act from 2002 for listed US companies as part of consolidated Financial Statements of Century Aluminum. The design and effectiveness of the internal control system has been audited by Deloitte.

An effective risk management framework has been implemented and Nordural has defined its major risks as: Business risk, financial risk, operational risk and environmental risk. The Board of Directors and Nordural's management regularly receive risk reports addressing the major risks Nordural is exposed to.

The Board's major objective with regard to an effective internal control and risk management system is to contribute to Nordural reaching its goals concerning its purpose, obligations, earnings, reliability of financial information and compliance with laws, rules and regulations.

Nordural has not appointed a compliance officer but there is a compliance department in the parent company. Internal audit is supervised by Century Internal Audit Department additionally to be outsourced to KPMG and conducted yearly on a consolidated basis.

Sustainability and ethical standards

Nordural emphasizes that its operations are in cohesion with the environment. Nordural constantly strives towards minimizing its effects on the environment and the responsible usage of energy and raw materials. Nordural contributes to increased environmental awareness and the involvement of its employees in reformations. Nordural is in compliance with all requirements stipulated in its operating licence, laws and rules regarding environmental issues.

A Code of Ethics is accessible on the website of Nordural.

Corporate Governance Statement (continued)

Composition and activities of the Board of Directors

The Board of Directors holds supreme authority in Nordural's matters between shareholders' meetings.

The Board of Directors shall ensure that Nordural's organization and operations are in a good state. The Board shall also promote the development and long-term performance of Nordural and monitor its daily operations.

The Board is composed of five individuals, three males and two females. None of the board members is considered independent of Nordural or the shareholder since they are all employees of the group. Formal rules of procedures were approved by the Board of Directors in 2021.

The Board of Directors is composed of the following individuals;

John DeZee, Chairman of the Board, is born in 1963. He received his B.A. from Whitman College and his J.D. from the University of California at Berkeley Law School. He joined Century in 2008 as Associate General Counsel. After taking on roles of increasing responsibility, John DeZee was promoted to Executive Vice President, General Counsel and Secretary in May 2021. He started his legal career at Paul Hastings in Los Angeles and served as in-house counsel at James Hardie Building Products just prior to joining Century.

Gunnar Guðlaugsson, Director, is born in 1960. He has a Master's degree in electrical engineering, Diploma in business and operations and a journeyman's examination in electrical trades. He is the Executive Vice President of Global Operations and Managing Director of Nordural since 2021. He was plant manager of Nordural Grundartangi from 2009, manager for various departments of ISAL from 2000 and an engineer at ISAL from 2008. He has done various engineering work since 1994.

Robert Hoffman, Director is born in 1969. He received Bachelor of Science degree in Accounting from Golden Gate University, a Masters of Business in Finance from Saint Mary's College of California and is a Certified Public Accountant (inactive). He joined Century Aluminum in October 2004. After taking on various roles of increasing responsibility in accounting, finance, and information technology, he was promoted to Vice President Information Technology and Chief Technology Officer in 2021. Prior to joining Century, he was the Accounting Manager at The Granite Rock Company, served as a Senior Associate at Mowat Mackie & Anderson and as a senior auditor with Deloitte & Touche.

Sigrún Helgadóttir, Director, is born in 1968. She has a Cand.oecon. degree in business from the University of Iceland and an MBA degree from the Norwegian School of Management (BI). She has been plant manager of Norðurál at Grundartangi from 2021, but previously as a managing director of HR and Procurement. Previously, she was an employee of Kaupþing, the Stock Exchange in Oslo and the Icelandic Stock Exchange (now Nasdaq Iceland).

Hólmfríður Kristjánsdóttir, Board member, is born in 1973. She has a Cand.jur degree and a MBA degree and is a member of the Icelandic BAR association. She is Corporate Counsel for Norðurál since 2023. She has previously held the positions of CRO of Pension funds at Landsbanki, Director of Legal at Deloitte and worked for some of Iceland's biggest law firms. She has been practicing law since 1999.

