

2024 Annual and Sustainability Report



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2024 Annual and Sustainability Report

Norðurál now publishes its first annual and sustainability report in accordance with the Corporate Sustainability Reporting Directive (CSRD) legislation and the European Sustainability Reporting Standards (ESRS) criteria.

Norðurál is one of Iceland's largest industrial companies, one of the largest workplaces in the country, and one of the largest buyers of Icelandic electricity. Creating long-term economic value in a sustainable and responsible manner and operating in a way that has maximum positive impact on society is the core of Norðurál's sustainability policy. Norðurál strives to respect human rights, society, and the environment. Continuous efforts are being made to keep the environmental impact of activities to a minimum and to use energy and raw materials efficiently.

Statement from the Managing Director

Norðurál is one of the ten largest companies in Iceland, whether in terms of turnover or performance, and we are proud to be a leader in our field and to actively participate in the development of Icelandic society. Norðurál's export value amounted to ISK 109 billion in 2024. Norðurál's share of Iceland's total export value is therefore over 11%. Nearly 50 billion ISK or about 45% of export values was paid to Icelandic parties in the form of public levies, salaries, and procurement from domestic suppliers and service providers.

Company performance is not only measured in terms of monetary value. We want to create value in a sustainable and responsible way for the future and with a positive impact on our communities. We have been actively involved in development and innovation projects seeking methods for capturing and sequestering or harnessing the CO₂ emitted in the course of Norðurál's aluminum production. In 2024, Norðurál and Carbon Iceland entered into a partnership to explore the possibility of utilizing CO₂ from Norðurál's operations to produce green fuel. Whether this will come to fruition only time will tell, but we continue to relentlessly seek ways to reduce emissions and are still aiming for carbon-neutral aluminum production at Grundartangi.

In 2024, production of aluminum billets began in Norðurál's new production line. These are cylinders made of aluminum that are used in the production of many types of items produced by extrusion. Billets are in high demand by European customers, as aluminum is a key element in the production of electric cars, aircraft and sustainable buildings. By moving into billet production Norðurál is moving closer to our customers' needs and also bringing the added value to Iceland. By using power produced in Iceland, our billet production has a significantly smaller carbon footprint than if it were to take place abroad. Furthermore, estimated power savings are around 40%. This project was on our drawing board for a long time and the implementation took more than two years, which required cooperation and patience from employees.

A company is nothing more than the people who work there. All preparation, production and performance are based on individuals working together towards a common goal. Operational improvements, good communication and the company's success are largely based on the people who work there. And it can truly be said that we at Norðurál are fortunate with our employees.



Gunnar Guðlaugsson, Managing Director



Year 2024

Financial Statements 2024		MILLIONS \$
The profit for 2024 was \$17 millions. Production decreased by 2.000 tonnes compared to the previous year, primarily due to power curtailments.	Revenues	793
	Profit (Loss)	17
	EBIDTA	71
	Investments	39
	Equity Ratio	62%
	Return on Equity	2.3%
	Employees	675
	Production (tonnes)	308.335

Reduced emissions

When Norðurál is in the process of renewing equipment, electrically operated equipment is always a preferred choice. A new production line for aluminum billets that was implemented during the year is a prime example, as no fossil fuels are used for its operation. There are therefore no greenhouse gas emissions from the line's operation. Usually gas or oil is used in this kind of production.

Value-added production

We started production of aluminum billets in a new production line in the casthouse. These are produced for buyers in Europe and will mainly be used in the production of electric vehicles. The project was fully financed in Iceland and due to the positive environmental impact, it met the criteria for green financing.

Graduation from the Norðurál School of Heavy Industry

Fifteen students graduated from the advanced study program at the Norðurál School of Heavy Industry, and this is the fifth group to graduate from the advanced studies. The school has been in operation since 2012 and 177 students have graduated from it. The school's purpose is that the company's employees who complete the program gain greater job satisfaction and self-confidence with increased skills, knowledge and understanding of key processes in the safe and efficient production of aluminum. At the same time, the program increases value creation, strengthens the company's competitive position and makes the workplace more desirable.

Carbon sequestration in forestry

Norðurál has purchased 1,100 certified Icelandic carbon credits from Yggdrasil Carbon. The credits derive from YGG's project at Arnaldsstaður in Fljótisdalur, East Iceland, where spruce, pine, and poplar were planted as part of the project in the summer of 2022. The carbon credits will not be active until measurements show real sequestration in the forest. It is assumed that Norðurál's credits will be gradually actualized until the year 2072. One certified carbon credit is created



Graduation from the Norðurál School of Heavy Industry

when one ton of carbon dioxide, which has been measured using approved methods and certified as such, is removed from the atmosphere or is prevented from entering the atmosphere. This is the first certified carbon sequestration project in Iceland.

Renewed collaboration agreement

Norðurál and Faxaflóahafnir (the Associated Icelandic Ports) renewed a collaboration agreement regarding Norðurál's operations in the Grundartangi port area. The two companies have had a sustainable and trusting collaboration, or ever since Norðurál started operations in 1998.

The Equality Scale Award

Norðurál received the 2024 Equality Scale Award (Jafnvægisvugin) along with 130 other companies, institutions and municipalities. This is the fourth time that Norðurál has received the award. The Equality Scale is a dynamic project administered by the Association of Businesswomen in Iceland (FKA) which promotes an equal share of men and women in senior management.

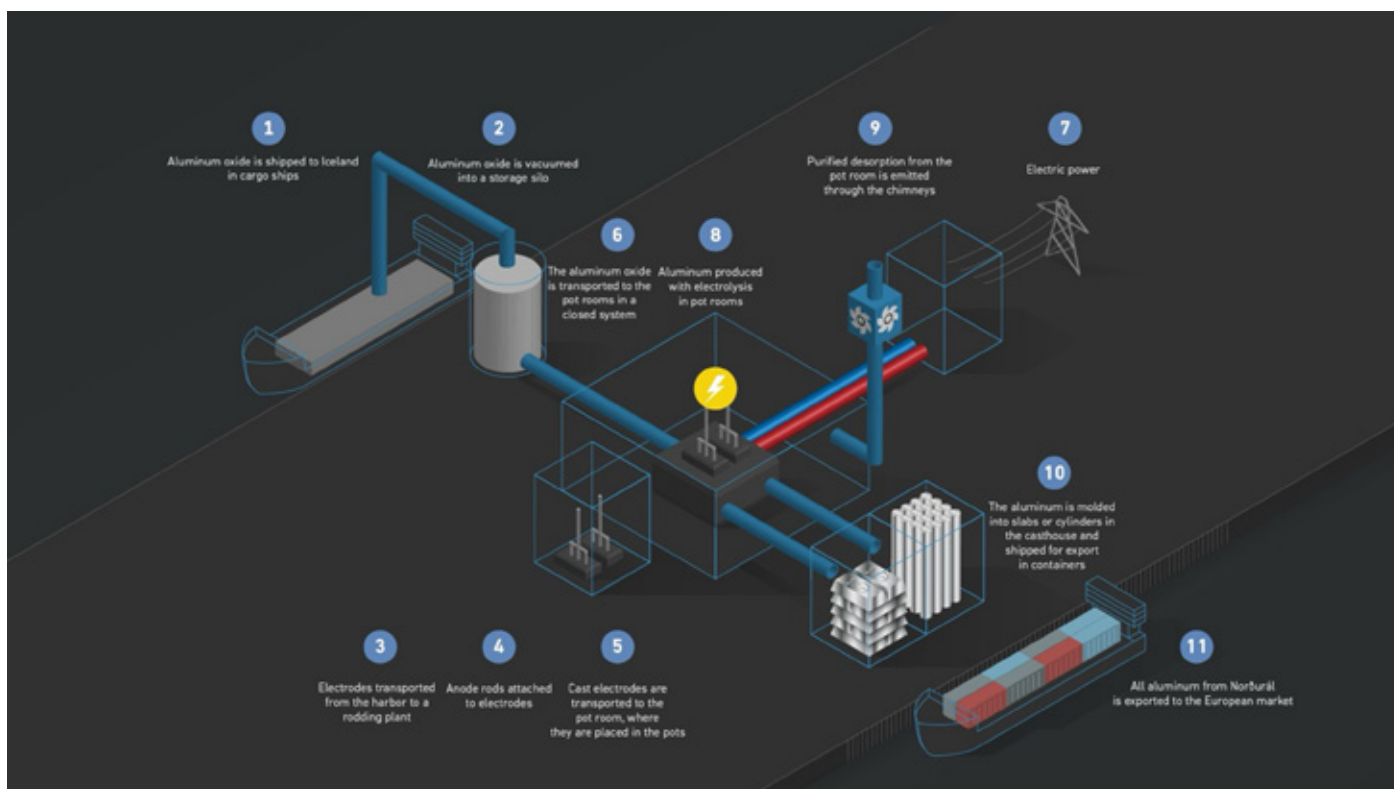
Extension

Norðurál extended its collaboration agreements with sports clubs ÍA and Valur. The new agreements reflect Norðurál's focus on supporting dozens of community projects, both large and small. Our main community projects are precisely related to sports, children's and youth activities, and preventive measures. We are grateful to our neighbors in Hlíðarendi (Valur) and Akranes (ÍA) for their good cooperation and look forward to the coming years of football.

Norðurál

Norðurál Grundartangi ehf. operates an aluminum plant at Grundartangi that produces aluminum and aluminum alloys for the international market. The company has an operating license to manufacture up to 350,000 tons of aluminum each year. The company has facilities at Grundartangi in West Iceland and Skógarhlíð in the capital, Reykjavík.

Norðurál Grundartangi ehf. is 100% owned by Norðurál, which is 100% owned by the Century Aluminum Company, a company registered in the United States. The Board of Norðurál Grundartangi is responsible for maintaining proper organization and operations, development of long-term objectives, and monitoring the day-to-day operations of the company.



Strategy, business model and value chain **SBM-1**

Norðurál has a clear strategy and business model based on responsible aluminum production with a low carbon footprint. Norðurál complies with our sustainability policy and Icelandic laws and regulations. The strategic priorities are in line with international standards and are reflected in the company's goals in energy efficiency, waste management and workplace safety.

Norðurál uses 100% renewable energy from Icelandic energy companies and emphasizes environmentally friendly production and long-term cooperation with customers who demand responsible resource management. This gives the company the opportunity to support the circular economy and sustainability in the construction industry, car manufacturing and electricity transmission. The value chain is shaped by environmental and social responsibility requirements, and sustainability is integrated into strategy planning, supplier agreements and customer service.

The company works systematically to:

- Minimize environmental impact, especially carbon emissions (with an emphasis on Scope 1, 2 and 3),
- Ensure the safety and well-being of employees and communities ,
- Produce aluminum with a low carbon footprint,
- Have a reliable and transparent partnership with suppliers and customers.

Strategy – Interests and views of stakeholders **SBM-2**

Creating long-term value in a sustainable and responsible manner, for the long term and with a positive impact on society, is at the heart of Norðurál's corporate social responsibility. Our communication with stakeholders is based on a commitment to transparent and honest interactions, and this is an important part of the company's continued success. Cooperation and procedures, including the frequency of cooperation, depend on the stakeholders and their nature. Communications take place according to a communications plan, and cooperation and construction projects are recorded in Norðurál's management systems. Our suppliers and contractors must comply with Norðurál's safety and environmental standards and code of ethics. We appreciate feedback from stakeholders and strive to respond to all queries.

For further information, please see S3-1, S3 SBM-2 and S3-2 under People and community.

Material impacts, risks and opportunities and their interaction with strategy and business model **SBM-3**

The company's operating results depend on the international market price of aluminum, which can be volatile and dependent on many factors beyond the company's control. The sales price of aluminum depends on three components: (i) the basic price, which is based on the listed LME price; plus (ii) a premium that is added to the price when selling to Europe; and (iii) any value-added

mark-up. Each of these three components has its own variability drivers. The price of aluminum is determined, among other things, by global supply and demand, inventory levels, speculation by market participants, what is being produced in global markets, political and economic conditions, and raw material and other production costs. These factors can be highly variable and lead to significant fluctuations in market prices.

Deteriorating global economic conditions may adversely affect demand and thus the price of aluminum. Any uncertainty, including escalation of regional conflicts, major public health issues or other unexpected events could lead to a decline in demand for aluminum. Such events may also cause disruption in operations, supply chain or affect the availability of labor.

A decrease in aluminum prices could result in a curtailment in production or actions to cut production costs, including the postponement of investment and maintenance projects and possible layoffs. Such measures could have an adverse effect on the company's liquidity position, the ability to access loan capital and its operating results.

Electricity is one of the main factors in aluminum production costs. Consequently, the availability of electricity and its competitive pricing are important to Norðurál's operations. Disruptions in electricity supply have a significant impact on the company's operations and operating results.

Whereas payroll costs, tax payments and certain other costs are denominated in Icelandic krónur, the majority of our revenues are denominated in U.S. dollars. All these factors assume normal operations of the company. Adverse changes to these factors may have a considerable effect on the company's operating results.

Value chain challenges

- High carbon footprint of some inputs, particularly carbon anodes and bauxite.
- Technical and financial barriers to implementing circular solutions.
- Increasing demand from governments and buyers for transparency and traceability in the supply chain.

Value chain opportunities

- Growing demand for low-carbon aluminum, especially in Europe.
- Increasing value of traceable and environmentally friendly production – potential for green pricing.
- Increased use of recycled raw materials and development of eco-friendly production methods.
- Digital transformation and innovation, including the introduction of digital monitoring systems that improve measurements, traceability and efficiency.

Norðurál is working systematically to minimize the impact and utilize the opportunities through:

- A clear policy for carbon-neutral production using 100% renewable energy,
- Implementation of improvement projects in operations and processes (including recycling),
- Collaboration with suppliers on responsible purchasing and reduction of Scope 3 emissions,
- Defined measurable objectives and integration of sustainability into operational strategy and risk management.

Sustainability & Social Responsibility

Norðurál is one of Iceland's largest industrial companies, one of the country's biggest employers, and among the largest purchasers of Icelandic electricity. The core of our social responsibility is to create long-term value in a sustainable and responsible way, with positive impacts on society.

At Norðurál, we emphasize respect for human rights, society, and the environment. We continuously work to minimize the environmental footprint of our operations and use energy and raw materials efficiently. The safety, health, and well-being of our employees are a top priority. We emphasize equal opportunities for career development, pay, and benefits, regardless of gender, sexual orientation, religion, or origin. We seek to positively influence our entire value chain and ensure that procurement is carried out with integrity and in line with our company values.

A robust risk management system has been implemented at Norðurál, classifying risk into four categories: business risk, financial risk, operational risk, and environmental risk.

Norðurál is significantly exposed to changes in aluminum prices, energy prices and availability, labor costs, and the cost of key raw materials such as alumina and anodes. Wages, taxes, and various operating expenses are denominated in ISK, while the company's revenues are primarily in USD. Adverse changes in these factors may have a material impact on the company's operations.

Our main opportunities lie in the low carbon footprint of Icelandic aluminum and the country's strategic location within a market area with strong demand for aluminum.

Key Sustainability Priorities

Production in Harmony with the Environment

We continuously work to minimize environmental impacts and ensure the responsible use of energy and raw materials. Norðurál promotes environmental awareness and employee participation in improvements. The company complies with the requirements of its operating license, as well as applicable environmental laws and regulations.

Climate Action Plan

Norðurál has set ambitious targets to reduce greenhouse gas emissions outside the EU Emissions Trading System by at least 40% by 2030 compared to 2015 levels. In 2023, emissions had been reduced by 45%, meaning that the original goal has already been met. We now aim for a 55% reduction by 2030.

Comprehensive Environmental Monitoring

Environmental monitoring covers parameters in air, seawater, freshwater,

livestock, and vegetation in and around Hvalfjörður to ensure that Norðurál's operations have no negative effects on the environment. Monitoring is carried out by independent third parties. In 2023, around 450 samples were taken from 171 monitoring sites.

Less Waste and Better Resource Utilization

Norðurál maintains a "green accounting system," a detailed record of all materials entering and leaving the smelter. Our goal is to minimize material use wherever possible and to provide transparent reporting on the fate of all materials.

People First

Norðurál conducts its operations and business with respect for human rights. We emphasize equal rights for all employees regarding career development, pay, and benefits, regardless of gender, sexual orientation, religion, or origin. We are committed to continuous improvement and comply with all laws and requirements on human rights and equality.

Active Employee Participation in Prevention and Improvements

Safety and health are a top priority. Employees are trained to understand risks and safe work practices, and no task should ever be performed under unsafe conditions. We encourage active employee participation in preventive measures and improvement initiatives. Norðurál complies with all occupational health and safety laws and regulations.

Constructive Community Engagement

We are part of a wider community that includes our families, neighbors, and the surrounding environment. We are proud of our community and want the community to be proud of us.

Responsible Business Practices

As part of our social responsibility, we share our employees' knowledge with academia, as well as the technology and innovation sectors. By fostering strong collaboration, Norðurál can contribute to greater operational efficiency and potentially further reduce greenhouse gas emissions.

Responsible Procurement

Norðurál ensures that all procurement is carried out with integrity, responsibility, and cost efficiency. We take quality, environmental, and health considerations into account in all purchasing decisions. Norðurál is committed to continuous improvement and complies with all laws and regulations that apply to procurement.

Continuous Improvement

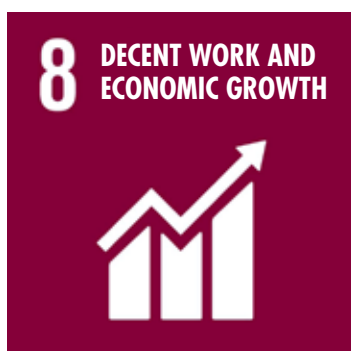
There is always room for improvement in every area. We never stop looking for ways to achieve better results. Continuous improvement is a cornerstone of Norðurál's management systems, with projects — large and small — carried out every day to make operations more efficient, safer, more environmentally friendly, and to reduce waste.

Norðurál Actively Contributes to Four United Nations Sustainable Development Goals



5 – Gender Equality

Norðurál's Human Rights and Equality Policy, Goals, Equal Pay Certification, and Equality Action Plan contribute to achieving UN Sustainable Development Goal 5: to achieve gender equality and empower all women and girls.



8 – Decent Work and Economic Growth

Our Safety and Health Policy and Goals, along with our Human Rights and Equality Policy and Goals, contribute to sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.



12 – Responsible Consumption and Production

Our Quality Policy and Goals, Environmental Policy and Goals, Procurement Policy and Goals, Operating License, and Environmental Monitoring aim to ensure sustainable consumption and production patterns.



13 – Climate Action

Our Environmental Policy and Goals, Climate Action Plan, Procurement Policy and Goals, and participation in research projects are key measures contributing to SDG 13: taking urgent action to combat climate change and its impacts.

General Disclosures

General basis for preparation of sustainability statements **ESRS BP-1**

Norðurál ehf., a subsidiary of Century Aluminum Company, operates an aluminum smelter in Grundartangi in the western region of Iceland, where aluminum with a low carbon footprint is produced. The company only uses renewable electricity from hydroelectric power and geothermal energy for the production, and the company's products are sold in international markets, mainly to the automotive industry, the construction industry and the electricity sector.

Norðurál's business model is based on efficient and low-carbon aluminum production, and sustainability is increasingly integrated into the company's strategy. This development reflects both the growing expectations of stakeholders and the changing competitive landscape of the aluminum market, where the emphasis on carbon footprint, traceability and social responsibility is increasingly important.

Norðurál's management system and main sustainability focuses are:

- Climate – Minimization of greenhouse gas emissions (Scope 1, 2, and 3),
- Responsibility towards employees, safety and occupational health and safety,
- Environmental management and eco-friendly production methods,
- Responsible management of the value chain and supplier network,
- Transparency and improvements in governance.

Norðurál operates under an integrated management system that covers all aspects of the operation, including quality, environmental issues, occupational health and safety, social responsibility and management information.

The core of the management system is Norðurál's Quality Manual, which contains formally defined processes, work instructions, the delegation of responsibilities and focus groups. In addition, an electronic feedback system is used, where employees and contractors record incidents, hazards and improvement suggestions. Feedback is followed up with analysis, preventive actions and systematic improvements.

The management system covers all of the company's operations and includes all employees, contractors and business associates. The system promotes continuous improvement, in the spirit of the PDCA cycle (Plan–Do–Check–Act), in accordance with the ISO standards that Norðurál operates according to (ISO 9001, ISO 14001 and ISO 45001).