The Board of Directors held a total of 4 board meetings in 2025. The meetings were attended by all board members, the Manager of Finance, and a representative of Century Legal Department and Company's Legal Counsel. Foreign board members and the representative of Century Legal Department attended the meetings through phone. Rules of procedure for the Board of Directors was approved on a Board meeting on June 29th, 2021.

Corporate Governance Statement (continued)

Sub-committees of the Board of Directors

The Board of Directors appointed an audit committee for first time in 2021. The member of the audit committee are: Jóhann Geir Harðarson, Fríða Aðalgeirsdóttir and Sigrún Helgadóttir. The audit committee held a total of 5 audit committee meetings in 2025.

Executives

The Managing Director carries out the daily operations of Nordural in accordance with the policies and instructions of the Board of Directors. The Managing Director shall, among other things, regularly provide the Board of Directors with accurate information on the Nordural's finances, structure, development and operations. The Managing Director shall at all times conduct his/her work with integrity and Nordural's interests at the forefront.

Gunnar Guðlaugsson is the Managing Director of Nordural Grundartangi.

Communication with the shareholder

The Board of Directors is responsible for communication with and providing information to the shareholder.

Communication with the shareholder takes place at the Annual General Meeting, other shareholders' meetings and specific information meetings as needed.

The Board of Directors shall receive information regarding all questions and propositions from the shareholder and supervise Nordural's reactions to them.

Information on infringements of laws and regulations that the appropriate supervisory or ruling body has determined

Nordural was not subject to sentences by the courts of fines from relevant public authorities in 2025.

Non-Financial Information

About Nordural Grundartangi

Nordural Grundartangi ehf. (Nordural) operates an aluminum smelter at Grundartangi, Iceland and produces premium quality aluminum and aluminum alloys. The Company's operating license is for an annual output of 350,000 metric tons of pure aluminum, in accordance with the strictest standards for environmental and social responsibility, and employee safety.

Nordural production for the year 2025 was 260,155 metric tons, around 48,000 metric tons decrease in production from previous year.

Nordural is a member of the European Union's greenhouse gas emission trading system, commonly known as ETS. Its aim is to reduce emissions from the production processes of major industrial concerns in Europe. The trading system functions as an economic incentive for industrial concerns to reduce emissions. In that the concerns members must pay for all excess emissions beyond allocated allowances. In relation to CO₂ and waste from sources outside the ETS, Nordural has set targets for 55% reduction by 2030, compared to 2015.

Nordural is certified by the Aluminum Stewardship Initiative (ASI) for responsible production, sourcing and stewardship of aluminum. The ASI Performance Standard defines environmental, social and governance principles and criteria, with the aim to address sustainability issues in the aluminum value chain. Quality systems are ISO 9001 certified. Environmental and safety systems are certified according to ISO 14001 and ISO 45001 standards. Production processes, environmental and safety standards are under continuous review. Nordural has implemented the Equal Pay Standard ÍST85:2012 and received Certification with PwC Gold standard.

Nordural produces aluminum according to customer needs in a responsible, safe and competitive manner. Emphasis is placed on employees' quality awareness and participation in continuous improvement. Nordural is a responsible member of the community and complies with the laws and regulations of the company. The quality management system is regularly reviewed and improved. Nordural quality objectives are: Satisfied customers, efficient production and outstanding products.

Further information on Nordural including Nordural sustainability report is accessible at the Company's website. www.nordural.is

Environment

Aluminum production inevitably leads to considerable emissions of CO₂. At Nordural, we work hard to achieve the lowest emissions in the world.

CO₂ emissions directly linked to the production processes fall under the scope of ETS and Nordural has achieved considerable success in limiting emissions that fall under the system. Thus, localized emissions generated by Nordural's aluminum production amounted to 1.56 tons of CO₂ equivalents per produced ton in 2025 compared to 2.1 tons per produced tons in 2006.

Climate Action Plan

Nordural's Climate Action Plan consists of 10 specific actions which will guide the way to reach the goal of a 55% reduction in greenhouse gas emissions and general wastes by 2030. The plan identifies the main types of emissions generated by the company's activities that are outside the scope of the ETS system. The plan is in accordance with the Paris Agreement commitments which Nordural has signed.

Non-Financial Information (continued)

Nordural's Action Plan for reducing emissions was done with The Greenhouse Gas Protocol methods for detecting emissions, an international system designed to standardize carbon accounting. The main focus is on assessing direct emissions from Nordural's operations, i.e. by mobile equipment and refrigerants while emissions from the employees' work-related plane trips and their carpooling in Nordural's cars as well as emissions from the disposal of general waste were also assessed. While the Action Plan thus calculates emissions from five elements of Nordural's operation, the actions put forward also cover other elements.

Environmental monitoring

Environmental monitoring entails research and monitoring of more than 100 environmental factors in and surrounding the area of Grundartangi. The purpose is to ensure that the operations of Nordural Grundartangi are not harmful to the environment. The environmental monitoring is conducted by independent parties. Nordural met or exceeded all other requirements in the operational license and regulations, including total fluoride emission.

Green accounting

Nordural keeps and publishes its audited Green Accounting on an annual basis and delivers this report to the Environment Agency of Iceland in accordance with applicable law and regulation No. 851/2002. The aim of Green Accounting is to improve our Nordural plant's ability to identify opportunities to increase efficiency, improve processes, reduce waste, and increase general awareness of environmental issues throughout the manufacturing process.

ASI

Nordural Grundartangi ehf is certified by the ASI Performance Certification. The ASI standard sets out 59 criteria under the three sustainability pillars of Governance, Environment and Social, which address issues such as biodiversity, Indigenous Peoples rights, and greenhouse gas emissions. An independent, third-party audit of the Nordural's facility is carried out by DNV GL on an annual basis.

Innovation

Nordural is participating in an international project, "CarbFix", examining if it can become a viable option, both technically and financially to capture CO₂ from the smelter's exhaust, dissolve it in water under pressure then pump it down to a depth of 500 or 800 meters, where CO₂ binds permanently to the bedrock in the form of rocks.

Nordural's experienced employees have valuable knowledge. Nordural considers sharing such resources with the academic community as well as the tech and innovation industry to be a part of its social responsibility. By contributing to a dynamic cooperation in this field Nordural can support the adaption of new technologies or methods in aluminum production that result in a more efficient operation and possibly in reducing greenhouse gas emissions.

Natur-Al™

In 2019 Nordural Grundartangi ehf. announced its line of low-carbon aluminum products, Natur-Al™ aluminum, with one of the lowest CO₂ footprints in the world. The entire production process was analyzed and the environmental impact of all links in the production chain was assessed and documented. There we see in black and white where and how procurement can be altered, and the production process designed to minimize the environmental impact. The result is Natur-Al™, which is a registered trademark on both sides of the Atlantic.

Non-Financial Information (continued)

Aluminum under the Natur-Al™ brand has a carbon footprint of less than 4 tons of carbon dioxide equivalent per ton of aluminum, and everything is taken into account - the acquisition of bauxite and the processing of aluminum oxide for aluminum production and transport all the way to the buyer. Total carbon dioxide emissions from Natur-Al™ production are less than a quarter of the world's average aluminum production, which is about 18 tons per ton of aluminum. The life cycle analysis was performed by an independent party and we can offer our customers data needed to analyze the carbon footprint of consumer products made from Natur-Al™ aluminum.