Certifications and quality standards

Norðurál operates according to internationally recognized standards for quality, environmental responsibility and safety:

- **ASI certification (Aluminium Stewardship Initiative):** In 2020, Norðurál received ASI certification for responsible and environmentally friendly production and was recertified according to the updated ASI Performance Standard in 2023. The certification confirms that the company's operations meet strict requirements for social and environmental responsibility, and good practices in aluminum production. The next audit will take place in 2026. ASI is a multi-stakeholder organization which unites interests from the entire value chain, including manufacturers, environmental organizations and consumer brands.li>
- **ISO certifications:** Norðurál has a certified quality management system (ISO 9001), an environmental management system (ISO 14001) and an occupational health and safety management system (ISO 45001). These systems are integrated under the PDCA (Plan-Do-Check-Act) approach and maintained through regular internal and external audits. The first certification took place in 2012–2013 and is maintained with audits twice a year.
- **Equal Pay Certification:** Norðurál is an equal pay certified company according to Icelandic standard ÍST 85:2012, and a recipient of PwC's Gold Certificate.
- **LME listing:** By meeting the requirements for responsible procurement (including in accordance with the OECD guidelines) and being certified according to the above standards, Norðurál meets the requirements of the London Metal Exchange (LME) for registered trademarks.

Implementation of ESRS and sustainability reporting

Norðurál now publishes its first annual and sustainability report in accordance with the Corporate Sustainability Reporting Directive (CSRD) legislation and the European Sustainability Reporting Standards (ESRS) criteria. The report covers the operating year 2024 and is based on the data and systems already in place within Norðurál and Century Aluminum Company. Since operating year 2021, Norðurál has been following the Global Reporting Initiative (GRI) standard when publishing social responsibility reports.

Preparation included:

- Analysis of the company's main sustainability aspects using a double materiality assessment (DMA),
- Coordination of data collection and implementation processes within key areas of the company,
- Assistance from the consulting firm Langbrók with ESRS interpretation, data management and procedures, and
- Sustainability management.

The implementation of the ESRS standards and follow-up with sustainability goals are under the control of a sustainability steering group, consisting of:

- Norðurál's Managing Director and Plant Manager,
- Corporate Director – Communications and PR,
- Manager – Safety, Environment and Improvements,
- Century Aluminum's Sustainability VP.

The group meets regularly to review the progress of projects and align

sustainability issues between areas and towards the parent company.

Norðurál's Safety, Health and Environment Committee monitors the implementation of goals in these areas. The committee consists of representatives of the lead team, safety representatives and safety officers. A council of specialists and production personnel support the committee's policy formulation and improvements.

Data collection

and safety systems. Efforts have been made to ensure compliance with the ESRS standards and the quality and reliability of the data to the best of our ability. Responsibility for data and calculations is a collaborative project between the steering committee and key area managers.

A double materiality assessment carried out by Langbrók ehf. in consultation with managers and stakeholders forms the basis for determining the approach, topics and priorities in the report.

Description of the processes to identify and assess material impacts, risks and opportunities **ESRS 2 IRO-1**

Norðurál has worked systematically on the assessment of the main risk factors and their potential financial impact. In this context, the company has conducted a sensitivity analysis of key variables related to sustainability in its operating environment, with the aim to further integrate risk management and financial planning.

The analysis takes into account how changes in key external conditions – such as electricity prices, raw material costs and carbon tax – could affect the company's EBITDA and profits. In this context, Norðurál has also assessed the potential scope of investments necessary to meet climate and environmental management objectives.

The objectives of this analysis are:

- To understand the financial impact if sustainability risks materialize, and how this affects performance and investment needs.
- To strengthen decision-making and prioritization in investments that support the energy transition, carbon neutrality and circular economy.
- To better integrate sustainability and financial planning through updated risk management systems.

Norðurál continues to develop these analyses, especially with regard to Scope 3 emissions, data collection in the supply chain and new circular solutions that support the assessment of the financial impact of sustainability risks.

The double materiality analysis also supports this work by clearly prioritizing risks and opportunities related to sustainability, both in terms of the impact of the operations on society and the environment and the impact of sustainability issues on the company's operations. Work will continue on the double materiality analysis to encompass more of Norðurál's key stakeholders.

Double Materiality Assessment **ESRS IRO-2**

Work on the Double Materiality Assessment began in 2024, and this effort is a prerequisite for the implementation of sustainability reporting according to the European CSRD (Corporate Sustainability Reporting Directive), European Sustainability Reporting and an Information Standard in the field of sustainability and climate issues, ESRS (European Sustainability Reporting Standards). The purpose is to map Norðurál's most important sustainability focuses, taking into account internal and external perspectives on sustainability in the operations. The materiality analysis addresses the main sustainability risks in the operations and explores which factors in the environment and society have the greatest impact on Norðurál's finances.

The materiality of sustainability factors is assessed to map the impact of the operations on the environment, society and economy. The results of the risk assessment are subsequently incorporated into Norðurál's general risk assessment, which is intended to reduce the likelihood of adverse situations arising. The results of the materiality analysis form the basis of Norðurál's Annual and Sustainability Report.

List of material aspects **ESRS IRO-2**





Economy

Norðurál is one of the ten largest companies in Iceland, whether in terms of turnover or performance. Norðurál is a leading company in its field and plays an active role in the development of Icelandic society.

Norðurál's operating income amounted to approximately ISK 109 billion in 2024 and the company's profit after taxes was ISK 2.4 billion.

Norðurál's tax path includes all major taxes and public charges that the company pays or collects in Iceland, along with a counterpart contribution to the appropriate employee's pension funds.

Information presented in Norðurál's tax path is intended to shed light on the extent of what Norðurál's operations return to society in the form of statutory fees.

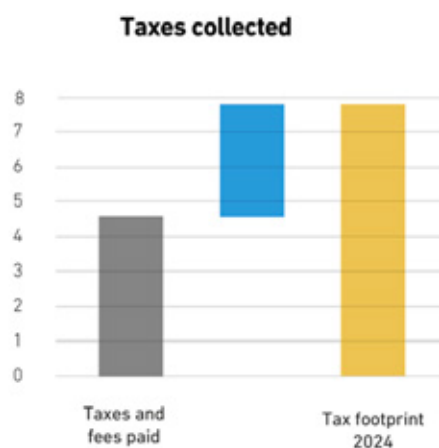
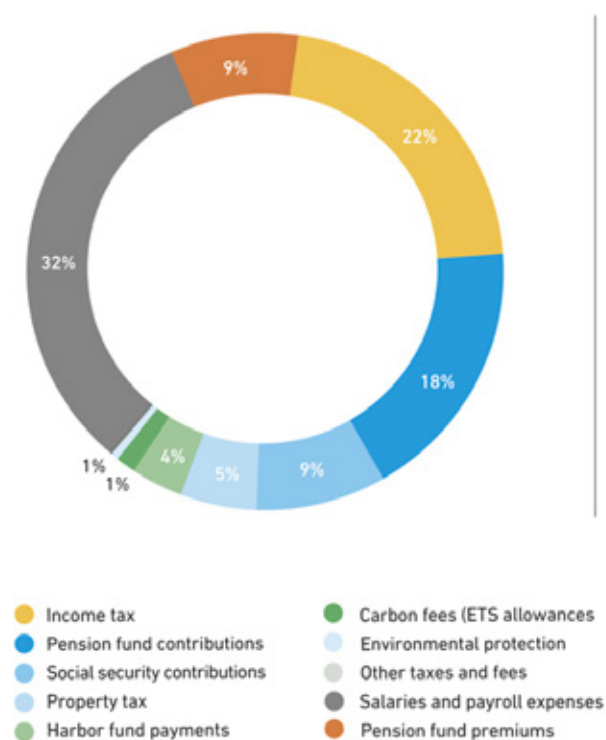
Norðurál returns various other values to society in the form of salaries, grants and transactions within the Icelandic economy.

Taxes and public charges 2024

The company's tax footprint reflects Norðurál's direct economic contribution to Icelandic society, both through direct funds and through employee salaries. In 2024, total payroll amounted to ISK 11.4 billion, and the average salary per full-time equivalent (excluding wage-related charges) was almost ISK 1.2 million per month.

In total, Norðurál's paid and collected taxes, together with public charges, amounted to ISK 7.8 billion in 2024.

Norðurál's tax footprint 2024	ISK (millions)	%
Taxes and fees paid		
Income tax	1.677	22%
Pension fund contributions	1.393	18%
Social security contributions	686	9%
Property tax	404	5%
Harbor fund payments	273	4%
Carbon fees (ETS allowances)	102	1%
Environmental protection	42	1%
Other taxes and fees	19	0%
Total taxes and fees	4.597	
Taxes collected		
Salaries and payroll expenses	2.501	32%
Pension fund premiums	672	9%
Total taxes collected	3.173	
2024 tax footprint	7.770	100%



Norðurál's tax footprint was around ISK 11.5 million per employee in 2024.

Tax footprint	2022	2023	2024
Salary payments and payroll expenses	9,2	10,3	11,4
Total payments to domestic parties	60,9	52,1	49,7
Total export value	140,9	114,1	109,4
Domestic payments as share of total revenue	43,2%	45,6%	45,4%
Tax footprint	5,0	6,8	7,8
Average salary of employees in millions of ISK per year	11,5	13,0	13,4
Economic value generated	167,0	115,5	110,1

Amounts are in ISK million at the average exchange rate of each year.

Norðurál's export value amounted to just over ISK 109 billion in 2024. Norðurál paid around ISK 50 billion to domestic parties in 2024, which corresponds to around 45% of export values that year.

The company's tax footprint in 2024 amounted to approximately ISK 7.8 billion. The average number of employees at Norðurál in 2024 was 675, and total payroll payments to them amounted to ISK 11.4 billion. The average salary per full-time equivalent excluding salary-related costs amounted to ISK 13.4 million per year, or almost ISK 1.2 million on average per month.

EU Emissions Trading System

Greenhouse gas emissions directly linked to the production process of Norðurál fall under the scope of EU's emission trading system (ETS). Its aim is to reduce emissions from the production processes of major industrial concerns in Europe, where companies must purchase emissions allowances. The trading system therefore functions as an economic incentive for industrial concerns to reduce emissions.

Green financing for a new production line

A new production line allows Norðurál to produce more valuable products in Iceland with less energy consumption and a smaller carbon footprint. This is an investment project amounting to approx. USD 120 million, or around ISK 16 billion. The project is financed by Arion Bank through its Green Financing Framework. Arion bank's Green Financing Framework is based on the standards of the International Securities Markets Association, ICMA, and looks to the European Union's classification system and the United Nations Sustainable Development Goals.

Business integrity

Century Aluminum Company, Norðurál's parent company, and all affiliated companies are committed to complying with the strictest requirements for honesty, ethics and integrity in business. A code of conduct has been set for management to counter dishonesty and immorality and to ensure that all of the

company's operations meet these requirements.

No employee shall promise, give, or accept payments in cash or other valuables, whether personally or through an intermediary, to parties public or private, or to a spouse, partner, or child or other relative of such a party, for the purpose of influencing or rewarding the actions or decision-making of such parties, or to gain any advantage.

Stakeholders and employees can report suspected violations to the Compliance Officer, generalcounsel@centuryaluminum.com or anonymously through an independent third-party reporting system, Ethical Advocate. Reports may be submitted 24/7 by calling the number 800 9610. Following a notification, an internal investigation is launched.

We require all Norðurál suppliers and partners, whether customers, contractors, agents, or consultants, to act with integrity and be honest in their business transactions.



Environment

Transition plan for climate change mitigation

E1-1

Climate issues are one of the key focus areas for Norðurál in its strategy and future value creation. The company produces aluminum with one of the lowest carbon footprints in the world, based on the use of 100% renewable electricity, stable production processes and targeted management of greenhouse gas emissions.

- Norðurál's carbon footprint is about a quarter of the global average regarding Scope 1, 2 and 3 in the value chain.
- Direct emissions in Scope 1 are below two tons of CO₂ equivalents per ton of production.
- The company has significantly reduced emissions of PFCs and other taxonomy-eligible carbons and the European Pollutant Release and Transfer Register (E-PRTR).
- Norðurál has achieved a 49% reduction in emissions outside the ETS compared to 2015, seven years ahead of schedule. The new target is a 55% reduction by 2030.
- The company's aluminum production is targeted to be carbon neutral by 2040.

Climate issues

Emissions from Norðurál's aluminum production are among the lowest known in the world. This success is achieved through quality work practices and effective operational monitoring. Emissions outside production are continuously reduced and work is carried out according to a detailed action plan and clear targets and indicators.

In accordance with the company's policy, Norðurál is constantly working to minimize environmental impact, thereby minimizing greenhouse gas emissions. Norðurál's performance and targets in relation to reducing greenhouse gas emissions are regularly reviewed, for instance at Sustainability Steering Committee meetings and monthly environmental meetings.

In effect, environmental impacts of greenhouse gas emissions from Norðurál's operations are twofold. On the one hand, there are environmental impacts associated with the aluminum production process itself. Those emissions are covered by the European Union's Emissions Trading Scheme (ETS). On the other hand, there is the general environmental impact that comes with the operation of a large company. Hence, we actually have two kinds of greenhouse gas accounting: one for the aluminum production part (the ETS part) and another for emissions from the company's other operations – the ESR part (Effort Sharing Regulation).

Norðurál has set ambitious goals when it comes to aluminum production per se. The goal is to achieve carbon neutrality by 2040, but for that to happen,

innovation and technological development are needed, as carbon emissions are an integral part of the industrial production of aluminum as it is practiced today. An important part of minimizing the carbon footprint is analyzing the aluminum's life cycle from the acquisition of raw materials to the finished product. Engineering firm Efla has carried out a life cycle assessment of the aluminum produced by Norðurál. Such an analysis was first conducted in 2019, but now the analysis was updated with direct data from the operations of Norðurál's largest suppliers. The analysis is based on the aluminum's cradle-to-gate life cycle, including the production and transportation of raw materials, local emissions, and generation of waste. The environmental impact of all links in the production chain is assessed and documented. This provides a clear picture of where and how we can implement procurement and design production processes to minimize the environmental impact.

Description of the processes to identify and assess material climate-related impacts, risks and opportunities **ESRS 2 IRO-1**

Norðurál uses an integrated process to assess and respond to climate risks, in accordance with ESRS and TCFD guidelines:

- Analysis of direct and indirect emissions (Scope 1, 2 and 3) is performed regularly, based on metrics from the company's management systems that are ISO and ASI certified.
- TCFD models and environmental factor analysis are used to analyze the impact of climate change on operations, energy security and the value chain.
- Risks assessed: impact on the supply chain, energy price volatility, emission quotas and rising carbon taxes.
- Opportunities utilized: Increased demand for low-carbon aluminum, green financing, circular innovation and supply chain traceability.

Management and responsibility

- Climate affairs are managed by the Director of Safety, Environment and Improvement and they are discussed regularly in the Sustainability Steering Group and Lead Team meetings.
- Risks are assessed as part of Norðurál's integrated risk management (GOV-5) and ESRS disclosure requirements are part of the company's governance system.

Policies related to climate change mitigation and adaptation **E1-2**

Norðurál's aluminum products have one of the lowest carbon footprints in the world. Considering the whole process, from the processing of raw materials to the delivery of the finished product to customers, the carbon footprint of Norðurál aluminum only amounts to a quarter of the world average. Norðurál aspires to be the first smelter in the world to produce carbon-neutral aluminum.

The largest source of greenhouse gases from aluminum plants is the CO₂ emitted when carbon electrodes are burned in the electrolysis of aluminum.

Despite best available technology, there is no other way to produce aluminum. That is why these two options are usually considered in order to reduce GHG emissions from smelters:

- Developing a new type of anode where carbon does not bond with oxygen. This would result in negligible CO₂ emissions.
- Capturing CO₂ in emissions from potrooms and tall stacks. The biggest challenge regarding this option is that the concentration of CO₂ per volume in emissions is low, or approximately the same as in the atmosphere. This makes the use of available technological solutions a challenging task.

The company's short- and long-term strategy focuses on minimizing greenhouse gas emissions. Investment project processes take this into account, which contributes to energy transition and a reduction in the use of oil and gas in machinery, vehicles and production equipment.

Actions and solutions for climate issues E1-3

Norðurál has set clear and measurable goals for reducing greenhouse gas emissions and aims to be carbon neutral by 2040. To achieve these goals, the company has formulated a climate action plan. A summary of actions related to emissions from Norðurál's operations that fall within the scope of the Paris Agreement is available on Norðurál's website. The plan is updated regularly with the latest project progress and measurements.

Norðurál's actions to reduce greenhouse gas emissions cover both direct and indirect emissions (Scopes 1, 2 and 3) and are based on the following main focuses:

- Improved energy efficiency in production processes through technological upgrades and precise control of energy consumption.
- Collaboration with suppliers to reduce the carbon footprint of resources, especially anodes and bauxite.
- Introduction of carbon pricing in operational decisions and long-term investment analyses.
- Circular solutions and redesign to better utilize raw materials and minimize waste.
- Carbon capture and research into new technologies in collaboration with the scientific community and innovation projects.
- Analysis of Scope 3 emissions and collaboration with customers and parties in the value chain to reduce indirect emissions.

Targets related to climate change mitigation and adaptation E1-4

Norðurál aims to become a carbon-neutral company by 2040. This goal applies to all of the company's operations and covers direct and indirect emissions under Scopes 1, 2, and 3. Progress in climate issues is assessed annually and reviewed by Norðurál's board and executive management. Annual progress reports are published on the company's website and in a sustainability report in accordance with ESRS standards.

To achieve this goal, Norðurál has set measurable secondary objectives and an action plan with an emphasis on the following aspects:

- Maintain direct emissions (Scope 1) below 2 tons of CO₂ per ton of aluminum produced and continue to reduce them in line with technological advances and improvements in production.
- In the production process, to maintain the use of 100% renewable electricity (Scope 2) from hydropower and geothermal resources.
- Reduce emissions covered by the Paris Agreement by at least 55% by 2030 compared to base year 2015.
- Assess the carbon cost of all major investments and incorporate carbon pricing into decision-making.
- Implement carbon capture solutions and enhance participation in innovation projects and scientific collaboration.

Energy consumption and mix E1-5

All electricity in Iceland is generated from renewable and sustainable resources. Most of this electricity is used to produce aluminum from aluminum oxide, with Iceland accounting for about 2% of the global aluminum output. In 2024, Norðurál used 4,600 GWh of clean renewable energy for production, about one quarter of the electricity generated in Iceland during the year. Electrical power use per each ton of aluminum produced was 13.7 Mwh/t Al. Aluminum produced by Norðurál has one of the lowest carbon footprints available in the world.

Gross Scopes 1, 2, 3 and Total GHG emissions E1-6

Aluminum produced by Norðurál has the lowest carbon footprint available in the global market. The total carbon footprint – from the processing of raw materials to the delivery of the finished product – is only a quarter of the global average and about half of the European average.

The environmental impact of greenhouse gases from Norðurál's operations can be classified into two main categories:

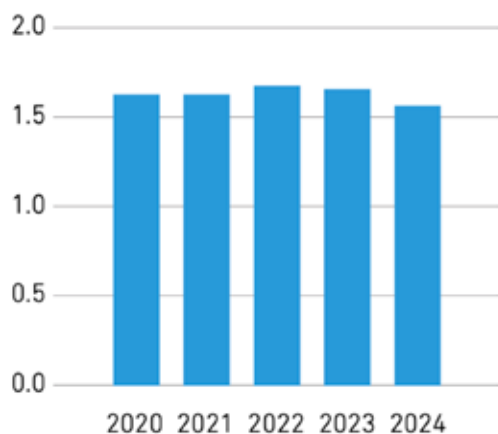
- **Emissions from production (falls under ETS):** Direct emissions from aluminum production in potrooms fall under EU's Emissions Trading Scheme (ETS).
- **General operational emissions:** Emissions that arise from other operations, such as machinery, waste and transport. These emissions are outside the ETS and they are part of the company's sociological impact.

Norðurál therefore maintains double carbon accounting – one covering the potrooms and the other covering general operations. Performance and actions are measured separately for each category.