Environmental policy

Nordural emphasizes that its operations are conducted in harmony with the environment. We strive to minimize the environmental impact as well as promoting responsible use of energy and raw materials. Nordural promotes increased environmental awareness and staff participation in reforms. Nordural meets the requirements in operating licenses, laws and regulations on environmental issues. Environmental goals are: Minimizing emission, employee know the environmental impact of the operation and responsible recycling and disposal.

Social impact

As the largest workplace in the western region, and one of the largest workplaces in Iceland, Nordural plays a pivotal social role – not only as the principal source of income for thousands of people, but also more generally for the economic, environmental and social well-being of the region as a whole. We take our responsibilities seriously, as well as our commitment to operate well within the framework set by law and regulations. Nordural is of key importance to the local economy, in particular, the town of Akranes and its surroundings. The residence of our employees has varied somewhat over the years and seems to be influenced by a variety of external factors, from housing costs to the general state of the economy. Local residency at the end of 2025 was about 65% of the workforce which is historically fairly high.

Community Projects

Nordural supports various kinds of community projects. We are proud sponsors of the ÍA soccer team in Akranes and Valur Sport Club in Reykjavik, focusing on the younger players. Each summer Nordural soccer tournament for 5-8-year old kids, is held in Akranes.

Employees

Average number of employee positions in year 2025 were 681 compared to 645 in year 2024. We have managed to keep employee turnover at modest levels with ambitious programs of compensation and benefits, workplace safety and comfort and opportunities for career development and growth. The average length of employment at Nordural's is around 8 years.

Approximately 85% of Nordural Grundartangi ehf. employees are represented by five labor unions, governed by a labor agreement that establishes wages and work rules for covered employees. The current agreement is effective through December 31, 2029. To attract talent in Iceland, we work with colleges and universities to invite students to attend plant tours at Nordural that showcase our production processes. We offer internships to give hands-on experience to students interested in craftsmanship. At Nordural, we also operate our own Heavy Industry School with a curriculum that awards points towards the Icelandic school system. The school provides between 15 to 20 students at a time with the opportunity to further their education.

We emphasize equal rights of employees to careers, wages and rights, regardless of gender, sexual orientation, religion or origin. Nordural is responsible for its activities and business with respect for human rights. Nordural is committed to continuous reform and complies with human rights and equality laws and regulations. Human rights and equality goals are: Prevention of bullying, harassment and other violence, promote gender equality and equal pay for comparable jobs.

Non-Financial Information (continued)

Health and safety

In recent years, Nordural has engaged in a safety culture transformation, with an emphasis on front line management's responsibility. We have implemented intensive training in hazard identification, leadership skills, and incident investigation, all of which have helped to increase personal knowledge and commitment and standards as well as improving work practices and habits. We strive for zero injuries and accidents, to foster systems and processes aimed to continuously improve our health and safety performance, and to integrate risk management into all aspects of our operations.

Safety and health policy: Safety and health are a priority at Nordural. Employees are familiar with risks and safe working methods and that no task should be undertaken in unsafe conditions. Emphasis is placed on active involvement of staff when it comes to prevention and improvement. Nordural complies with health and safety laws and regulations. Safety and health goals are: Accident - free workplace, employee health protection, employee participation in prevention.

Equality

We aim to improve our male/female ratio, but our employees are still dominantly male. In 2017 13% of Nordural's employees were female, but in 2025 the number was close to 30%. We will continue on this path. As one would expect, the proportion of males is highest in the manufacturing section of the company, where four out of every five employees are male. One-third of our managers and specialists are female and at top level management the two genders are represented 50/50. Nordural has an Equal Pay Certification and a Workplace Equality Program.

Transparency

Nordural is one of the largest energy user in Iceland, buying approximately quarter of all energy produced. In November 2020 Nordural requested permission from energy suppliers to lift confidentiality of energy contracts. Three of Nordural's four long-term energy contracts are now available on our website. This is an important step in increasing transparency in the Icelandic electricity market, which we believe is beneficial for both buyers and sellers of electricity, but not least for the Icelandic public.

Business Ethics

Nordural parent company, Century Aluminum Company, and its subsidiaries are committed to ethical behavior and comply with the laws around the world. US and international laws and regulations prohibit corrupt business practices, e.g. abnormal facilities and misrepresentations in accounting and other data. The purpose of the policy is to establish standards and procedures that employees are required to adhere to in order to ensure compliance with the law and ensure the good reputation of a company that conducts honorable business.

Code of conduct

Century Aluminum Company and all related companies are committed to complying with the strictest standards of honesty, ethics and integrity in business. The management signs of code of ethics which sets out clear guidelines for combating dishonesty and immorality in conduct and promoting that all of the company's operations meet these requirements.

Employees may not allow, offer, promise or provide payments in cash or other valuables, directly or through a third party, to a public official or employee of a private sector company, nor to a spouse, cohabitant, child or other relative of any such party for the purpose of having influence or reward for the actions or decision making of such parties or to obtain improper benefits. In the same way, employees and their immediate family may not demand, accept or receive payments or other valuable directly or through third parties in excess of normal business practice.

Non-Financial Information (continued)

EU Taxonomy

Introduction

In 2023, Nordural reports EU Taxonomy for the first time. According to Icelandic laws, 25/2023, companies that fulfill specific requirements are required to publish non-financial information based on Article 8(1) of the Taxonomy regulation (EU 2020/852), as from the year 2023.

The EU Taxonomy Regulation entered into force in Iceland on 1 June 2023 with Act No. 25/2023, on Sustainability Disclosures in the Financial Services Sector and the Taxonomy for Sustainable Investments. The law was retroactive to January 1, 2023, and therefore applies to the entire fiscal year 2023.

The Regulation defines which economic activities are considered environmentally sustainable and promotes transparency in sustainability disclosure. There are six environmental objectives: climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. Technical screening criteria for climate change mitigation and adaptation has been implemented by EU Delegated Regulation 2021/2139 and the economic activities listed therein are subject to reporting requirements in Iceland, while EU Delegated Regulation 2023/2486 on other environmental objectives and updating the first two of EU Delegated Regulation 2023/2485 entered into force in the EU in 2023 and are awaiting implementation in Iceland.

To be considered environmentally sustainable within the scope of the Regulation, undertakings must meet the criteria for environmentally sustainable economic activities according to Article 3 of the Taxonomy Regulation. First, economic activities must contribute significantly to one or more environmental objectives, while they must not harm others. They need to comply with minimum safeguards and ultimately with technical screening criteria.

Companies are required to disclose the ratio of turnover, capital expenditure and operating expenditures for the most recent financial period to an eligible activity, that is, an activity in scope with the Taxonomy Regulation. Similarly, the same key indicators for activities that meet all the criteria of the Regulation and are considered aligned activities should be published.

Eligible assessment

Nordural has reviewed its operations in accordance with technical screening criteria where the company's activities were compared with the technical screening criteria already published and applicable in Iceland (Climate change mitigation and adaptation). The Company's main activity is manufacture of aluminum and therefore the following activity is applicable:

-3.8 Manufacture of aluminum

The manufacture of primary aluminum in Nordural is an eligible and transitional activity according to the EU taxonomy. The technical screening criteria refers to the production of liquid aluminum through electrolysis of alumina. Nordural operates primary aluminum plant at Grundartangi, Iceland, with potlines and casthouse, where liquid aluminum is cast to form of ingots, primary aluminum, and primary foundry alloys.

Non-Financial Information (continued)

Environmentally sustainable activities

For an activity to be considered aligned and thereby meets the requirements of the Taxonomy to be environmentally sustainable, it must be a substantial contribution and do no significant harm, and in addition, fulfill the minimum safeguards criteria. The requirements are detailed and if a company wants to be in compliance, a lot of groundwork must have taken place.