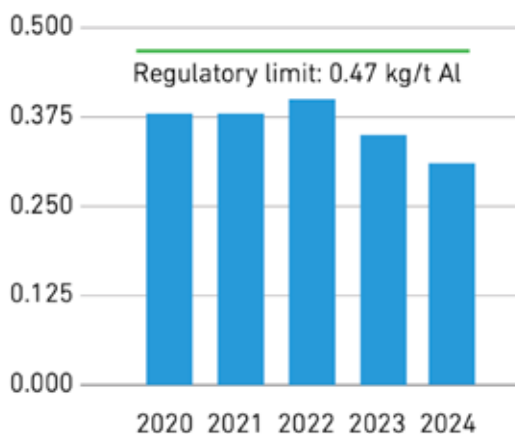
Trends between years

	t CO ₂ / t Al				
	2020	2021	2022	2023	2024
Direct CO ₂ emissions from production at Grundartangi ¹	510,858	628,45	513,251	515,782	489,138
Volume of emissions per production unit	1,63	1.68	1.68	1.66	1.59

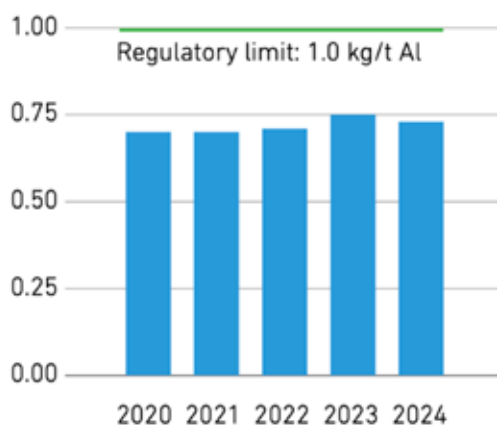
Greenhouse gas emissions per production unit tCO₂e/tAl



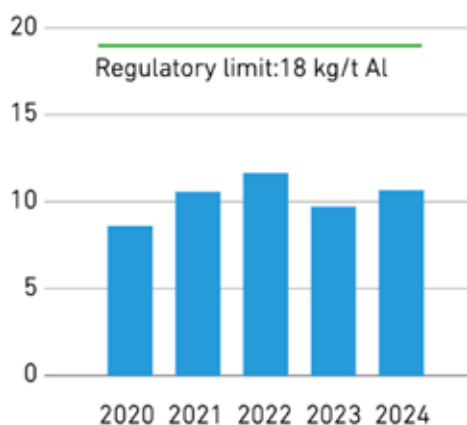
Total fluoride emissions per production unit kg/t Al



Dust emission per production unit kg/t Al



SO₂ per production unit kg/t Al



Emissions outside the production process

As for emissions outside the production process, the oil consumption of machinery and equipment is the largest emission factor. The biggest reduction opportunities therefore pertain to energy conversion of machinery and mobile equipment.

During the period 2015 to 2024, total emissions have decreased in all categories, with the exception of air travel, which temporarily increased due to the introduction of a new production line.

Other main emission factors are:

- Machinery and equipment: Around 68%
- Refrigerants: Around 15%
- Employee car use (carpooling): Around 10%
- Mixed waste: Around 6%
- International air travel: Just over 1%

Performance in reducing emissions

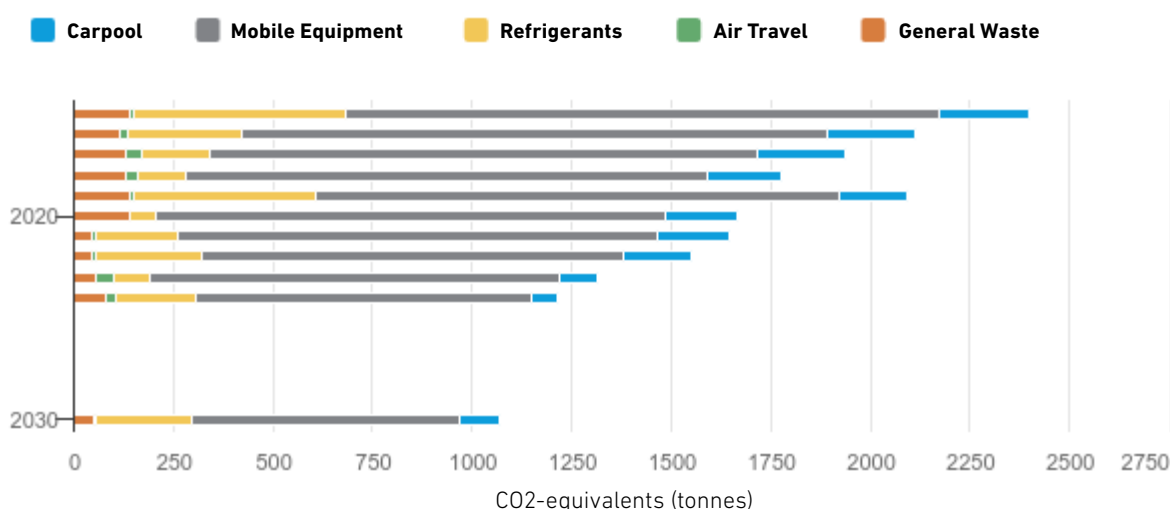
The reduction in emissions from machinery and equipment was around 44% or about 650 tons of CO₂-equivalents, through energy exchange and reduced fuel consumption.

The reduction in emissions from employee carpooling was around 70% with the implementation of electric cars.

Emissions from waste management decreased by 44% after landfilling of mixed waste was stopped and instead it was transported for energy recovery abroad (incineration with heat recovery in central heating and hot water production).

Emissions by Origin

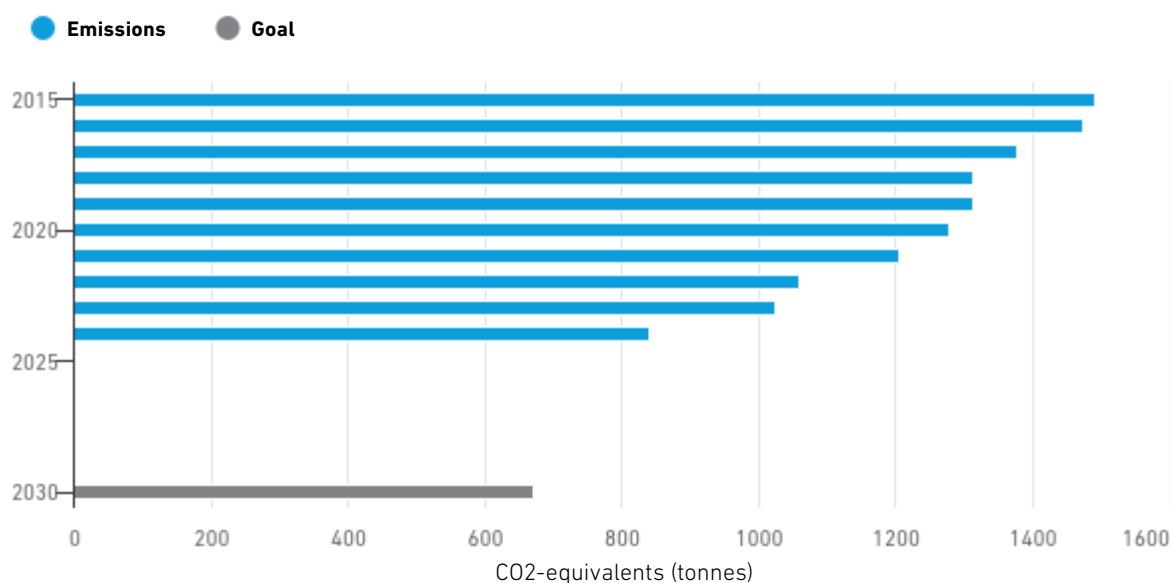
2015–2030



Mobile equipment is responsible for the greatest share of emissions, while emissions by carpooling and refrigerants can also be significantly reduced. A reduction of 14% has already been achieved.

Mobile equipment: Real Emissions and Goal

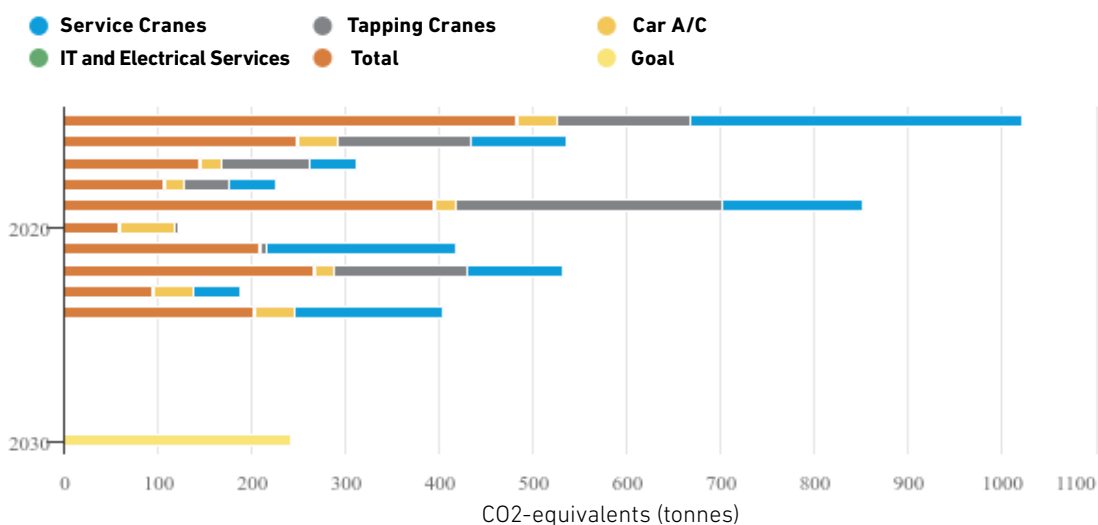
2015–2030



Real emissions from mobile equipment with the goal of a 40% reduction.

Refrigerant Emissions

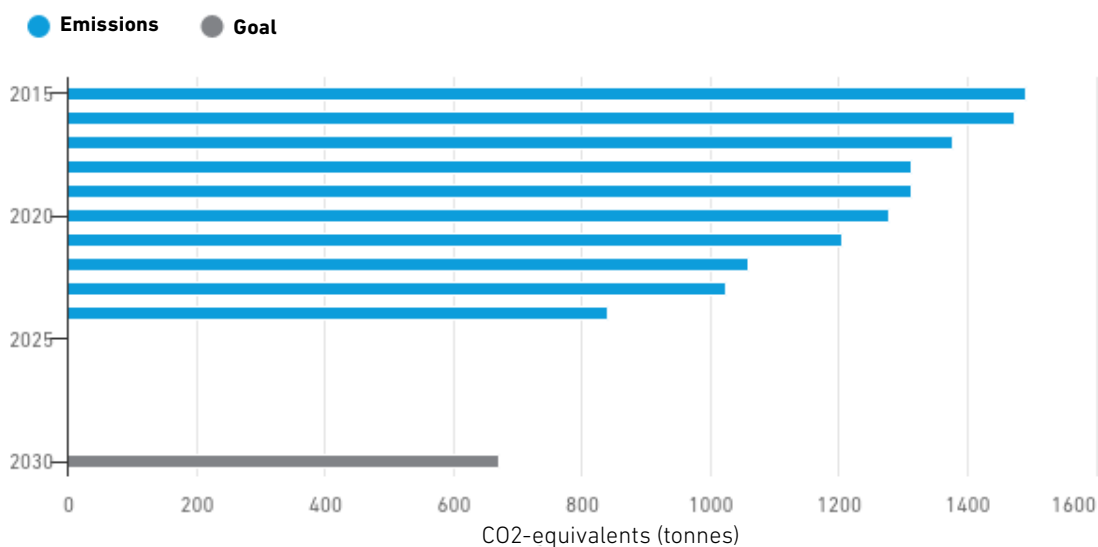
2015–2030



The registration of refrigerant consumption needs to be improved to get a clearer picture of the annual consumption or the average, long-term consumption.

Mobile equipment: Real Emissions and Goal

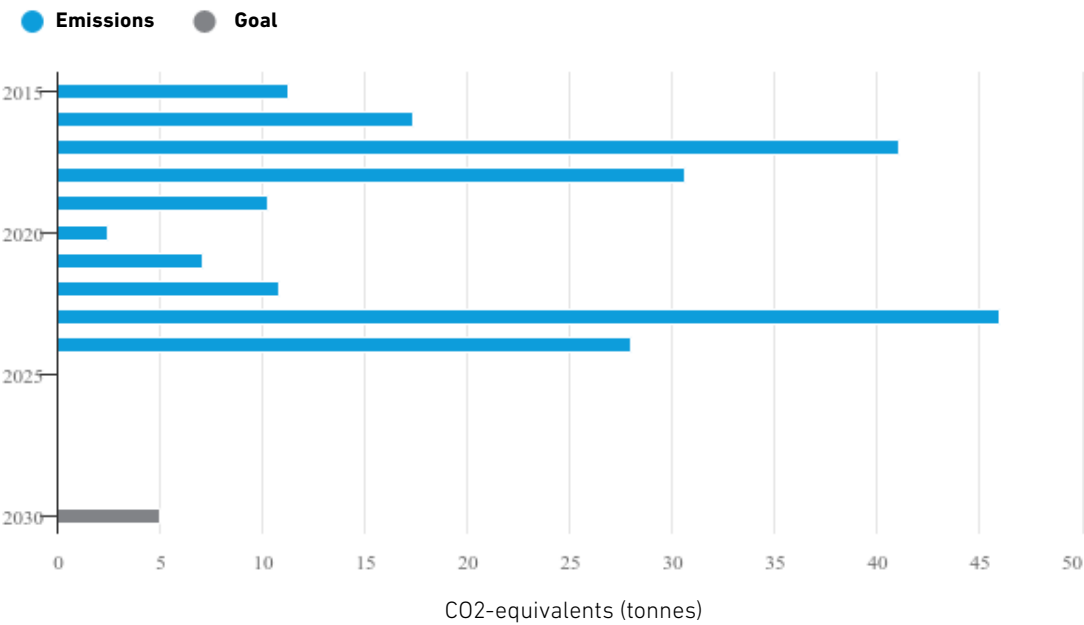
2015–2030



Real emissions from mobile equipment with the goal of a 40% reduction.

Air Travel Emissions

2015–2030



GHG removals and GHG mitigation projects financed through carbon credits E1-7

Norðurál has purchased 1,100 certified Icelandic carbon credits from Yggdrasil Carbon (YGG) as part of their first certified Icelandic carbon sequestration project. The credits derive from YGG's project at Arnaldsstaðir in Fljótisdalur, East Iceland, where spruce, pine and poplar were planted as part of the project in the summer of 2022. The carbon credits will not be active until measurements show real sequestration in the forest. It is assumed that Norðurál's credits will be gradually actualized until the year 2072. One certified carbon credit is created when one ton of carbon dioxide, which has been measured using approved methods and certified as such, is removed from the atmosphere or is prevented from entering the atmosphere.

Internal carbon pricing E1-8

Greenhouse gas emissions directly linked to the production process of Norðurál fall under the scope of EU's emission trading system (ETS). Its aim is to reduce emissions from the production processes of major industrial concerns in Europe, where companies must purchase emissions allowances. The trading system therefore functions as an economic incentive for industrial concerns like Norðurál to reduce emissions.

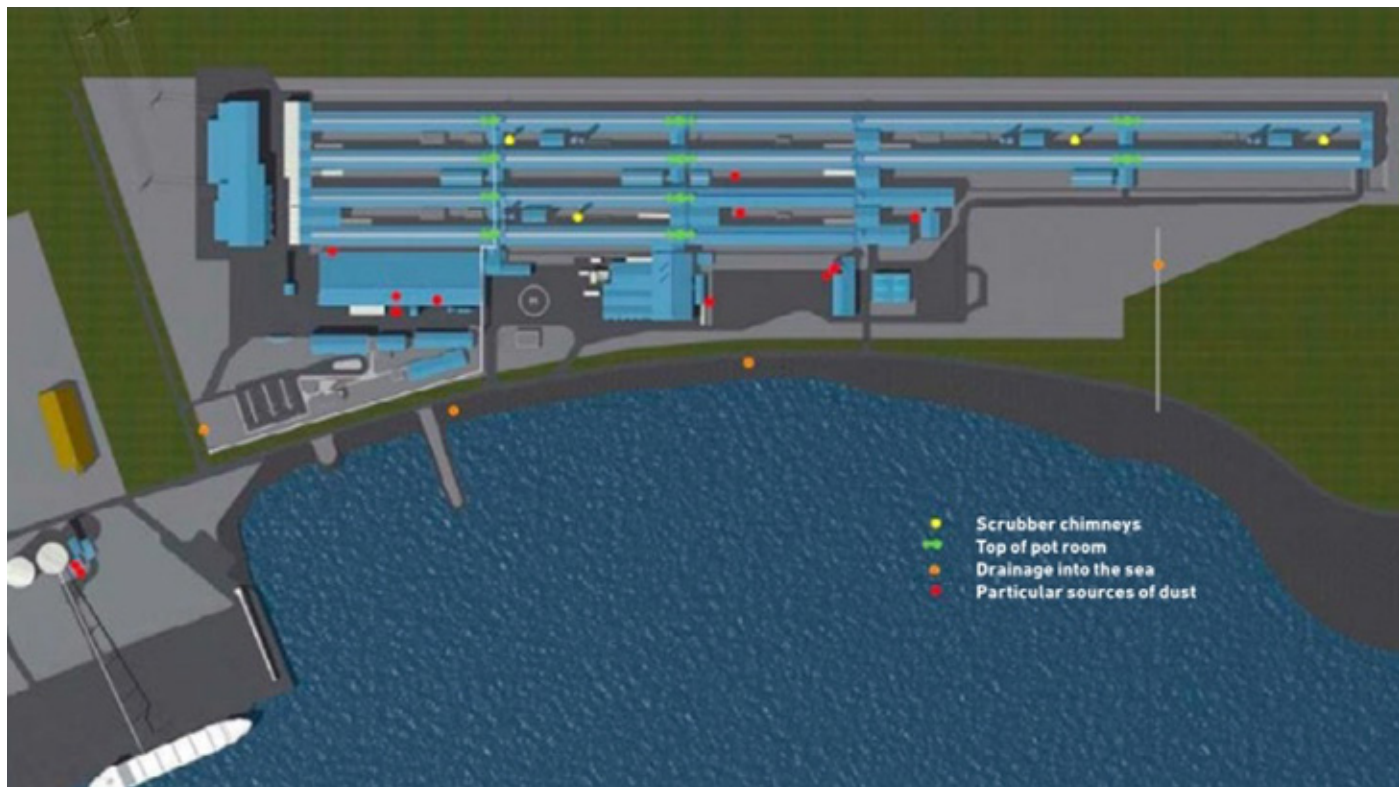
Anticipated financial effects from material physical and transition risks and potential climate-related opportunities E1-9

Climate change can reduce access to raw materials or reduce the quality of raw materials. Climate change can cause disruption to the supply chain of raw materials. Extreme weather conditions (severe frost/extreme heat/storms/floods/rise in sea levels) can cause damage to property, which can reduce the quality of production and production capacity. Droughts affect the water level in the highlands and thus the availability of renewable electricity. All of these factors can have a significant financial impact on Norðurál's operations.

Policies related to pollution E2-1

Norðurál's environmental policy describes the company's ambition to minimize all types of emissions, whether to air, water, sea or soil. Environmental impact is part of the risk assessment in connection with investment projects and Norðurál's operating procedures take into account the minimization of environmental impacts. Clear operating procedures, their application and monitoring of emissions ensure that Norðurál's operations are in harmony with the environment and society. The company's environmental risk analysis addresses risk factors related to all types of emissions and how such emissions are managed and minimized. Responses to acute pollution are defined in the company's emergency response and evacuation plan.

Norðurál's operating permit is issued by the Icelandic Environment Agency (UST) and is accompanied by detailed requirements for internal and external monitoring. While internal monitoring is defined in a measurement plan that accompanies the operating license, external monitoring is described in a separate monitoring plan approved by the Environment Agency.



Description of the processes to identify and assess material pollution-related impacts, risks and opportunities **ESRS 2 IRO-1**

Norðurál has implemented integrated, certified processes for identifying and assessing environmental impacts, risks and opportunities related to pollution and other sustainability aspects. The processes are part of the ISO 14001 certified environmental management system and integrated with the company's overall management.

Environmental factor analysis

- Norðurál conducts a systematic environmental aspect analysis where all aspects of the operation are assessed based on the scope, severity and likelihood of negative impacts.
- The environmental aspects that are considered risky or involve significant challenges are defined as significant environmental aspects and are subject to annual review and prioritization of actions.
- Other aspects are reassessed at least every three years.
- The analysis is carried out with the active participation of managers and employees from all key departments.

Consultation and participation of employees

- The process is based on consultation and multidisciplinary assessment within the company and includes the involvement of experts, managers and employees in operations and production.
- This ensures that insight into daily operations is utilized for risk assessment and the identification of improvement opportunities.

Feedback system and notification of environmental incidents

- Norðurál operates a feedback system where employees can record deviations, incidents or improvement opportunities related to pollution or other environmental risks.
- The feedback is analyzed and the appropriate improvement process is subsequently initiated.
- Field inspections, environmental reviews and regular monitoring of emissions and environmental aspects are part of the daily work of experts and managers.

Objectives and improvements

- Results from environmental factor analysis and recommendations are used to formulate measurable goals, improvement projects, and manage the prioritization of actions.
- In this way, Norðurál ensures that environmental policy and pollution management have an actual impact on the company's daily decisions and long-term strategy.

Actions and resources related to pollution at Grundartangi E2-2

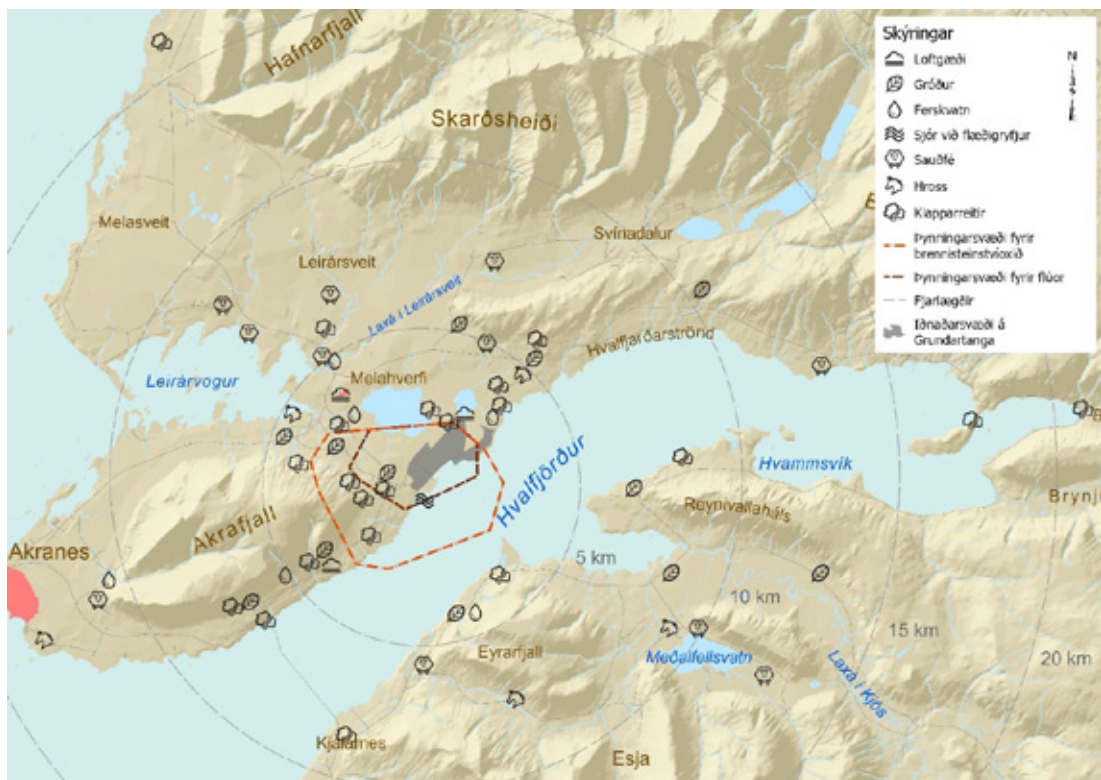
Norðurál actively participates in environmental monitoring of the industrial area at Grundartangi, which has been carried out continuously for over a quarter of a century. The area has been referred to as one of the best studied in Iceland in terms of the environmental impact of industrial activities. Environmental monitoring is an important part of the company's environmental management and supports Norðurál's goal of ensuring that the company's operations are in harmony with the local environment and society.

Independent parties monitor the parameters in air, sea and freshwater, as well as the effects on livestock and vegetation, in accordance with the approved monitoring plan linked to operating permits and approved by the Environment Agency of Iceland.

The scope of environmental monitoring in 2024 covered about 130 sampling points, where around 460 samples were collected and analyzed. Studies for environmental monitoring were carried out by the Marine Research Institute's Chemical Analysis Department, the Mosfellsbær Veterinary Clinic and other independent parties. Around 80 parameters were analyzed in the samples.

Data and results show that the pollution load from the activities at Grundartangi is insignificant and within acceptable limits. Measurements show that gaseous fluoride (HF) in the atmosphere was above the limit values at the air quality station by Kríuvarða, but all other criteria set in operating permits and regulations for air quality, freshwater, sea, hay and grass were met. Icelandic reference values for precipitation, vegetation (leaves and needles) and herbivores are not defined. Fluoride concentrations in vegetation were in all cases below the tolerance limits for vegetation. Fluoride in hay proved to be below the tolerance limits for herbivores and under the maximum value in feed for sheep. Results for sulfur in hay was comparable to other studies that have been conducted on sulfur content. Although the average concentration of fluoride in the jaw bones of sheep has increased in comparison with 1997, it is unchanged compared to 2007. There does not appear to be a clear relationship between the dental health of slaughter animals and the concentration of fluoride in the jawbones. There were no detectable effects of fluoride on the teeth or joints of live sheep and horses.

The companies involved in the environmental monitoring in Grundartangi are Norðurál at Grundartangi, Elkem Ísland, and Alur aluminum processor. Part of the measurements are accessible in real time on the website of the Icelandic Environment Agency, ust.is. An extract of the results for the year 2024 can be found on Norðurál's website along with the 2024 report.



Internal monitoring

Internal monitoring of Norðurál's environmental issues is carried out according to the operating license measurement plan. Fluoride, dust and sulfur dioxide emissions from the potrooms and scrubbers are monitored through continuous measurements and annual comparison measurements by external parties. Emissions from smaller dust sources are also monitored regularly.

Continuous measurements of scrubber stacks and potthouse room framework are automatically recorded and monitored. Managers and employees on shifts thus receive a message immediately if emissions turn out to be above defined internal standards. This makes it possible to shorten response times and minimize emissions.

On the Norðurál site, there are oil separators and sand traps where applicable that clean surface water which flows to the sea. The total flow of surface water and wastewater to the sea is not measured, but quarterly measurements are made of the concentration of substances in outlets from Norðurál's site. An analysis of oils in cooling water from rectifiers and the casthouse is carried out twice per year. Verkís Engineering monitors the sewerage for fluoride, aluminum, suspended particulates, and oil or grease. Chemical analyses of cooling water are carried out by the University of Iceland's Pharmacology and Toxicology Research Institute.

Targets related to pollution E2-3

Norðurál has set clear goals to minimize the release of pollutants in accordance with the company's environmental policy and statutory requirements. The two most important environmental factors, fluoride emissions and dust contamination, are continuously monitored and followed up with daily, weekly, monthly and annual measurements.

Fluoride

Fluoride emissions are measured both at the potrooms and in the scrubbers. Fluoride emission targets are defined both as operating permit limits and as internal targets.

In 2024, the fluoride emission target was achieved as it decreased from the previous year.

Dust

Dust contamination is analyzed through air quality measurements in the potrooms and from the scrubbers.

Whereas dust contamination exceeded the internal target in 2024, it was still within the permissible limits according to the operating permit.

Continuous monitoring and improvement

Emission targets vary by stations and circumstances, but they are all part of an approved process according to the ISO 14001 environmental management system.

Results are compiled regularly and presented to managers and employees, with the aim of identifying deviations and implementing improvements

Pollution of air, water and soil E2-4

Results from internal monitoring of emissions to air, water and soil can be found in the table on Norðurál's Green Accounting and in the environmental monitoring report for the industrial site at Grundartangi. See more in the section on Norðurál's Resource inflows, E5-4 below.

Substances of concern and substances of very high concern E2-5

Emissions of fluoride, dust, sulfur dioxide and greenhouse gases from production processes are classified as substances of very high concern in Norðurál's operations. Emissions of these substances are provided in the table on the company's Green Accounting as total emissions and as emissions per production unit. See more in the section on Norðurál's Resource inflows, E5-4 below.

Anticipated financial effects from pollution-related impacts, risks and opportunities E2-6

If an environmental incident occurs which results in environmental pollution, it will involve costs for minimizing the extent and impact and possible mitigation measures. Responses to environmental incidents are defined in Norðurál's emergency response plan.

Policies related to water and marine resources

E3-1

Norðurál's environmental policy emphasizes that the company's operations are in harmony with the environment and that continuous efforts are made to minimize environmental impacts. The objective of minimizing emissions includes emissions to water and sea. Regular measurements of wastewater, fresh water and sea are carried out as part of the measurement plan and environmental monitoring. The results are compared with limits in the operating permit, regulations and background measurements to assess potential loads.

Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities **ESRS 2**

IRO-1

The investment project process includes an assessment of environmental aspects and efforts to minimize emissions to the sewer is part of that assessment. The procedures for routine work also take into account the analysis of environmental aspects. In this way, procedures are managed to minimize the release of substances into the sewer or into the air that can reach nearby water bodies. Risk assessments are carried out for other projects where preventive measures are defined regarding the use and release of substances and waste management.

Construction projects that may affect water quality are assessed in accordance with the Water Management Act and an impact assessment is carried out for the relevant water body. The operation of flow pits is also based on a risk assessment that takes into account discharges to the sea.

Actions and resources related to water and marine resources **E3-2**

On the Norðurál site, there are oil separators and sand traps where applicable that clean surface water which flows to the sea. The total flow of surface water and wastewater to the sea is not measured, but quarterly measurements are made of the concentration of substances in outlets from Norðurál's site. An analysis of oils in cooling water from rectifiers and the caskhouse is carried out twice per year.

Verkís Engineering monitors the sewerage for fluoride, aluminum, suspended particulates, and oil or grease. Chemical analyses of cooling water are carried out by the University of Iceland's Pharmacology and Toxicology Research Institute.

The investment project process includes an assessment of environmental aspects, and minimizing discharges to the sewer is part of that assessment. The operating procedures for regular operations also take into account the analysis of environmental aspects. In this way, the procedure is managed to minimize the release of substances into the sewer or into the air that can reach nearby groundwater, surface water or sea. A risk assessment is carried out for

other projects, where preventive measures are defined regarding the use and release of substances and waste management.

Construction projects that may affect water quality are assessed in accordance with the Water Management Act and an impact assessment is carried out for the relevant area. The operation of overflow pits is also based on a risk assessment that takes into account discharges to the sea.

According to a risk assessment carried out on the basis of Act No. 33/2004 on the prevention of marine and coastal pollution, only oils in the Norðurál area fall under the definitions listed in Annex II to the Act and result in acute pollution of the sea or coasts. If an emergency pollution risk arises within the Norðurál smelter in Grundartangi that could cause a hazard outside the smelter site, an emergency management team must be summoned. The team is responsible for coordinating Norðurál's response and that from external response parties. Norðurál has procedures in place for preventive monitoring of oil traps, oil tanks and hydraulic systems to minimize the risk of oil spills.

Targets related to water and marine resources **E3-3**

Norðurál monitors water consumption in its systems and has defined warnings on responses if deviations from abnormal use occur. Water consumption is generally fairly stable between years, as can be seen in the company's green accounting. Norðurál's objectives are that all measurements of sewage, fresh water and sea water are always within defined reference limits to protect the ecosystem. If deviations occur, they are recorded in a feedback system, a root cause analysis is carried out and preventive measures are implemented to prevent recurrence.

Water consumption **E3-4**

Water supplied to Norðurál comes from the Tunga and Hlíðarfótur springs in Svínadalur valley. Fresh water consumption in 2024 amounted to approximately 171,117 m³. Thereof, potable water accounted for 68,447 m³ and water used for production was 102,670 m³. The rectifier cooling system uses about 7,884,000 m³ of sea water each year.

- Circulated seawater in the rectifier cooling system is by far the largest part of water consumption
- Industrial water (freshwater) amounts to about 1.3%
- Drinking water (freshwater) amounts to about 0.8%

Anticipated financial effects **E3-5**

If an environmental incident occurs which results in the pollution of ground water, surface water or sea, it would involve costs for minimizing the extent and impact and possible mitigation measures. Responses to environmental incidents are defined in Norðurál's emergency response plan.

Environmental monitoring **E4-1**

Norðurál actively participates in coordinated environmental monitoring at

Grundartangi to monitor the impact of industrial activities on the area's biota and ecosystem. The monitoring is carried out according to an environmental monitoring plan approved by the Icelandic Environment and Energy Agency and valid until 2028. The main results show that the impact of industrial activities at Grundartangi on the area's biota is small and generally within the limits set in the operating permits.

The environmental monitoring is a collaborative project between Norðurál Grundartangi ehf., Elkem Ísland ehf. and Alur Aluminum and is based on a risk assessment with the involvement of stakeholders and experts in the field. Its aim is to assess the actual impact of industrial activities on the natural environment and ensure that operations are in accordance with nature and the local community.

Monitoring includes the following environmental aspects:

- Climate and air quality
- Freshwater
- Vegetation, mosses and lichens
- Hay quality and pastures (sheep and horses)
- Sea and marine sediments, including marine life at the Grundartangi flow pits

Each monitoring aspect has defined measurement parameters and monitoring frequency. Data recording aims to identify whether the impact of the companies' operations exceeds the limits of operating permits or regulations and whether long-term effects on nature or the ecosystem can be identified.

A more detailed discussion of environmental monitoring can be found in section E2-1.

Policies related to biodiversity and ecosystems

E4-2

Norðurál emphasizes that its operations are conducted in harmony with the environment. Continuous efforts are made to minimize environmental impacts and sustainably utilize energy and raw materials. This means that the operations do not have a negative impact on the ecosystem and biodiversity.

Norðurál's operations have undergone an environmental impact assessment in accordance with the Environmental Impact Assessment Act. The assessment provides a detailed account of assessment factors related to the responsibility to maintain and promote biodiversity, such as vegetation and soil, wetlands, wildlife, land use, water, shoreline and sea.

Material impacts, risks and opportunities related to biodiversity

ESRS 2 SBM-3

The main risks related to adverse developments in biodiversity are reputational risk and possible enforcement actions by regulators if such developments are the responsibility of the company.

The main opportunities related to the protection and positive developments in biodiversity relate to the restoration of wetlands. By promoting the restoration of wetlands, Norðurál can have a positive impact on the ecosystem and habitat

of many plant and animal species. These actions bind carbon in the soil over time, which Norðurál could use as a mitigation measure against greenhouse gas emissions.

Norðurál's operations may have indirect impacts on ecosystems and biodiversity in the local community. Although direct loads on nature from operations are limited according to monitoring data, it is important to identify and respond to risks that may be related to reputation and regulatory requirements, as well as to utilize opportunities for positive impacts.

Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity **ESRS 2 IRO-1**

Norðurál regularly identifies and monitors the impacts of its operations on biodiversity through structured processes in accordance with the company's environmental management system (ISO 14001) and applicable operating permits. The main process supporting this analysis is the joint environmental monitoring of the industrial site at Grundartangi, which has been carried out continuously for a quarter of a century.

The results of environmental monitoring are reviewed as results come in from independent experts who are responsible for the analysis and interpretation of the results. The monitoring results are also reviewed annually in consultation meetings with the Icelandic Environmental and Energy Agency, the Hvalfjörður municipality and the West Iceland Health Inspectorate. In addition, open briefing meetings are held annually in the local community where the results are reviewed and an opportunity is provided to submit comments. The environmental monitoring plan is reviewed regularly and changes are made, if necessary, in consultation with stakeholders.

Actions and resources related to biodiversity and ecosystems **E4-3**

Norðurál operates a standardized environmental management system in accordance with ISO 14001, which ensures that the company's operations are in harmony with nature and the ecosystem in the smelter's operating area. The system includes integrated management and clear processes that cover both daily operations, regular maintenance and new construction by the company.

Main focuses of Norðurál's actions:

- **Implementation of protective procedures:** Processes in investment projects and maintenance work take into account avoiding disruption of sensitive ecosystems and minimizing the impact on the biosphere in the vicinity of the smelter.
- **Cultivation and land restoration:** Areas disturbed by construction are covered with vegetation to promote the restoration of vegetation cover. Norðurál has also supported forestry in the vicinity of the smelter as part of increasing biodiversity.
- **Design and appearance of structures:** Emphasis is placed on ensuring that buildings and structures fit well into the environment and landscape. Special

attention has been paid to color selection, appearance and location with regard to the visual impact on nature and the coastline of Hvalfjörður.

- **Minimization of noise and light pollution:** Technical and operational measures have been implemented to keep noise to a minimum. Lighting has also been controlled to have the least impact on the surrounding area and wildlife, for example by using direct and subtle lighting instead of overhead lights.

Targets related to biodiversity and ecosystems

E4-4

Norðurál's main objective is that the company's operations do not have a negative impact on the ecosystem in the vicinity of the smelter and that all operations are within the limits defined in operating permits and applicable environmental legislation. Environmental monitoring of the industrial area at Grundartangi is a key tool in following up on these objectives. It includes regular measurements of the ecosystem and environmental conditions in the area and covers air quality, freshwater, sea, flora and fauna. Norðurál's goal is that all reference values are met to ensure the protection of the ecosystem.

The results of environmental monitoring at the Grundartangi industrial site for the year 2024 are compared with:

- **Reference values in operating permits and regulations**, where they exist.
- **Baseline measurements from 1997**, which provide a reference for the natural state before the start of operations.
- **Long-term comparison between years**, which shows the development of environmental factors since all the smelter's pots were started up in 2007.

Impact metrics related to biodiversity and ecosystems change in Grundartangi E4-5

The main environmental monitoring indicators for the Grundartangi industrial site, as defined in the environmental monitoring plan approved by the Icelandic Environment and Energy Agency, relate to the impact of industrial activities on the ecosystem and the natural environment on land, in water and at sea. They include the following aspects:

Air quality

- Atmosphere: Fluoride in air and dust, sulfur dioxide in air and dust, particulate matter, PAHs in particulate matter, nitrous oxide and hydrogen sulfide
- Precipitation: Chloride, nitrate, sulfur sulfate, fluoride, pH, sodium and calcium

Freshwater

- Chemical composition of river water (pH, conductivity, fluoride, chlorine, sulfur sulfate, sodium and calcium)

Sea and marine sediment

- Quantity of metals, cyanide, fluorine and phosphorus in seawater at flow pits
- Biological aspects of mussels

-
- PAHs and inorganic trace elements in mussel soft tissue
 - PAHs in marine sediments

Vegetation

- Vegetation changes in lichens and mosses, sulfur and fluoride in lichens (which are sensitive and good long-term indicators)
- Vegetation changes in peatlands
- Fluoride (in plant tissue and from the surface) in grass, leaves (birch, spruce) and conifers (spruce, mountain pine, shore pine)
- Fluoride and sulfur in hay

Fauna

- Fluoride in the jaws of slaughtering sheep and the condition of teeth and jaws
- Condition of teeth and joints in live sheep
- Condition of teeth and joints in live horses

Meteorological measurements and local distribution models

- Wind speed and direction
- Precipitation and climate conditions
- Data collection to analyze the diffusion of pollutants

Anticipated financial effects E4-6

If an environmental incident occurs that may result in a potential adverse impact on the ecosystem and biodiversity, it would involve costs for minimizing the extent and impact and possible mitigation measures. Responses to environmental incidents are defined in Norðurál's emergency response plan.

Policies related to resource use and circular economy E5-1

Norðurál places a primary emphasis on minimizing environmental impact and using raw materials and energy in a responsible manner. This involves minimizing waste generation and seeking ways to fully utilize the value inherent in the waste that is generated in the spirit of a circular economy.

The huge advantage of aluminum is that it can be recycled almost infinitely, and 75% of all aluminum ever produced is still in use. Aluminum's properties therefore fit well with society's demands for increased value circulation.

Actions and resources related to resource use and circular economy E5-2

Waste from our operations can be categorized as recyclable materials, non-recyclable industrial waste sent to coastal flow pits, solid waste sent to landfill, sewage, and hazardous waste.

Íslenska gámafélagið (the Icelandic Waste Association) is the waste collection service provider for Norðurál in Grundartangi. Their employee oversees the collection of waste from receiving stations in the production area. Waste is

collected in a container area where it is further sorted. Landfilling of mixed waste was discontinued in the spring of 2021. What remains is incombustible coarse waste that cannot be used for energy recovery. Work will continue to minimize the generation of waste and find other alternatives for the disposal of coarse waste materials.

There are sorting stations in Norðurál's canteens and operating areas for plastic, paper, general waste, and, where applicable, hazardous waste. Nowhere should there be only one bin for unsorted or general waste, neither in offices nor in the production area. There shall always at least three bins standing together so sorting can take place.

Employees in each area are responsible for emptying these bins at the reception points shown in the overview. The reception points receive the categories of waste that is generated in each area. Waste collection staff are responsible for collecting waste from the reception points and transporting it to the company's waste sorting area. In the waste sorting area, waste is sorted further when appropriate and its volume reduced to minimize transportation.