Nordural is currently working on alignment assessment against all six environmental objectives and will enhance its reporting in the 2026 Financial statement. Therefore, Nordural publishes calculations for Taxonomy - Eligible but not environmentally sustainable activities for the year 2025.

Accounting policy

The EU has issued instructions on calculation of key performance indicators (KPIs) in Delegated Regulation EU 2021/2178. Proportion of turnover, CapEx and OpEx is calculated in accordance with art. 8 of the Taxonomy Regulation. However, there is a possibility that the requirements or methodology will change as the regulation evolves, which might affect the company's future calculations.

Turnover

The turnover covers the revenue recognized pursuant to International Accounting Standard (IAS) 1, paragraph 82(a). The total turnover in accordance with the definition is in accordance with the total turnover of the company for the year 2025 as it appears in the Income Statement in the financial statement. 100% is for taxonomy eligible but not environmentally sustainable activities. See proportion for turnover in table on page 31.

CapEx

We have allocated CapEx to eligible activities in accordance with the EU Taxonomy Regulation. CapEx in accordance with the EU Taxonomy is the sum of additions due to tangible and intangible assets during the financial year considered before depreciation, amortization and any re-measurements, including those resulting from revaluations and impairments and excluding fair value changes, for the year 2025. Total CapEx was USD 31,406 thousand for the year 2025 in accordance with the additions of the year in notes 7 in the financial statement. 100% is for taxonomy eligible but not environmentally sustainable activities. See proportion for CapEx in table on page 32.

OpEx

The EU Taxonomy defines OpEx more narrowly than general accounting definition. OpEx shall include non-capitalised cost that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any direct expenditures relating to the day-to-day servicing of assets of property, plant, and equipment by the company or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. Total OpEx was USD 31,365 thousand for the year 2025. 100% is for taxonomy eligible but not environmentally sustainable activities. See proportion for OpEx in table on page 33.

Non-Financial Information (continued)

Proportion of revenues associated with taxonomy-aligned economic activities 2025

Economic Activities	Code	Absolute turnover (USD '000)	Proportion of Turnover	Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards	Taxonomy aligned proportion of total turnover year 2025	Taxonomy aligned proportion of total turnover year 2024	Enabling activity	Transitional activity
				Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity					
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			100%																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
			0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Production of Aluminum	3.8	793,207	100%																	
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		793,207	100%																	
Total (A.1+A.2)		793,207	100%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover of Taxonomy-non-eligible activities		0	0%																	
Total (A+B)		793,207	100%																	

Non-Financial Information (continued)

Proportion of CAPEX associated with taxonomy-aligned economic activities 2025

Economic Activities	Code	Absolute turnover (USD '000)	Proportion of Turnover	Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards	Taxonomy aligned proportion of CAPEX year 2025	Taxonomy aligned proportion of CAPEX year 2024	Enabling activity	Transitional activity	
				Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity						
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES				100%																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
			0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%			
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	0%	0%	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																					
Production of Aluminum	3.8	31,406	100%																		
CAPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		31,406	100%																		
Total (A.1+A.2)		31,406	100%																		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
CAPEX of Taxonomy-non-eligible activities		0	0%																		
Total (A+B)		31,406	100%																		

Non-Financial Information (continued)

Proportion of OPEX associated with taxonomy-aligned economic activities 2025

Economic Activities	Code	Absolute turnover (USD '000)	Proportion of Turnover	Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm')						Minimum Safeguards	Taxonomy aligned proportion of total turnover year 2025	Taxonomy aligned proportion of total turnover year 2024	Enabling activity	Transitional activity
				Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity and ecosystems	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity					
			%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES			100%																	
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
			0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%		
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0%	0%	0%	0%
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Production of Aluminum	3.8	31,365	100%																	
OPEX of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		31,365	100%																	
Total (A.1+A.2)		31,365	100%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OPEX of Taxonomy-non-eligible activities		0	0%																	
Total (A+B)		31,365	100%																	