Norðurál's action plan lists actions aimed at minimizing waste generation and maximizing value from waste. The actions are as follows:

- Action 6: Reduction in plastic use
- Action 7: Identify opportunities for recycling production waste; otherwise sent to flow pits
- Action 8: Coordinate waste labeling
- Action 9: Staff education on waste and environmental issues

Targets related to resource use and circular economy E5-3

In 2024, almost 80% of the waste generated by Norðurál's operations was recycled. A major part of that is production waste such as anode butts and coke. Emphasis has been placed on recycling and reducing general waste. As an example, organic waste from the canteen, which is treated by SORPA Waste Disposal Company, becomes a nutrient-rich soil supplement and methane gas.

Norðurál's goals and metrics that contribute to a circular economy are also reflected in the company's climate action plan. Norðurál's goal is to reduce landfilling of general waste by 70% between 2015 and 2030. Between 2015 and 2024, landfilling of general waste has decreased by 44%.

Norðurál's resource inflows E5-4

Norðurál manages its resource use in accordance with environmental information regulations and publishes the results annually. This includes a detailed listing of the main inputs and raw materials used in the company's operations. Norðurál's Green Accounting can be accessed on Norðurál's website. The main resources that are classified as resources in Norðurál's operations include:

- Electricity from renewable energy sources (hydropower and geothermal energy)
- Fresh water and industrial water for production

- Raw materials: alumina, anodes, fluorine, silicon and other materials used in aluminum production
- Auxiliary materials, packaging and other materials used in the processing and transportation of products

Employees, raw materials and resource consumption

Quantity	2020	2021	2022	2023	2024	Unit
Employees	581	601	631	606	675	♂/♀
Female employees	131	141	134	131	145	
Male employees	450	460	497	475	530	
Electricity	4,626,000	4,669,000	4,566,844	4,622,751	4,575,045	MWh
Oil	466,822	440,690	387,619	373,898	331,552	Litres
Gas	33	32	22	21	26	Tonnes
Fresh water	180,611	177,116	163,733	158,937	171,117	m³
Sea water	7,884,000	7,884,000	7,884,000	7,884,000	7,884,000	m³
Total raw materials used	2.37	2.39	2.38	2.38	2.36	t/t Al
Imported raw material	2.37	2.39	2.38	2.38	2.36	t/t Al
Hazardous substances (solid)	605,101	614,410	592,526	600,816	593,469	Tonnes
Hazardous substances (liquid)	493,990	466,947	417,715	407,506	362,856	Litres
Misc. packaging	< 400	< 400	< 400	< 400	< 400	Tonnes



Production and raw material consumption

Quantity	2021	2022	2023	2024	Unit
Aluminum production					
Primary aluminum production	315,182	306,267	310,421	308,355	Tonnes
Aluminum oxide	608,015	585,833	593,809	586,595	Tonnes
Aluminum fluoride	4,233	4,306	4,648	4,369	Tonnes
Prebaked anodes (net consumption)	133,658	131,222	133,646	128,610	Tonnes
Propane	32	22	21	26	Tonnes
Diesel oil	440,690	387,619	373,898	331,552	Litres
Sodium hydroxide	227	297	231	227	Tonnes
Flange paste	1,219	1,417	1,410	1,459	Tonnes
Cast iron	836	581	704	750	Tonnes
Anode rods	596	509	501	434	Tonnes
Electricity	4,669,000	4,566,844	4,622,751	4,575,045	MWh
Industrial water	106,269	98,240	95,362	102,670	m³
Drinking water	70,847	65,493	63,575	68,447	m³
Sea water	7,884,000	7,884,000	7,884,000	7,884,000	m³
Silicon	4199	4656	4111	3762	Tonnes
Magnesium	153	176	167	263	Tonnes
Titanium	65	73	66	58	Tonnes
Strontium	18	21	17	15	Tonnes
Hydraulic oil	7,320	10,069	10,878	10,878	Litres
Oil for cooling	3,057	1,709	1,850	1,343	Litres
Oil removing chemicals	2,035	1,800	1,895	1,670	Litres
Lubricating oil	2,820	5,899	3,765	2,956	Litres
Ferrosilicon	20	17	22	21	Tonnes
Ferromanganese	10	10	10	13	Tonnes
Ferrophosphorus	13	9	12	11	Tonnes
Carbon	53	48	60	60	Tonnes
Steel pellets	86	34	37	33	Tonnes
Wood sticks	12,250	12,250	17,650	15,700	Pcs.
Batteries	67	58	62	70	Pcs.



Resource outflows E5-5

Norðurál manages all emissions and waste generated by the company's operations in accordance with environmental information rules. This data is published annually and provides a comprehensive overview of the release of resources from the company's operations, both in the form of waste and emissions. Numerical information and a summary can be found in Norðurál's Green Accounting.

Main categories include:

- Solids: Inert waste, combustible waste, hazardous materials, anode butts, etc.
- Liquids: Coolants, oils and chemical fluids
- Gases: Emissions of greenhouse gases and other air pollutants according to defined criteria

Emissions of chemicals and waste management

Quantity	2020	2021	2022	2023	2024	Unit
Atmospheric emissions						
Fluoride (gaseous and particles)	0.38	0.38	0.40	0.35	0.32	kg/t Al
Sulphur dioxide SO ₂	8.64	10.62	11.69	9.76	10.24	kg/t Al
Dust	0.70	0.71	0.71	0.75	0.74	kg/t Al
Carbon Dioxide CO ₂	1.50	1.53	1.55	1.54	1.50	t/t Al
Fluorocarbons. PFC CO ₂ equivalents	0.14	0.15	0.13	0.12	0.08	t CO ₂ eq. /t Al
Polycyclic aromatic hydrocarbons PAH ₁₆	0.000058	0.000056	0.000079	0.000072	0.000078	kg/t Al
Release into surface water/groundwater/sea						
Sludge	0.07	0.05	0.05	0.09	0.06	kg/t Al
Oil/fat in cooling agents from casthouse and rectifiers	< 0.5	< 0.5	< 0.5	< 0.5	< 0.5	ppm
Release into municipal sewage system						
From septic tanks	0.07	0.05	0.05	0.09	0.06	kg/t Al
Waste disposal						
Compactable waste	0.50	0.40	0.45	0.42	0.50	kg/t Al
Seashore repository	36	33	28	29	30	kg/t Al
Recyclable waste						
Anode waste and coal dust	109	111	114	113	115	kg/t Al
Aluminum slag	8.8	9.2	8.5	8.4	10.7	kg/t Al
Wood	1.0	1.1	0.9	0.9	1.1	kg/t Al
Scrap metal	2.1	2.6	2.1	1.9	2.0	kg/t Al
Cardboard	0.12	0.12	0.12	0.09	0.13	kg/t Al
Plastic	0.04	0.03	0.05	0.08	0.06	kg/t Al
Hazardous waste for disposal						
Total waste	0.02	0.01	0.03	0.03	0.01	kg/t Al

Waste

Quantity	2020	2021	2022	2023	2024	Unit
Material from the sewer						
Sludge	21.2	16.4	14.9	29.4	19.0	Tonnes
Other waste (from septic tanks)	8.4	6.6	3.2	2.5	-	Tonnes
From sandtraps	20	-	9	9	-	Tonnes
Recyclable waste						
Anode butts	32,769	33,750	33,429	33,759	34,028	Tonnes
Carbon dust	1,266	1,302	1,409	1,455	1,478	Tonnes
Aluminum dross	2,888	1,823	2,982	3,917	2,338	Tonnes
Busbars	2,762	2,890	2,603	2,617	3,303	Tonnes
Anode stub metal	1,986	1,714	1,341	1,560	1,723	Tonnes
Scrap iron	645	830	640	585	612	Tonnes
Timber	307	362	273	276	328	Tonnes
Cardboard	38	37	36	29	40	Tonnes
Plastic	13	10	14	24	17	Tonnes
Waste oil	29	4	7	20	6	Tonnes
Rubber tires	1.7	9.8	9.4	12	5	Tonnes
Batteries and electronics	5.1	3.9	5.7	4.6	6.7	Tonnes
Textile	4.1	2.9	1.9	1.4	3.4	Tonnes
Light bulbs	0.20	0.17	0.26	0.26	0.19	Tonnes
Oil contaminated waste	9	8	9	19	13	Tonnes
Hazardous waste						
Electronics – hazardous waste	0	0.4	-	0.2	-	Tonnes
Hazardous waste	4	2	7	9	1	Tonnes
Paint	0.8	0.4	0.8	1.1	0.6	Tonnes
Substances in flood pits						
Spent potlining	8,289	7,008	5,793	6,571	7,446	Tonnes
Carbon from rodding shop	1,275	1,409	1,221	1,046	1,032	Tonnes
Carbon from pot rooms	1,224	1,242	1,110	1,065	604	Tonnes
Dust from sweeper	498	413	274	311	273	Tonnes
Residual refractory material	121	127	51	145	114	Tonnes
Earth materials	-	75	-	-	-	Tonnes
Dross sand	1,845	1,041	1,796	3,377	1,294	Tonnes
Solid waste						
Waste for compacting	157	125	138	130	154	Tonnes
Organic waste	8	10	13	17	17	Tonnes

Emissions into the air

Quantity	2020	2021	2022	2023	2024	Unit
Substances						
CO ₂	467,721	481,595	474,498	478,319	463,385	Tonnes
CF ₄ /C ₂ F ₆	43,137	46,860	38,753	37,463	25,753	t CO ₂ eq.
SO ₂	2,700	3,348	3,580	3,028	3,161	Tonnes
Polyaromatic hydrocarbons	18.1	17.6	24.2	22.4	24.1	Kg
Total fluoride	120	121	122	109	98	Tonnes
Dust (PM10)	218	222	216	234	228	Tonnes

Use of hazardous chemicals (Xn, T, Tx, C, Xi, E, Fx, F, O, N)

Quantity	2020	2021	2022	2023	2024	Unit
DAG 2671 (O, T, N)	-	-	-	-	-	Litres
DAG 554/20 (C, N, Xn)	19,540	18,937	20,027	22,730	20,426	Litres
Plicast strong mix	152	-	97	107	91	Tonnes
Ramming paste (T)	758	660	535	567	678	Tonnes
Flange paste (T)	1,452	1,219	1,417	1,410	1,459	Tonnes
Propane (Fx, F, E)	33	32	22	21	26	Tonnes
Diesel oil (Xn, O)	466,822	440,690	387,619	373,898	331,552	Litres
Hydraulic oil	7,628	7,320	10,069	10,878	10,878	Litres
Sodium hydroxide (Xi)	249	227	297	231	227	Tonnes
Aluminum fluoride (Xn)	4,551	4,233	4,306	4,648	4,369	Tonnes
Aluminum oxide (Xn)	597,881	608,015	585,833	593,809	586,595	Tonnes
Ferromanganese (Xn)	10	10	10	10	13	Tonnes
Ferrophosphorus (Xn)	15	13	9	12	11	Tonnes

Anticipated financial effects from pollution-related impacts, risks and opportunities E5-6

The circular economy can have a positive impact on Norðurál's operations through improved utilization of raw materials and full utilization of the values inherent in the waste that is generated. The cost of waste disposal can thus be reduced through improved utilization and better waste management.

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities ESRS 2 IRO-1

Norðurál keeps and publishes its Green Accounting covering all aspects of its operations. The company's goal is to utilize all raw materials to the greatest extent possible, and to report in detail how we dispose of all undesirable substances. Green accounting improves environmental culture, increases caution in handling unwanted materials, makes it easier for employees to explore new ways to minimize emissions and waste, and encourages responsible treatment of raw materials and the local environment.

The Green Accounting dates back to 2003 and clearly shows that we have achieved significant success in all areas: This applies to everything from improved utilization of raw materials to the recycling of organic waste in the canteen.

Norðurál has had a life cycle assessment carried out on the aluminum produced by the company. The analysis is based on the aluminum's cradle-to-gate with end-of-life scenario life cycle, including the production and transportation of raw materials, local emissions, and generation of waste, as well as the shipping of the final product to the European market. The results of the life cycle analysis provide useful insight into the value chain of Norðurál's aluminum production and where opportunities lie to contribute to minimizing environmental impacts.



People & the community

Policies related to own workforce S1-1

Norðurál emphasizes professional human resource management guided by the company's role, vision and values. Norðurál's human resources policy aims to create an accident-free and desirable workplace where safety, equality and the well-being of employees are paramount.

Equality and human rights

Norðurál conducts its activities and business with respect for human rights. Norðurál emphasizes the equal right of staff to career advancement, remuneration, and rights, irrespective of their sex, sexual orientation, religion, or origin. Norðurál aims for continuous improvements and complies with laws and other stipulations on human rights and equality.

Human rights and equality goals:

- Prevention of bullying, harassment, and other forms of violence
- Promotion of gender equality
- Equal pay for comparable jobs

Safety and Health Policy

Norðurál prioritizes safety and health. All employees are aware of the importance of safety protocols and conduct in the workplace, and respect at all times the principle that no job should be done under unsafe circumstances. Active participation by employees in accident prevention and in making improvements is emphasized. Norðurál adheres to all laws and regulations concerning safety and health.

Processes for engaging with own workers and workers' representatives about impacts S1-2

Norðurál emphasizes a positive and constructive working environment where the well-being and satisfaction of employees is the guiding principle. Emphasis is placed on diverse communication channels where employees and managers can convey suggestions, messages or ideas.

Workplace analysis

A workplace analysis has generally been carried out every two or three years, and the last analysis was made in November 2023. The main results were that the average employee engagement was 3.71, but in the last survey from 2022, the average employee engagement was 3.62. Employee satisfaction with Norðurál as a workplace also rose from 3.54 in 2022 to 3.64 in 2023.

In 2025, so-called pulse measurements will be introduced where job satisfaction is measured more often throughout the year so that work on improvements will be more targeted.

Employee interviews

Employee interviews are held annually, where employees have the opportunity to speak with their superiors in a formal manner. Employee interviews include discussions about employee performance, working environment, communication and well-being.

Termination interviews

Employees who resign on their own initiative are invited to have a termination interview with a human resources specialist. In such an interview, the reasons for termination are reviewed, among other things, so that opportunities for improvement can be identified.

Feedback system

Employees can send suggestions about human resources issues through Norðurál's feedback system. The safety, environment and improvement division is responsible for the feedback system, following up on feedback and ensuring that feedback reaches the right parties within the company.

Microsoft Teams

All Norðurál employees have access to the communication program Teams. Channels are defined on Teams, both by subject and by employee groups. There is also a general channel where news, announcements and messages are published. Employees have the option to write comments on news, announcements and messages. Teams also allows employees and managers to compose and send messages and/or make calls.

Norðurljós (Northern Lights)

Norðurljós is the name of the company's intranet. The intranet offers various information such as a quality manual, safety rules, requests and orders, computer help, educational materials, the canteen menu, access to a suggestion website and a project website, job vacancies and much more.

Processes to remediate negative impacts and channels for own workers to raise concerns

S1-3

Norðurál emphasizes the safety and well-being of employees, not least psychosocial safety, as risk factors in the work environment related to organization, management and communication are identified. Norðurál has issued and updated a contingency plan on how to respond to bullying, sexual and gender-based harassment, and other forms of violence. Such conduct in the workplace is not tolerated and appropriate action is therefore taken in these cases, and external experts may be consulted to ensure impartiality.

Education and prevention are important in this area. Educational sessions have been held and emphasis is placed on employees taking an online course that can be found on Learn Cove, Norðurál's educational system.

Employees are encouraged to report any incidents or suspicions of inappropriate conduct to their supervisor or to contact the human resources manager or human resources specialists directly.

Last year, no formal reports of bullying, sexual harassment, gender-based harassment or violence were received.

Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions S1-4

Norðurál places great emphasis on creating a safe, equality-oriented and constructive working environment, in line with the company's policy and values. Norðurál regularly identifies key human resource risks, such as the loss of key personnel, knowledge of safety regulations, lack of skills or the risk of social exclusion.

Key emphases:

- Recruitment and diversity: Norðurál follows professional recruitment processes to ensure the employment of qualified personnel, regardless of gender, origin, religion or sexual orientation.
- On-the-job training & the Norðurál School of Heavy Industry: Annual mapping of employee training needs ensures targeted on-the-job training. Norðurál has operated its School of Heavy Industry since 2012, which increases skills, understanding of production processes and job satisfaction.
- Safety and occupational health: Safety regulations are strict and enforced for all employees in the area. Diverse safety education and follow-up of incidents and projects is an integral part of daily work.
- Equality and rights: Norðurál guarantees equal rights to career advancement, pay and opportunities, without discrimination.
- Team spirit and job satisfaction: The company emphasizes fostering team spirit and ownership, which leads to low employee turnover (average length of service of about 7.7 years) and a strong workplace culture.
- Employees' Association (STNA): The employees' association strengthens culture, solidarity through events, education and social activities that enhance well-being and relationships within the company.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S1-5

Norðurál places great emphasis on safety and occupational health safety so that accidents and incidents can be prevented. The company's safety management system is based on the philosophy of continuous improvement and is certified by ISO standards. Risk management and incident investigations are part of Norðurál's key management system processes reviewed in internal audits.

To ensure the safety of staff, contractors, and visitors to the site, all those who work on and visit Norðurál's premises must familiarize themselves with the safety rules. The rules apply to everyone who enters Norðurál's premises. We work under the slogan "All for one!" which refers to the fact that safety is a collaborative project of all of us who work at Norðurál. We look after each other and help one another to address all tasks sensibly and safely.

Organizing and managing occupational health and safety at Norðurál

Norðurál operates a systematic health and safety management system with an emphasis on prevention, improvement and active participation of employees. The Safety, Health and Environment Committee (SHE), led by Norðurál's managing director, consists of the executive board, safety representatives and shop stewards. The committee promotes improvements and sets goals in accordance with Act No. 46/1980. The main tasks of the SHE committee and related professional councils are:

- Risk assessment and education on safety and health.
- Monitoring of equipment and facilities.
- Registration and analysis of accidents, incidents and health incidents.
- Monitoring of bullying, wellbeing and the use of personal protective equipment.
- Consulting on policy and work processes.

Norðurál operates according to standard operating procedures based on a risk analysis. All work is risk-screened before implementation and employees discuss safety issues at the beginning of the shift in daily whiteboard meetings. Contractors receive training and an introduction to safety rules before they start working for the company.

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"Safe behavior" is a safety culture project based on employee participation. It involves analyzing the work environment and procedures with an emphasis on safe execution. Goals are set and we celebrate when safe habits are achieved. In 2024, participation in the project was over 97%.

All safety and environmental incidents are registered in Norðurál's reporting system and processed through actions and incident analysis. Registrations also include deviations in the quality system and responses to customer and supplier feedback. Norðurál emphasizes continuous review and improvement in safety and health matters through active dialogue, metrics and training of employees at all levels.

Safety training and safety culture in the workplace

Safety training is a cornerstone of Norðurál's risk management. All employees attend an induction course upon hiring and training in safe procedures according to risk assessments. In 2024, special emphasis was placed on training in lock-tag-verify procedures, working at height, access to confined spaces and response training. Managers and foremen also received special training on safety culture and risk management.

Safety was at the forefront during the annual "inset days". The importance of personal responsibility was discussed and employees participated in a workshop where they answered the question "Why do you put safety first?"

The Golden rules for safety were introduced in 2024. The rules are based on standard procedures and describe behavior that contributes to an accident-free workplace. Employees are encouraged to stop work if conditions are unsafe and look for ways to ensure safe procedures. Norðurál has followed the "Safe Behavior" methodology since 2011. The goal is to promote safety awareness and establish safe working practices. Performance is measured and we celebrate when goals are achieved. In 2024, 97% participation in the project was achieved.

A safety culture survey was conducted in 2024 with approximately 80% employee participation. Results showed improved knowledge of goals, increased visibility of safety values, and stronger participation in prevention. The survey was previously conducted in 2017 and the current results show measurable progress in developing a safety culture.

Ongoing projects include strengthening shared responsibility, improving safety training and increasing positive feedback. Safety is a shared responsibility and the key to making Norðurál's vision of an accident-free workplace a reality.

Characteristics of the undertaking's employees S1-6

At the end of 2024, a total of 675 people worked at Norðurál. Broken down by:

- **Gender** (male 530, female 145, other 0)
 - **Positions / roles:** Grundartangi 645 Norðurál EHF 30
 - **Employment types:** Permanent 590, substitute job 82, temporary 3
- Employee turnover was 11.43%, average age and average tenure 7.5 years.

Norðurál partially employ purchased services and contractors for

limited projects, including maintenance, technical solutions and cleaning. Contractors follow the same safety rules as other employees and receive the same training.

Residence of Norðurál Employees

- Akranes 57%
- The capital area 32%
- Borgarfjörður 5%
- Hvalfjarðarsveit municipality 4%
- Elsewhere in Iceland 2%

Characteristics of non-employee workers in the undertaking's own workforce S1-7

Numerous contractors work for Norðurál at any given time, whether in specialist positions or as production operators. Contractors work in close collaboration with Norðurál employees and managers. Contractors working within Norðurál are hired on the basis of expertise or specialization in the relevant field. They are subject to the same rules and requirements as other Norðurál employees when it comes to competence, knowledge and compliance with safety rules. All contractors regularly attend safety courses.

Contractors are subject to the same safety rules and education as other employees:

- They receive training and an introduction to safety rules before they start working for the company.
- They must follow Norðurál's rules on occupational health and safety, the use of personal protective equipment and participation in feedback systems.
- Coordinated processes ensure that contractors' procedures and equipment are comparable to regular employees.

Collective bargaining coverage and social dialogue S1-8

The majority of Norðurál employees, around 470 people, are employed as production or maintenance workers under a collective agreement. Managers, middle managers, specialists, and some office workers have employment contracts that are not linked to a collective agreement. The notice period for permanent staff is one week during the trial period, one to three months during the first year of employment, and at least three months after that. Under the collective agreement, employees leave the employ of the company in the month when they turn 67 years old. Five employees retired due to age in 2024. The company offers those nearing retirement age a course addressing a variety of issues to be considered at such a juncture.

A large majority of Norðurál's workforce belongs to the trade unions VLFA, FIT, RAFIS, StéttVest, and VR. A collective agreement between Norðurál and the unions was signed in April 2025 and will remain in effect until year-end 2029.

Diversity metrics S1-9

Diversity and equality are key factors in creating a positive and constructive workplace culture. Equality goals are the guiding principle in all recruitment, as every recruitment is aimed at hiring the right person for the job while considering the underrepresented gender. This provides opportunities to recruit more women as production operators and tradespeople, as well as engineers and technicians in middle management.

As in the previous year, Norðurál received an Equality Scale from the Association of Women Business Leaders in Iceland (FKA) in 2024. The recognition is given to those companies that have taken action to equalize the share of women in senior management and have managed to equalize the proportion of the sexes at the top of management. The goal is for the ratio between men and women in the executive management of Icelandic companies to be at least 40/60 by 2027. Three out of seven members of Norðurál's Executive Team are women.

Norðurál has a certified equal pay system in accordance with the equal pay standard ÍST 85:2012 and has also received a Gold Certificate in PWC's equal pay audit for five years in a row, or since the equal pay audit was first carried out.

In 2024, BSI conducted a maintenance audit of the equal pay system, which confirmed that the equal pay system is designed to achieve the objectives of the company's equal pay policy.

The unexplained gender pay gap at Norðurál in 2024 was 1.1% and the coefficient of determination was 95%.

Adequate wages S1-10

Please see more under S1-8.

Social protection S1-11

Norðurál always adheres to the applicable collective agreements that the company has made with the relevant unions. The collective agreement guarantees the rights and obligations of employees, such as wages, sick leave, holiday entitlement, termination provisions, maternity leave, accident-related rights and retirement due to age.

The rights of those outside the unions are guaranteed in an employment contract, which specifically addresses sick leave, vacation rights, maternity leave, accident-related rights, insurance, provisions for pension funds, food and health benefits.

All Norðurál employees have access to the public social security system in accordance with Icelandic law and collective agreements. This includes, among other things, the right to health care, unemployment benefits, disability benefits, maternity leave and pension fund payments.

Therefore, 100% of Norðurál employees are insured by social security and no employee is excluded from such rights.

Persons with disabilities S1-12

Norðurál respects the rights of people with disabilities and therefore refers to the company's equality and human rights policy as well as laws that apply to the issue. Generally, there is no discrimination on the basis of disability when hiring within the company, but special consideration must be given to the working environment and whether it is possible to accommodate a disabled person.

Training and skills development metrics S1-13

Norðurál places great emphasis on the education and training of employees. The employees of Norðurál have various opportunities to educate themselves further and develop their careers. The need for training and career developments is assessed every year in accordance with the ambition and competence of the individual and the needs of the company. Promising employees are encouraged to seek further development and training.

Training schedule

Our training schedule is made for three years at a time and sets guidelines for the education and training that employees receive. Production employees annually review guidelines for regular work procedures. In addition to regular training, Norðurál's policies on quality standards, the environment, health and safety, human rights, and equality are visibly displayed throughout Norðurál's facilities and through the company's communication channels.

Human resources and training system

Norðurál uses Kjarni, a human resources and payroll system. The system offers a wide range of possibilities for keeping track of information and data related to employee education, training and certifications, and work has been done on its utilization and development. During the year, emphasis was placed on the implementation of electronic educational materials and the production of educational materials on safety issues and increased access to various types of electronic education. Norðurál uses the Learncove teaching system to disseminate electronic education, which is useful for dissemination and follow-up on progress.

Total training hours: 11,730:

- 477 hours of induction training
- 585 hours in regular safety courses
- 1,050 hours in management training – safety management
- 3,390 hours of team training ("inset days")
- 6,229 hours of additional types of training

Reception and training of new employees

New hires at Norðurál receive induction training focused on safety matters and environmental concerns. They are also given an overview of the company's policies and production procedures before beginning intensive training specific to their position. In 2024, employees received an average of 19.5 hours of training. New employees attend courses and

receive specific training in accordance with their roles. Examples include safety courses that are mandatory for certain groups, such as “Lock-tag-verify”, fall protection courses and courses on working in confined spaces. Contractors are provided with a general safety presentation each year and courses as needed.

Inset days

In the spring, annual “inset days” were organized for all employees with various types of education and workshops. Department and group issues were addressed with discussions on the most important issues. Material from the safety, environment and improvements department (ÖUU) was also covered, including a review of Norðurál’s policies and objectives, the effectiveness of the feedback system, the contingency plan, risk assessments, use of PPE, road safety and chemical issues. The environmental impact of production was also covered, along with waste classification and waste management. There was also a workshop on team building.

Safety training

Great emphasis is placed on all types of safety training, whether it is safety in the workplace, psychosocial safety or information security. Safety issues are an absolute priority, as the emphasis is on creating a safe working environment in all respects.

The primary focus of safety training in 2024 was behavior-based safety, response team training and leadership training for shift and team supervisors. There was also training in the use of portable fire extinguishers for all staff in the autumn.

Management training

This year, management training was primarily focused on managing safety issues. Aspects such as risk management, incident investigations, on-site inspections and safety culture were reviewed. Shift managers, team leaders and department heads in production participate in management training. Production specialists also participate in some of this training.

Norðurál places great emphasis on the education and training of employees. The employees of Norðurál have various opportunities to educate themselves further and develop their careers. The need for training and career developments is assessed every year in accordance with the ambition and competence of the individual and the needs of the company. Promising employees are encouraged to seek further development and training.

Health and safety metrics S1-14

Norðurál makes employee safety and health a priority in all operations. The company measures and evaluates its health and safety performance using the following key performance indicators, which are in line with the requirements of the ESRS and the ISO 45001 standard:

KPIs:**Safety and health objectives:**

- Accident-free workplace – no one is injured while working
- Employee health – all employees undergo annual health checks
- Employee participation in prevention – 90% of employees receive annual safety training

Work-life balance metrics S1-15

Norðurál aspires to be a family-friendly workplace where there is a balance between work and private life.

It is generally expected that employees carry out tasks at their location. Employees are accommodated where appropriate and have the option to work remotely when circumstances and tasks allow. This is implemented in each area individually in consultation with the immediate superior.

Job satisfaction increased from 3.54 in 2022 to 3.64 in 2023. It was not measured in 2024.

In 2025, so-called pulse measurements will be introduced where job satisfaction is measured more often throughout the year so that work on improvements will be more targeted.

Remuneration metrics (pay gap and total remuneration) S1-16

Norðurál has had a certified equal pay management system in accordance with the Icelandic equal pay standard ÍST 85:2012. In 2024, BSI conducted a maintenance audit of the equal pay system, which confirmed that the equal pay system is designed to achieve the objectives of the company's equal pay policy. Norðurál's goal is that there is no unexplained gender pay gap between the sexes. In 2024, it was found to be 1.1% in favor of men.

In 2024, two market salary analyses were conducted, one by PWC and the other by Intellecta. These analyses showed that Norðurál pays fair and competitive salaries.

Incidents, complaints and severe human rights impacts S1-17

According to Norðurál's human rights and equality policy, the company emphasizes equal rights for employees regardless of gender, sexual orientation, religion, origin or other aspects related to human rights and equality. Norðurál aims for continuous improvements and complies with laws and other stipulations on human rights and equality.

Norðurál has zero tolerance towards bullying, gender-based and sexual harassment, and violence. Employees are encouraged to report all incidents or suspicions of bullying, sexual and gender-based harassment and/or other violence to their immediate supervisor or HR.

In 2024, no formal reports of bullying, sexual harassment, gender-based harassment or violence were received.

Policies related to value chain workers S2-1

Norðurál works systematically to ensure that the company's value chain is based on responsible working practices. In doing so, Norðurál seeks to ensure that the conditions for employees, suppliers, service providers and contractors, are fair and just.

In addition to the procurement policy, Norðurál and its parent company Century Aluminum have set out a Code of Ethics for Suppliers and Business Partners:

- **Ethical and social responsibility:** Suppliers and business partners must adhere to terms that stipulate respect for human rights, prohibition of forced labor and child slavery, equality and acceptable working conditions.
- **Statutory and collective bargaining requirements:** All business partners are required to comply with applicable laws and regulations and fulfil the main requirements of Century Aluminum's code of ethics.
- **Integration of contractors into the safety and quality system:** All contractors working on Norðurál's site receive training and access to the company's safety regulations. They are subject to the same occupational health and safety procedures as Norðurál's employees.
- **Work on supplier risk analysis:** Norðurál has implemented a procedure to assess risks in the supply chain, especially in areas where the legal framework and monitoring are weaker.
- **Criteria and implementation:** Work is underway to implement objectives in supply chain management in accordance with the criteria of the Aluminium Stewardship Initiative (ASI) and international sustainability standards.

Processes for engaging with value chain workers about impacts S2-2

Norðurál demands from suppliers to respect human rights and the rights of employees in the supply chain through a purchasing policy and a code of conduct for suppliers, which include clear expectations regarding:

- Occupational Safety and Security
- Equality and non-discrimination
- Right to form unions
- Prohibition of forced labor

Evaluation of suppliers and impacts in the value chain is carried out through supplier assessments and site visits to suppliers. Norðurál and Century Aluminum are, among other things, collaborating with EcoVadis, an international assessment company specializing in sustainability, labor rights and ethics in value chains. Eco Vadis collects and evaluates information from suppliers and others in accordance with international standards.

Processes to respond to negative impacts on employees in the value chain **S2-3**

Norðurál has set itself the goal of ensuring that parties in the value chain respect human rights, occupational health and safety, collective agreements and statutory rights of employees. The company emphasizes building cooperation with suppliers and service providers on core values of social responsibility, equality and safety.

Goal:

- All key suppliers and service providers meet Norðurál's basic requirements for ethics and social responsibility.
- Work is underway to increase transparency in the value chain through clear requirements and certifications.
- We are working systematically to reduce the risk of human rights violations, workplace accidents or inequality in the supply chain.

Measures:

- In 2024, we began working with EcoVadis with the aim of assessing the sustainability of suppliers.
- Formal supplier terms have been implemented with requirements to comply with laws and collective agreements.
- Suppliers who are directly involved in Norðurál's production process are assessed – e.g. for raw materials, contractors and services.
- Special assessment processes are used for suppliers in countries where the legal framework and trade unions are weaker.

Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action **S2-4**

Norðurál assesses all suppliers according to a specific process. Business with suppliers who are deemed not to meet requirements is temporarily suspended or terminated.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities **S2-5**

The Procurement Policy and the Code of Conduct for Suppliers stipulate that provisions on human rights are met.

Policies related to affected communities S3-1

Norðurál places great emphasis on ensuring that the company's operations are in harmony with the local community and contribute to long-term positive impacts. The core of Norðurál's corporate social responsibility is to create value in a sustainable and responsible manner, taking into account the environment, economy and society.

Norðurál works systematically to analyze and understand the impact of its operations on society and actively collaborates with its main stakeholders. Emphasis is placed on recognizing common interests and finding opportunities for improvement and positive impact.

In 2024, a stakeholder analysis and a dual materiality analysis were carried out in collaboration with the consulting firm Langbrók. The analysis was part of the sustainability strategy and approach for Norðurál's sustainability report.

The stakeholder analysis was carried out in co-operation with Norðurál's managing director and steering committee and involved prioritizing stakeholders based on importance, risks and opportunities in the operations.

The double materiality assessment involved conversations and interviews with customers, suppliers, municipalities and the parent company, Century Aluminum. The following were assessed:

- The impact of the company's operations on society and the environment.
- The impact of sustainability factors on the company's operations.

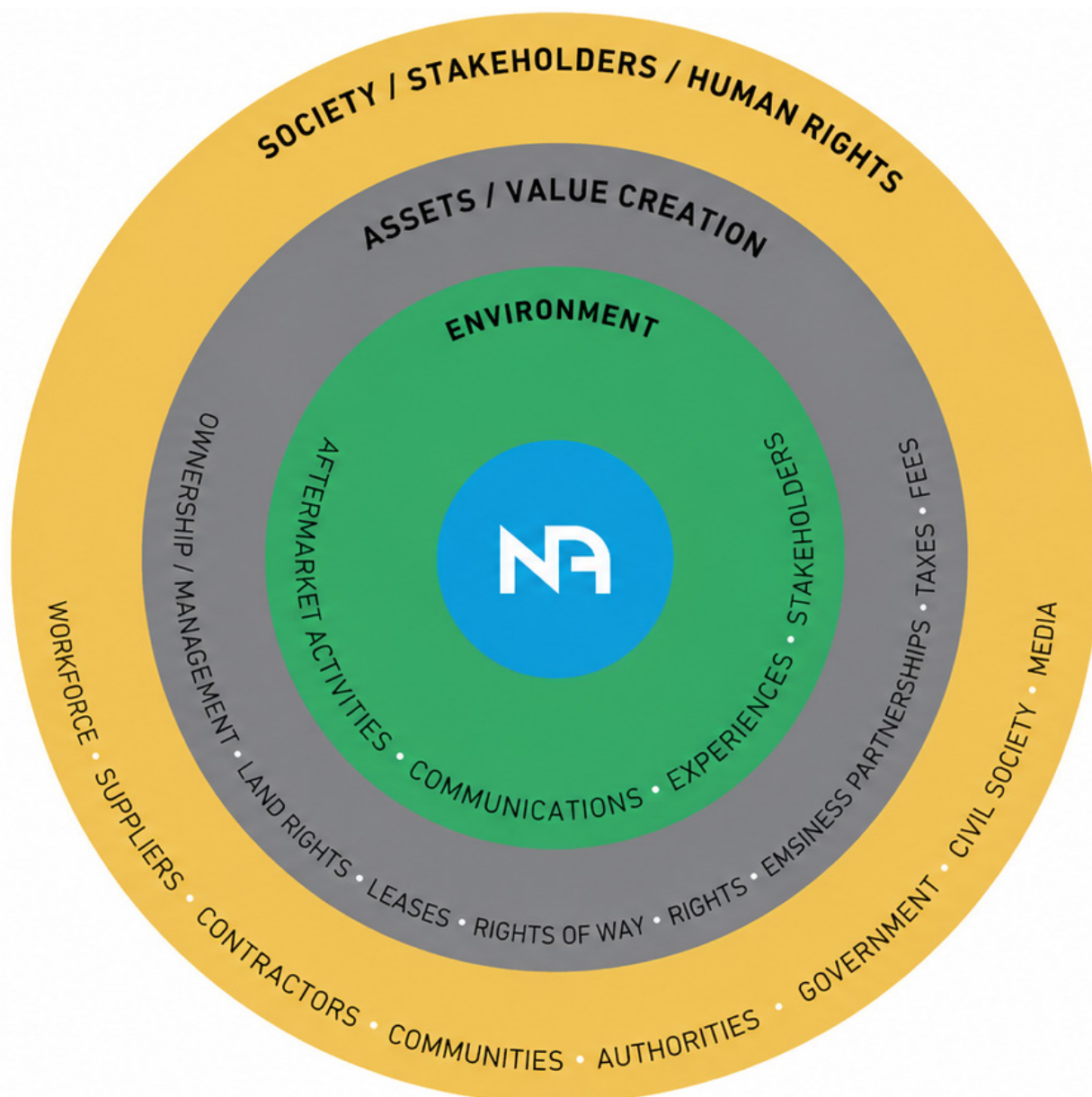
The results provide a basis for targeted prioritization and disclosure of sustainability issues and support ongoing communication and responsibility towards society.

Creating long-term value in a sustainable and responsible manner, for the long term and with a positive impact on society, is at the heart of Norðurál's corporate social responsibility.

Norðurál has partnered with the following organizations and associations:

- (ASI) Aluminium Stewardship Initiative
- Álklassinn – Aluminum Industry Cluster Initiative
- European Aluminum
- Festa – Icelandic Center for Corporate Social Responsibility
- Grænvangur – Green by Iceland
- Samál – Association of Icelandic Aluminum Producers
- Samtök atvinnulífsins – Confederation of Icelandic Employers
- Samtök iðnaðarins – Federation of Icelandic Industries





The company has developed a clear vision and practices of social responsibility and active participation in our local communities' environmental issues. Norðurál strives to strengthen trust, transparency and active communication with stakeholders and build long-term partnerships with the local community in Grundartangi and Hvalfjörður municipality. The progress of individual community projects is reviewed regularly and is part of the company's sustainability indicators.

Strategic focuses include:

- Active participation in community projects and support for sports, culture and youth activities.
- Support for scientific and innovative projects, especially related to energy and the environment.
- Open dialogue and consultation with municipalities, regulatory agencies and residents, for example with regular public meetings.
- A clear response plan to social challenges, such as in relation to environmental issues or changes in operating conditions.

Community support and participation

Norðurál sees it as part of its social responsibility to support diverse and constructive activities in the local community. The goal is to have a positive and lasting impact on the community around the operations through direct support, active participation and collaboration with stakeholders. When selecting projects, emphasis is placed on supporting social infrastructure that benefits children and young people.

Norðurál sponsors a number of community projects, with more than ISK 20 million being provided for such projects in 2024. The company is a proud sponsor of theÍA football club in Akranes and the Valur football club in Reykjavík. When awarding grants, emphasis is placed on ensuring that they are reflected in the work of young players. Additional sponsorship agreements have been made with Fablab and Leynir Golf Club in Akranes.

Smaller grants include these recipients: Mæðrastyrksnefnd Akraness (the Akranes Mothers' Aid Society), Björgunarfélags Akraness (the Akranes SAR team), Fjölbrautaskóli Vesturlands (the Comprehensive College of West Iceland), Skógræktarfélags Ísland (the Icelandic Forestry Association), Íþróttasamband fatlaðra (Sports Association for the Disabled), Hinsegin dagar (Gay Pride), Bestu deildarinnar (Soccer club), Efnafræðifélag Íslands (Icelandic Chemistry Society), Samhjálp (Shelter for People on the fringes of society), Krabbameinsfélagsins Framfarar (Framför Cancer Society), Blindrafélagið (Icelandic Association of the Visually Impaired), Kvenréttindafélags Íslands (The Icelandic Women's Rights Association) and Nemendafélaga Grundaskóla og Brekkubæjarskóla (elementary schools Grindaskóli and Brekkubæjarskóli Student Associations) and various student associations in both upper secondary schools and universities.

Norðurál actively collaborates with various organizations and stakeholders, including:

- Aluminium Stewardship Initiative (ASI), which confirms Norðurál's commitment to responsible and transparent aluminum production.
- Álklasinn (The Icelandic Aluminum Cluster) and European Aluminum,

to strengthen competitiveness and sustainability in European aluminum production.

- Festa Icelandic Center for Corporate Social Responsibility and Grænvangur (Green by Iceland), in favor of responsible business practices and our goals for carbon neutrality and green transition.
- Samál (The Association of Icelandic Aluminum Producers), the Confederation of Icelandic Employers the Confederation of Icelandic Industries, in relation to advocacy, strategy planning and the development of the Icelandic economy.

Interests and views of stakeholders

ESRS 2 SBM-2

A double materiality assessment was carried out by Norðurál in 2025 in accordance with ESRS standards and as part of the company's preparation for sustainability reporting under CSRD. The analysis included both financial impacts (outside-in) and the impact of the operations on society and the environment (inside-out). The aim was to identify risks and opportunities related to sustainability and prioritize the major factors that are relevant to Norðurál's operations and society. The analysis was based on internal assessments and conversations with key stakeholders, including key managers and staff, local government representatives, regulators, suppliers, and customers.

The results of the analysis support:

- The selection of content in the company's annual and sustainability report.
- Norðurál's long-term sustainability strategy.
- Prioritization of actions related to social responsibility, environmental and climate issues.

They confirm the importance of sustainability in the value chain, responsible procurement and clear information provision to customers, ensuring long-term competitiveness and trust.

Stakeholders emphasize:

- Total carbon footprint (Scope 1, 2, and 3), positive effects of green aluminum for end users, innovation and sustainability.
- Responsibility in the value chain and information provision to customers.
- Origin of raw materials and responsible supply chain management.
- Quality of data, traceability of origin and certifications.
- Impact of production on image and market expectations.

Material impacts, risks and opportunities

ESRS 2 SBM-3

Norðurál places great emphasis on analyzing and understanding both the actual and potential impacts of its operations on the local community. Mapping the attitudes of key stakeholders in the local community and societal expectations is the basis for a targeted sustainability policy and disclosure.

A Double Materiality Assessment conducted in 2025 showed:

-
- The company's impact on the community, particularly in the Hvalfjörður region and surrounding areas.
 - The impact of societal factors on Norðurál's operations, including reputation, licensing, energy security and access to labor.

Impact:

- Norðurál's operations have a positive economic impact on the local community through jobs, service purchases and community projects.
- Collaboration with scientific and educational institutions promotes innovation and knowledge development.
- Norðurál produces aluminum with a low carbon footprint that supports energy transition and the circular economy and improves energy efficiency and recycling properties in the final product.
- The main negative impacts are related to potential environmental impact that can affect public trust and licensing.

Risks:

- Reputational risk.
- Disruptions to operations due to lack of consensus or delays in licensing.
- Technical and operational difficulties in meeting customer requirements.
- Risks related to security of supply and market fluctuations.

Opportunities:

- Stronger collaboration with the community and stakeholders that reinforces trust and operational security.
- Increased innovation in collaboration with scientific and educational institutions.
- Positive economic impact on the region through jobs and service purchases.
- Growing demand for products with a certified carbon footprint (e.g. Natur-Al™).
- Deeper business relationships and long-term contracts with customers who prefer aluminum produced in a responsible and sustainable manner.
- Increased competitiveness of Norðurál as a producer of environmentally friendly Icelandic aluminum.

Processes for engaging with affected communities about impacts **S3-2**

Many aspects of our methods of work are the result of discussions and cooperation with stakeholders. Our communication with them is based on a commitment to transparent and honest interactions, and this is an important part of the company's continued success.

Cooperation and procedures, including the frequency of cooperation, depend on the stakeholders and their nature. Communications take place according to a communications plan, and cooperation and construction projects are recorded in Norðurál's management systems. Our suppliers and contractors must comply with Norðurál's safety and environmental standards and code of ethics. We appreciate feedback from stakeholders and strive to respond to all queries.

Processes to remediate negative impacts and channels for affected communities to raise concerns S3-3

See S3-2.

Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions S3-4

- Norðurál operates according to detailed, certified production processes. In addition, Norðurál has a certified environmental and safety management system.
- Detailed disclosure of operations and impacts to the local community and other stakeholders.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities S3-5

- Norðurál's certified management systems have inherent processes for continuous improvement.
- Detailed disclosure of operations and impacts to the local community and other stakeholders.

Consumers and end-users S4

Norðurál sells aluminum to customers in European markets, mainly in the automotive and construction industries. The company's decisions on production, traceability and sustainability impact consumers and stakeholders down the value chain.

Description of the processes to identify and assess material impacts, risks and opportunities ESRS 2 IRO-1

Please see GOV-2 under Governance.

Policies related to consumers and end-users

S4-1

Norðurál emphasizes long-term cooperation with customers based on transparency, trust and mutual benefit. The company's policy is to offer a responsible and traceable product that meets the strictest quality requirements and contributes to our customers' sustainability goals.

Key points in Norðurál's customer policy:

- **Low-carbon aluminum with certification:** Norðurál produces certified aluminum with only about 4 tons of CO₂ equivalents per ton of aluminum. This is among the lowest carbon footprints in the world and enables customers to achieve their own climate goals.
- **Disclosure and traceability:** Norðurál provides clear information about the origin of raw materials, energy efficiency and carbon footprint. The product is traceable from raw materials to delivery and information is accessible to customers.
- **Quality assurance and product warranty:** Norðurál operates according to a certified quality system (ISO 9001) and defines product warranty according to agreements and recognized procedures.
- **Collaboration on innovation:** Norðurál actively participates in collaborative projects with customers aimed at developing sustainable solutions, a circular economy and environmentally friendly product development.
- **ASI certification:** Norðurál is the first aluminum producer in Iceland to receive certification from the Aluminum Stewardship Initiative (ASI), thus ensuring responsible business practices and sustainable production according to international standards.

Processes for engaging with consumers and end-users about impacts

S4-2

Norðurál maintains regular and effective communication with customers. Customers can access information about the production process from the Annual and Sustainability Report, Life Cycle Analysis, Environmental Product Declarations (EPDs), audits and general visits.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

S4-3

There have been no incidents at Norðurál in recent years related to:

- Violations of customer data privacy or data loss.
- Data leakage from Norðurál or the group's systems.
- Norðurál works in accordance with Century Aluminum's data protection rules and uses secure systems for all business communications.

Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

S4-4, S4-5

Norðurál has set measurable goals and priorities with the aim to minimize negative impacts and maximize positive impacts on its customers. The goals are part of the company's sustainability policy and its management system goals. They are based on transparency, responsibility and collaboration with customers.

Main goals and priorities:

- **Satisfied customers:** The company regularly monitors customer satisfaction and strives to provide reliable service and high-quality products.
- **Low carbon footprint of products:** Norðurál's goal is to keep the carbon footprint of aluminum below 4 tons of CO₂ equivalent per ton produced, which is about a quarter of the global average. This makes the company's products an environmentally friendly option for customers who want to reduce their own emissions.
- **Innovation and development:** Norðurál emphasizes innovation and the development of processes with sustainability as a guiding principle to meet increasing demands for environmental responsibility and traceability in the value chain.
- **Transparency and disclosure:** The company ensures detailed and regular disclosure of information about the product's origin, carbon footprint, and the production process in accordance with international standards and customer needs. This includes certification according to the Aluminum Stewardship Initiative (ASI).

Actions to achieve goals:

- Collaboration with customers on the development of low-carbon products and circular solutions.
- Production certification according to the Aluminum Stewardship Initiative (ASI).
- Use of recognized traceability processes and data collection for environmental information.
- Informed service and response to suggestions or complaints.

Risk and opportunity management:

- Norðurál regularly performs a sensitivity analysis of the financial impact of changes in raw material markets, energy prices and environmental requirements (cf. IRO-1).
- The goals are part of an integrated sustainability strategy and managed in collaboration with the business department and the sustainability implementation team.

Governance

The role of the administrative, management and supervisory bodies **GOV-1**

Norðurál operates according to clear and responsible governance principles that are based on applicable laws, international standards and guidelines from the parent company, Century Aluminum. The company's Board of Directors is responsible for strategic planning and monitoring of operations and ensuring that operations and internal controls are in accordance with laws, rules and regulations. Emphasis is placed on transparency, sound decision-making and active interaction between the Board of Directors, Senior Management and key managers.

The Board of Directors holds supreme authority in Norðurál's matters between shareholders' meetings. The Board of Directors shall ensure that Norðurál's organization and operations are in a good state. The Board shall also promote the development and long-term performance of Norðurál and monitor its daily operations.

The Board consists of John DeZee, Chairman of the Board, Gunnar Guðlaugsson, Hólmfríður Kristjánsdóttir, Robert Hoffman and Sigrún Helgadóttir.

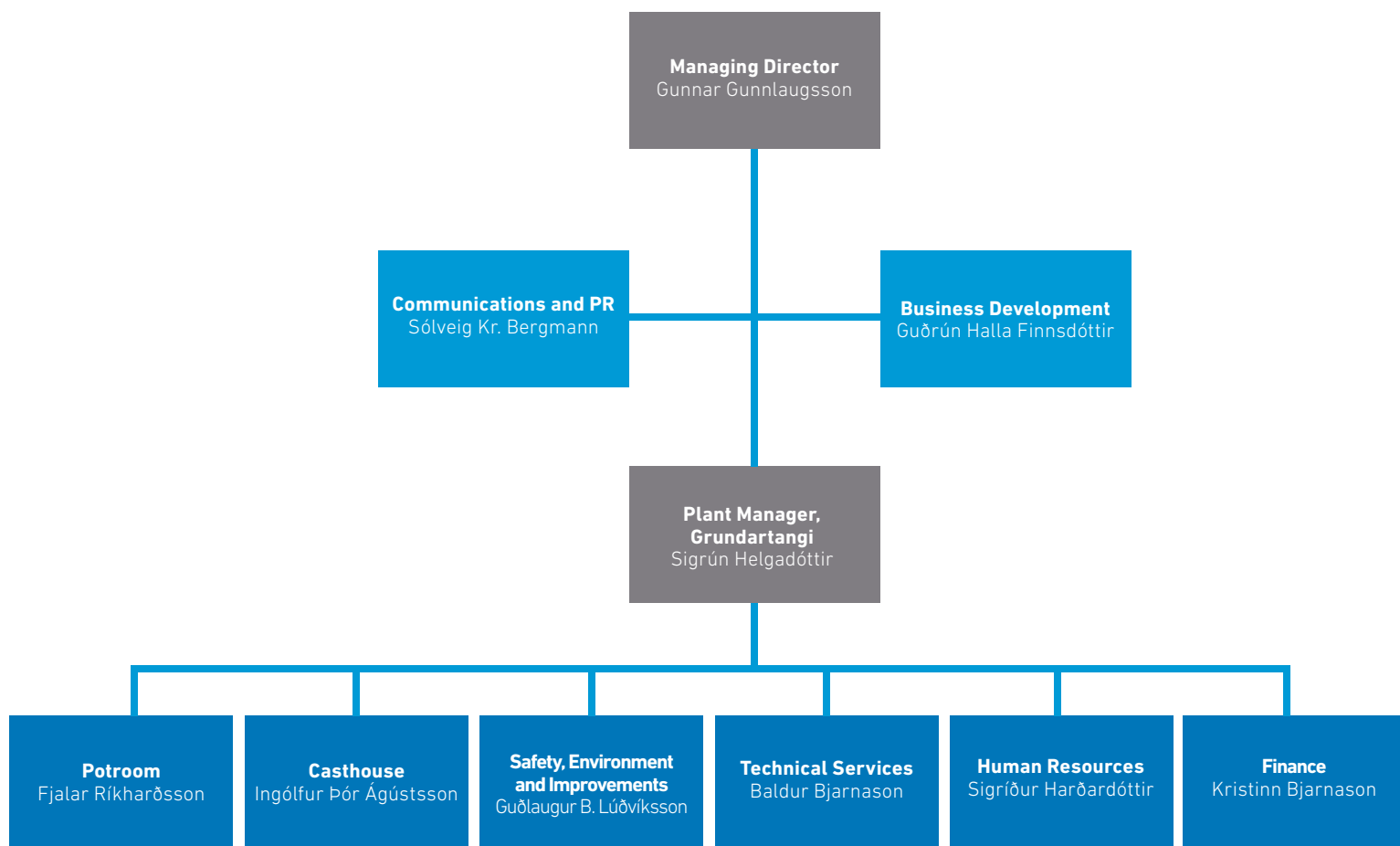
The Board of Directors held a total of 4 board meetings in 2024. The meetings were attended by all board members, the Manager of Finance, and a representative of Century Legal Department and Company's Legal Counsel.

The Managing Director carries out the daily operations of Norðurál 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 Norðurál's finances, structure, development and operations. The Managing Director shall at all times conduct his/her work with integrity and Norðurál's interests at the forefront.

Gunnar Guðlaugsson is the Managing Director of Norðurál Grundartangi.

Organization Chart

Norðurál operations are divided into eight divisions that report to the Managing Director's office.



Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies **GOV-2**

Norðurál has established a clear structure for managing sustainability issues and disclosure in accordance with ESRS standards. The company's Managing Director is responsible for the overall strategy and integration of sustainability into operations, together with the Executive Board, which has daily responsibility for implementation, follow-up and disclosure related to sustainability. The Managing Director and Senior Management are regularly informed about the status of matters, main challenges, opportunities and progress of improvement projects related to sustainability and social responsibility.

Sustainability Steering Group and ESRS Implementation

Norðurál's Sustainability Steering Group meets regularly under the chairmanship of the Managing Director. The group includes key executives, including the Manager of Safety, Environment and Improvement, the Manager of Communications and PR and the VP Sustainability at Century Aluminum, the parent company of Norðurál. The group oversees the implementation of ESRS metrics and ensures that sustainability measurements are valid, traceable and aligned with regulatory requirements. Its role also includes being responsible for data collection, implementation of metrics and duty of disclosure to stakeholders and regulators.

Safety, Health and Environment Committee

Norðurál's Safety, Health and Environment Committee has an overall overview of the policy and objectives in safety, health and environmental matters and holds a key role in reviewing performance, monitoring and reporting. The committee is composed of representatives of the Executive Board, safety representatives and safety specialists. It meets quarterly and relies on the professional council of production staff and experts to mobilize broad participation in improvement projects.

The committee reviews metrics and reporting to regulatory bodies, such as the Environmental Agency and the Occupational Safety and Health Administration and provides regular summaries to the Executive Board and the Sustainability Steering Group.

Regular Monitoring and Information Sharing

Monthly environmental meetings, led by an environmental specialist, are held with the participation of the Executive Board and key departments. They review the main indicators of emissions, waste, operation of scrubbing equipment and quality of raw materials. Deviations are identified, improvement actions are defined as well as actions to create a culture of continuous improvement.

Weekly safety, health and environmental meetings are held with managers and experts, where safety incidents, environmental recommendations and

improvement processes are reviewed.

Open information meetings are held annually with the Environment Agency of Iceland and monitoring bodies, where the results of monitoring are presented. Employees are regularly informed through internal media and department meetings about the results as well as the current focus on sustainability issues.

Integration of sustainability-related performance in incentive schemes **GOV-3**

Norðurál follows a clear sustainability policy that is reviewed annually and presented to staff on “inset days” and in regular internal training. In accordance with the company’s strategy and overall goals, each year measurable sub-goals are set in environmental matters, including as regards emissions, waste and education.

Progress on the goals is assessed quarterly at Executive Board meetings under the direction of the quality manager.

Performance in environmental and sustainability matters affects results-based payments. All employees are eligible for bonuses that are based on environmental performance, and for specialists, individual bonuses are linked to results in defined improvement projects.

Material impacts, risks and opportunities and their interaction with strategy and business model **ESRS SBM-3**

Norðurál’s business model is based on aluminum production with a low carbon footprint using 100% renewable electricity. Sustainability is a key aspect of operations and has an impact on both the company’s strategy and risk management.

Norðurál operates according to certified environmental management in accordance with the ISO 14001 standard. Part of that system is a regular environmental impact assessment where the key impacts of operations on the environment are identified and prioritized according to scope and risk. The environmental aspects with the highest scores are defined as material and reviewed annually; other aspects are re-evaluated at least every three years. The assessment is carried out in collaboration with employees from all key departments.

The company also maintains a process within integrated management systems to analyze internal and external factors and stakeholder priorities in accordance with ISO 9001. These assessments support enterprise risk management, in addition to forming the basis for the development of objectives and improvement projects.

During the year, a double materiality assessment was conducted with the involvement of key stakeholders and consultants. It assessed the impact of Norðurál’s operations on people and the environment, as well as the

impact of sustainability issues on the company's performance and future position. The assessment revealed the main sustainability risks and opportunities and was used to prioritize the company's sustainability plan.

The results of the environmental factor analysis, stakeholder analysis and double materiality assessment are summarized annually and discussed at an Executive Board review meeting. They shape actions, policies and measurable targets in sustainability issues and are a prerequisite for a continuous improvement culture in Norðurál's operations.

Description of the processes to identify and assess material impacts, risks and opportunities **ESRS 2 IRO-1**

Norðurál is implementing processes to identify and assess significant sustainability risks, negative and positive impacts and business opportunities related to sustainability. This work supports both the company's strategy and the requirements according to ESRS for reliable and transparent disclosure.

When assessing impacts and risks, Norðurál uses the following analytical methods:

- A double materiality assessment in collaboration with Langbrók Consulting, in which the impact on society and the environment on the one hand, and the impact on operations on the other, were assessed with the participation of key stakeholders.
- A stakeholder analysis, where stakeholders were prioritized.
- An environmental aspect and impact analysis according to ISO 14001.
- An internal risk analysis based on the COSO and Sarbanes-Oxley frameworks (as part of Century Aluminum's corporate governance system).
- An analysis of external impacts and the regulatory environment, including the ETS system and carbon price developments.
- Opportunities for innovation and technological advancement in the development of circular processes and recycling.

Norðurál also performs a sensitivity analysis of key variables in the operating environment related to sustainability, to assess the potential financial impact of changes in electricity prices, raw material costs and carbon taxes.

The analysis supports decision-making and prioritization of investments related to energy transition, carbon neutrality and the circular economy, and is part of our integrated risk management.

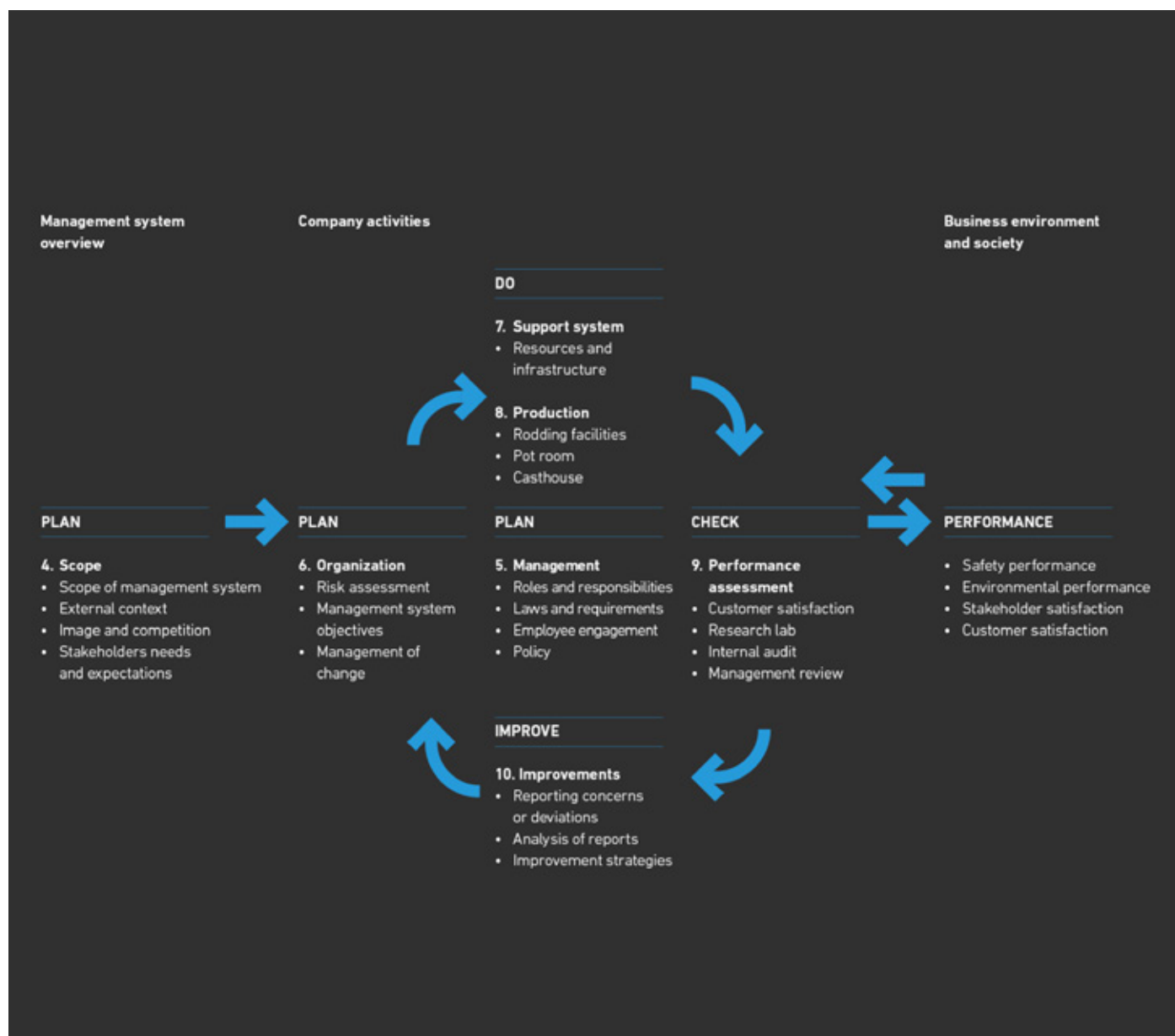
Further information is to be found on the General Disclosure page, under Description of the processes to identify and assess material impacts, risks and opportunities ESRS 2 IRO-1.

Statement on due diligence **GOV-4**

The Board of Directors of Norðurál ehf. and the Executive Board are ultimately responsible for the content and reliability of the sustainability information presented in this report, in accordance with the ESRS standards under the EU Sustainability Reporting Directive (CSRD).

The Board of Directors oversees the integration of sustainability into the company's strategy and entrusts the Executive Board with the implementation and follow-up of sustainability objectives and reporting. Norðurál's Executive Board is responsible for ensuring that reporting and measurements are based on internal quality standards, ISO certified systems and data collection from the company's operational, safety and environmental systems.

Systematic effort is made to increase the integration of sustainability aspects in risk management, investment decisions and financial information, in accordance with the process requirements of ESRS IRO-1 and DR 1–3.





Disclosures in relation to specific circumstances **ESRS BP-2**

The operations of Norðurál ehf. in Grundartangi are carried out within the international Century Aluminum Company group and take into account both Icelandic law and international regulations on good governance, internal control and risk management. Foreign ownership has partly shaped the company's approach in these matters.

Governance and legal framework

The parent company issues guidelines on governance that are used by Norðurál's Board of Directors. Norðurál also operates in accordance with various laws and regulations, such as:

- Acts on annual accounts, private limited-liability companies, competition, hygiene and pollution prevention,
- The Personal Data Act and Money Laundering Act,
- The operating license from the Environment Agency,
- International obligations, such as the Paris Agreement.

Internal control and audits

Norðurál's Board of Directors is responsible for internal control and active risk management, which is based on recognized standards, such as COSO and Sarbanes-Oxley (in connection with the parent company's market listing in the United States). Deloitte and EY perform audits of internal control in connection with consolidated accounts.

There were two audits of ISO9001, ISO14001 and ISO45001 during the year. In the former audit, three minor deviations and twelve opportunities

for improvement were identified. The second audit revealed five deviations and thirteen opportunities for improvement. The results of audits together with analyzes of deviations and follow-up with preventive actions and opportunities for improvement can be found in Norðurál's suggestion and audit systems. The next external audit is scheduled for May 2025 and again in December 2025.

In April 2024, the Occupational Safety and Health Administration conducted a regular inspection visit, which included a discussion of Norðurál's plan for safety and health in the workplace. In June, the Occupational Safety and Health Administration conducted an inspection visit to inspect Norðurál's new production line. During that visit, recommendations for improvements were made that have already been fully addressed. The Environment Agency conducted a regular inspection visit in June 2024. During that visit, Norðurál's contingency plans were also reviewed. The visit revealed a discrepancy regarding excessively high levels of fluorine in air quality measurements at Kríuvárða. Norðurál has submitted a remediation plan that has been approved by the Environment Agency and is being implemented.

Zurich, Century's insurance company, conducted its annual review in September. One new comment resulted from the audit and two comments from previous audits are in progress. In addition, there was an IST85 certification audit and two ISO certification audits.

Response and management system

The company uses an integrated management system where incidents are recorded in an electronic system, analyzed and followed up with improvement actions. Contingency and response plans are in place and are reviewed regularly. Consultation with the Safety and Environmental Committee, which meets quarterly, ensures a connection to daily operations.

Norðurál has implemented robust risk management processes where the company's risks are classified into four main categories:

- Business risk: Fluctuating aluminum prices on the world market, fluctuations in demand, and international competition.
- Financial risk: Currency risk where revenues are in USD but a large part of costs are in ISK (salaries, services, taxes).
- Operational risk: Fluctuations in the price and availability of electricity, alumina, electrodes and other key raw materials.
- Environmental risk: Potential environmental accidents, carbon taxes, changes in regulations or operational disruptions due to natural hazards.

Risk management and internal controls over sustainability reporting **GOV-5**

Norðurál has implemented robust risk management processes and the company assesses that its main risks are: Business risk, financial risk, operational risk and environmental risk. The Board of Directors and Norðurál's Executive Board regularly receive risk reports addressing the major risks Norðurál is exposed to.

A Sustainability Steering Group within Norðurál manages the implementation of ESRS metrics and annual and sustainability reporting. Data is retrieved from Norðurál's operational systems, including electricity consumption, emissions, accident registration, suppliers and human resources data.

Business unit managers are responsible for ensuring the accuracy, traceability and compliance of data with defined metrics.

The Board of Directors and the Executive Board receive regular analytical reports on risks and impacts on the operations.

Corporate culture and business conduct policies **G1-1**

Norðurál's management system consists of various factors, including a quality handbook containing procedures and guidelines as well as a feedback system to record incidents and comments. Comments are followed up on by preventive measures and opportunities for improvement. The management system extends to all Norðurál operations, including both staff and contractors.

Norðurál operates in compliance with laws on financial statements, private limited companies, hygiene and pollution control, privacy, and money laundering, as well as general labor laws and national laws. The company fulfills the requirements set in its operating license, complies with environmental laws and regulations, and has signed the Paris Agreement on reduced emissions outside the ETS system.

Great emphasis is placed on the quality awareness of employees and staff involvement in matters relating to the environment, safety, health, and human rights.

Mission

We produce aluminum responsibly, meeting the needs of our customers.

Vision

We create value that enables our customers, employees, shareholders, and society to thrive.

Values

Care

We return home safely every single day because safety is our highest priority. We solve every task together. We care about our colleagues, our communities, and the environment.

Resourcefulness

We work efficiently and focus on solving challenges rather than explaining them. Through strong curiosity, we overcome obstacles and encourage continuous improvement.

Integrity

We are responsible members of society and have the courage to do what is right.

Achievement

We are a leading company that produces outstanding products in a competitive and responsible manner.



Description of the processes to identify and assess material impacts, risks and opportunities **IRO-1**

Norðurál places great emphasis on analyzing and assessing the main sustainability impacts, risks and opportunities in its operations. The process is based on operational data, sustainability measurements, stakeholder dialogue and ISO-certified management systems. That way, we ensure that sustainability is integrated into the company's decision-making, planning and improvement efforts.

A double materiality assessment was carried out in collaboration with the consulting firm Langbrók, where key stakeholders assessed the company's most important sustainability aspects. At a strategy meeting with the Managing Director and steering committee of Norðurál, a stakeholder analysis was conducted that was based on the parties' sustainability focus, common interests, risks and opportunities. Stakeholders were prioritized by importance. Interviews were conducted with customers, suppliers, municipalities and the parent company Century Aluminum. The results of the assessment reflect the importance of sustainability issues from both the perspective of society and the company (double materiality). It analyzes the impact of the operations on people and the environment, and the impact of sustainability factors on

the company's operations.

The results are used as a basis for prioritizing in Norðurál's sustainability plan and are used to support risk analysis, the formulation of measurable goals and the development of disclosure in accordance with ESRS standards. The goal is for the integration of sustainability issues to become an increasingly strong criterion in the company's strategy and daily decision-making in accordance with the requirements of ESRS IRO-1.

Management of relationships with suppliers

G1-2

Norðurál is working on the implementation of procedures and criteria in supplier management. Supply chain management is an important part of ensuring a responsible value chain, both environmentally and socially. Norðurál wants to set clear requirements for suppliers regarding ethics and social responsibility. Efforts are underway to increase transparency and accountability throughout the company's value chain and we have begun implementing processes to better assess risks and opportunities related to collaboration with suppliers.

Main elements of supplier management:

- Requirement for signed supplier terms.
- Assessment of suppliers related to Norðurál's production process.
- Obligations of suppliers to comply with laws and collective agreements.
- Use of special assessment processes for products/services in areas where laws and regulations in accordance with Norðurál's requirements are not clear or effective.

Business relationships and liability

(compliance) G1-3

Norðurál has not appointed a company compliance officer, but within the parent company, Century Aluminum, there is a department that handles compliance for subsidiaries. Internal audit is supervised by Century Aluminum's Internal Audit Department. Moreover, KPMG conducts an annual audit on a consolidated basis.

Norðurál builds long-term partnerships with customers, suppliers and other business partners based on:

- Transparency, consistency and a clear division of labor,
- Written contracts with provisions on liability, quality, and social and environmental responsibility,
- Active monitoring and regular communication with partners,
- The involvement of experts, the Steering Committee and the Executive Board in assessing risks and opportunities within the value chain.

Confirmed incidents of corruption or bribery

G1-4

Norðurál's 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 facilitations and misrepresentations in accounting and other data.

Detailed policy documents establish standards and protocols to ensure the satisfaction of legal and social requirements for the ethical conduct of an honest and reputable company.

Code of conduct

Century Aluminum Company, Norðurál's parent company, and all affiliated companies are committed to complying with the strictest requirements for honesty, ethics and integrity in business. All members of management are signatories to the company Code of Ethics and committed to maintaining the company's high standards of honesty and integrity.

No employee may promise, give, or accept payments in cash or other valuables, whether personally or through an intermediary, to parties public or private, or to a spouse, partner, or child or other relative of such a party, for the purpose of influencing or rewarding the actions or decision-making of such parties, or to gain any undue advantage.

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.

Stakeholders and employees can report suspected violations to the Compliance Officer (generalcounsel@centuryaluminum.com) or anonymously through an independent third-party reporting system, Ethical Advocate. Reports may be submitted 24 hours a day, 7 days a week, by calling the number 800 9610. Following a notification, an internal investigation is launched.

We require all Norðurál suppliers and partners, whether customers, contractors, agents, or consultants, to act with integrity and be honest in their business transactions.

Norðurál is an ASI certified company which involves that aspects such as the working environment and employee rights, as well as ethical obligations, are reviewed. Audit results can be found on ASI's home page.

Political influence and lobbying **G1-5**

Norðurál does not support political parties or politicians. Relations with governments are based on disclosure as appropriate.

Further information on stakeholders can be found in S3-1, S3 SBM-2 og S3-2 under People and Community.

Payment practices **G1-6**

Norðurál pays invoices for goods and services before the end of the month after the costs were incurred, provided that the invoice is delivered no later than the 5th working day of the month. Further information are available on Norðurál's website under Information for suppliers.

Senior Management



Gunnar Guðlaugsson,
Managing Director

Gunnar has a Master's degree in electrical engineering, and a Diploma in business and operations. He is the Executive Vice President of Global Operations and Managing Director of Norðurál since 2021. He was a manager at Norðurál Grundartangi from 2009, the manager of various departments at ISAL from 2000, and engineer at ISAL from 2008.



Sigrún Helgadóttir,
Plant Manager, Grundartangi

Sigrún 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 the smelter in Grundartangi from 2021, and her previous positions include Human Resources Manager and Procurement Manager. Before joining Norðurál, she was an employee of Kaupping Bank, the Stock Exchange in Oslo and the Icelandic Stock Exchange.



Baldur Bjarnason,
Manager – Technical Services

Baldur holds an MSc degree in Electrical Engineering from DTU in Denmark. He has worked at Norðurál since 2011 and has held the positions of Production Specialist, Head of Pot Management Information Systems and Head of Production Control.



Fjalar Ríkharðsson,
Manager – Potroom

Fjalar holds an MSc degree in Business Administration, with an emphasis on Management and International Trade, from Bifröst University and a BSc degree in Mechanical and Energy Engineering/- from Odense University of Technology, Denmark. Fjalar has worked at Norðurál since 1998, but previously at the consulting company FLS Miljø in Copenhagen.



Guðlaugur Bjarki Lúðvíksson,
Manager – Safety, Environment and Improvements

Guðlaugur Bjarki hóf fyrst störf hjá Norðuráli sem sérfræðingur umhverfismála árið 2019. Hann hefur lokið MSc-gráðu í efnaverkfræði frá ETH Zürich í Sviss og er með BSc-gráðu í Guðlaugur Bjarki first joined Norðurál as an Environmental Specialist in 2019. He has an MSc in Chemical Engineering from ETH Zurich in Switzerland and a BSc in Chemical Engineering from the University of Iceland.



Guðrún Halla Finnsdóttir,
Manager – Business Development

Guðrún Halla holds a BSc in Operations Research with a focus on Financial Engineering from Columbia University and an MSc in Engineering Management from the University of Southern California. Guðrún Halla has worked at Norðurál since 2016, and before that she worked at the power company Southern California Edison in Los Angeles.



Ingólfur Þór Ágústsson,
Manager – Casthouse

Ingólfur holds a BSc in Mechanical and Industrial Engineering from the University of Iceland and an MSc in Operations Analysis from the Georgia Institute of Technology. Before joining Norðurál, Ingólfur worked at Marel and Alcoa Fjarðaál.



Kristinn Bjarnason,
Manager – Finance

Kristinn has a BA degree in Business Administration from the University of Iceland, an MSc in Corporate Finance from Reykjavík University and is a statutory auditor. Kristinn has worked at Norðurál since 2014, but previously worked at KPMG, PWC and in the financial sector.



Sigríður Harðardóttir,
Manager – Human Resources

Sigríður has a BEd from the Iceland University of Education and an MSc in Human Resources Management from the University of Iceland. Sigríður has worked at Norðurál since 2023, before which she was Head of Human Resources and Quality at Strætó bs. from 2014-2023 and Head of Education and Human Resources at N1 from 2005-2014.



Sólveig Kr. Bergmann,
Corporate Director –
Communications and PR

Sólveig holds a BA in Anthropology and International Studies from Macalester College in the United States and an MBA from Reykjavík University. Before Sólveig joined Norðurál in 2012, she worked as a news manager, reporter and journalist for a number of Icelandic media companies.

ESRS Summary Table

Norðurál publishes below a summary of disclosure in accordance with the requirements of the European Sustainability Reporting Standards (ESRS), which are part of the European Union’s Corporate Sustainability Reporting Directive (CSRD). The table provides an overview of how the standards are met in Norðurál’s annual and sustainability report for 2024. Norðurál worked on the implementation of the ESRS standards in collaboration with the consulting firm Langbrók.

The summary table shows which ESRS disclosure requirements are discussed, under which section they appear in the report and where detailed information can be found. The main focuses are based on the results of a double materiality assessment, and Norðurál has prioritized issues that are considered important for the operations, the environment and society in accordance with ESRS 2.

The information reflects the company’s sustainability performance in 2024 and includes an analysis of the company’s environmental, social and governance (ESG) strategy, risks, impacts and opportunities. In addition, clear objectives are presented, along with information on metrics, results and actions.

ESRS Reference	Topic	Section in Norðurál's report
ESRS 2 SBM-1	Strategy, business model and value chain	Norðurál
ESRS 2 SBM-2	Strategy – Interests and views of stakeholders	Norðurál
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Norðurál
ESRS BP-1	General basis for preparation of sustainability statements	General disclosures
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures
ESRS 2 IRO-2	Double Materiality Assessment	General disclosures
ESRS 2 IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	General disclosures
ESRS S1-1, ESRS G1-2	Norðurál's tax footprint	Economy
ESRS E1-6	EU Emissions Trading System	Economy
ESRS GOV-1	The role of the administrative, management and supervisory bodies	Governance
ESRS GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Governance
ESRS GOV-3	Integration of sustainability-related performance in incentive schemes	Governance
ESRS SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Governance
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Governance
ESRS GOV-4	Statement on due diligence	Governance
ESRS BP-2	Disclosures in relation to specific circumstances	Governance
ESRS GOV-5	Risk management and internal controls over sustainability reporting	Governance
ESRS G1-1	Corporate culture and business conduct policies	Governance
ESRS IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Governance
ESRS G1-2	Management of relationships with suppliers	Governance
ESRS G1-3	Prevention and detection of corruption and bribery	Governance
ESRS G1-4	Confirmed incidents of corruption or bribery	Governance
ESRS G1-5	Political influence and lobbying activities	Governance
ESRS G1-6	Payment terms	Governance
ESRS E1-1	Transition plan for climate change mitigation	Environment
ESRS 2 IRO-1	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Environment
ESRS E1-2	Policies related to climate change mitigation and adaptation	Environment
ESRS E1-3	Action Plan for Climate Issues	Environment
ESRS E1-4	Targets related to climate change mitigation and adaptation	Environment
ESRS E1-5	Energy consumption and mix	Environment
ESRS E1-6	Greenhouse gas emissions	Environment
ESRS E1-7	Policies related to climate change mitigation and adaptation	Environment
ESRS E1-8	Internal carbon pricing	Environment
ESRS E1-9	Anticipated financial effects	Environment
ESRS E2-1	Policies related to pollution	Environment
ESRS 2 IRO-1	Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	Environment
ESRS E2-2	Environmental monitoring at Grundartangi	Environment

ESRS Reference	Topic	Section in Norðurál's report
ESRS E2-3	Targets related to pollution	Environment
ESRS E2-4	Pollution of air, water and soil	Environment
ESRS E2-5	Substances of concern and substances of very high concern	Environment
ESRS E2-6	Anticipated financial effects	Environment
ESRS E3-1	Policies related to water and marine resources	Environment
ESRS 2 IRO-1	Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities	Environment
ESRS E3-2	Actions and resources related to water and marine resources	Environment
ESRS E3-3	Targets related to water and marine resources	Environment
ESRS E3-4	Water consumption	Environment
ESRS E3-5	Anticipated financial effects	Environment
ESRS E4-1	Environmental monitoring	Environment
ESRS E4-2	Policies related to biodiversity and ecosystems	Environment
ESRS 2 SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Environment
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities related to biodiversity	Environment
ESRS E4-3	Action	Environment
ESRS E4-4	Targets related to biodiversity and ecosystems	Environment
ESRS E4-5	Impact metrics related to biodiversity and ecosystems change in Grundartangi	Environment
ESRS E4-6	Anticipated financial effects	Environment
ESRS E5-1	Policies related to resource use and circular economy	Environment
ESRS E5-2	Actions and resources related to resource use and circular economy	Environment
ESRS E5-3	Targets related to resource use and circular economy	Environment
ESRS E5-4	Norðurál's resource inflows	Environment
ESRS E5-5	Resource outflows	Environment
ESRS E5-6	Anticipated financial effects	Environment
ESRS 2 IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Environment
ESRS S1-1	Equality and human rights	People & the community
ESRS S1-2	Processes for engaging with own workers and workers' representatives about impacts	People & the community
ESRS S1-3	Processes to remediate negative impacts and channels for own workforce to raise concerns	People & the community
ESRS S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	People & the community
ESRS S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	People & the community
ESRS S1-6	Characteristics of the undertaking's employees	People & the community
ESRS S1-7	Characteristics of non-employees in the undertaking's own workforce	People & the community
ESRS S1-8	Collective bargaining coverage and social dialogue	People & the community
ESRS S1-9	Diversity	People & the community
ESRS S1-10	Adequate wages	People & the community
ESRS S1-11	Social protection	People & the community
ESRS S1-12	Persons with disabilities	People & the community

ESRS Reference	Topic	Section in Norðurál's report
ESRS S1-13	Training and skills development metrics	People & the community
ESRS S1-14	Health and safety metrics	People & the community
ESRS S1-15	Work-life balance metrics	People & the community
ESRS S1-16	Compensation metrics (pay gap and total compensation)	People & the community
ESRS S1-17	Incidents, complaints and severe human rights impacts	People & the community
ESRS S2-1	Policies related to value chain workers	People & the community
ESRS S2-2	Processes for engaging with value chain workers about impacts	People & the community
ESRS S2-3	Processes to respond to negative impacts on employees in the value chain	People & the community
ESRS S2-4	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	People & the community
ESRS S2-5	Taking action on material impacts on value chain workers and effectiveness of those actions	People & the community
ESRS S3-1	Policies related to affected communities	People & the community
ESRS 2 SBM-2	Interests and views of stakeholders	People & the community
ESRS 2 SBM-3	Description of the processes to identify and assess material climate-related impacts, risks and opportunities	People & the community
ESRS S3-2	Processes for engaging with affected communities about impacts	People & the community
ESRS S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	People & the community
ESRS S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks	People & the community
ESRS S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	People & the community
ESRS S4	Consumers and end-users – impact, policies and mitigating risks	People & the community
ESRS 2 IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	People & the community
ESRS S4-1	Policies related to consumers and end-users	People & the community
ESRS S4-2	Processes for engaging with consumers and end-users about impacts	People & the community
ESRS S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	People & the community
ESRS S4-4, ESRS S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	People & the community



