

HYCAST®

By  Hydro

Gamechanger
casthouse
solutions

SUSTAINABILITY
REPORT
2024



Hello from the Managing Director

As we proudly present our second Sustainability Report, I want to take a moment to reflect on the progress we've made, and the work that lies ahead.

Sustainability is no longer a choice; it is a responsibility. Over the past year, we have deepened our commitment to understanding and reducing our environmental impact, while continuing to deliver products that meet the highest standards of quality and integrity. A key priority in 2024 has been to improve the way we collect, verify, and report sustainability data—particularly within our supply chain.

“
Accurate data is
the foundation
of real progress.
”

To make meaningful changes, we must work together with our suppliers and partners. This year, we have focused on building stronger relationships across our value chain, with the goal of gathering more reliable data from our suppliers and gaining better insight into the full lifecycle of our products. This is a crucial step toward transparency, accountability, and long-term improvement

We know that accurate data is the foundation of real progress. By investing in systems and processes to ensure the quality of our sustainability information, we are laying the groundwork for more informed decision-making and more effective improvement actions in the years to come.

I would like to thank our dedicated team, partners, and suppliers for their continued collaboration and commitment. Together, we are shaping a more sustainable future, step by step.



Ola Ulvund
MD, Hycast

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Hycast Sustainability report 2024



Hycast's commitment to sustainability remains at the core of our business strategy and operations. In 2024, we continued to strengthen our efforts to reduce environmental impact, enhance social responsibility, and ensure long-term economic resilience. This report provides a transparent overview of our performance across key areas, including carbon accounting, workforce development, and financial results, reflecting our dedication to responsible growth.

Our approach is guided by the principles of continuous improvement and innovation. We actively work to minimize greenhouse gas emissions through efficient resource management and sustainable procurement practices. At the same time, we prioritize employee well-being, diversity, and inclusion, fostering a safe and supportive workplace. Financially, Hycast has delivered strong results, enabling us to invest in technology and research that drive sustainability forward.

This report not only highlights achievements but also identifies areas for improvement and outlines our roadmap for future progress. By integrating environmental, social, and economic considerations into every decision, Hycast aims to create value for stakeholders while contributing to a more sustainable industry.

Hycast facts

Hycast was founded in 1990 by forward-thinking and world class engineers and scientists to secure state of the art technology development of aluminium casthouse equipment. Today we employ about 70 highly skilled employees with operations all over the word.

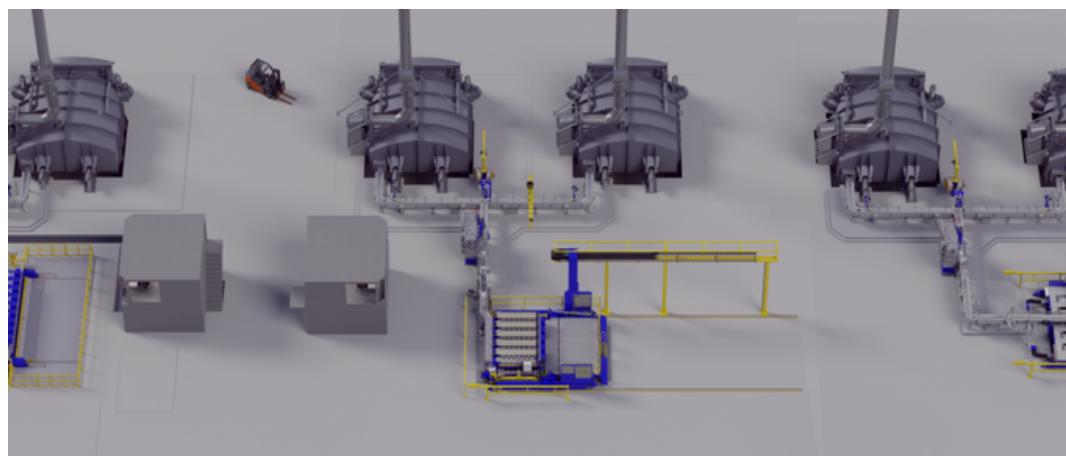
We claim to be the best at what we do. Our technology enables production of aluminium products of superior quality through fully automated casting lines. For our customers this means a safe casthouse, increased value creation and competitive advantages.

Hycast is a result of an R&D spin-off which means that innovation and development is at the core of what we do. Since the start in 1990, we have continuously developed and improved casthouse technology. As a gamechanger within casthouse equipment we have successfully been able to sustain a high degree of innovation thought the use of rapid testing and validation of new technology and close partnerships with research institutions and partners.

“

A technology company committed to delivering sustainable and safe casthouse solutions.

”





Hycast AS is a fully owned subsidiary of Norsk Hydro ASA, a fully integrated aluminium company with 35,000 employees in 40 countries. We deliver technology and solutions to both Hydro and other customers globally, whereas the majority of our business is outside Hydro.

Vision and Mission



Vision

Game Changer Casthouse Solutions

Mission

Empowered by competent and motivated employees, we deliver cutting-edge, sustainable casthouse technology to the global Aluminium industry

Act as a strategic development partner securing Hydro's position on casthouse products.

Values

Care, Courage, Collaboration

“
Customer value proposition:
We strengthen the
competitive advantage,
increase safety level and
reduce the footprint
”

Strategy goals/policy statements



People#1

We strive for highly competent and motivated employees, and a healthy working environment for personal development.



Planet #2

Environmental impact is considered throughout our entire value chain.

Hycast is committed to lead the transition towards more sustainable casthouse solutions in the aluminium industry.



Profit #3

Hycast has financial robustness as ambition for continuous development of the company and securing of jobs.

KPI measurement 2024



People#1

100 % achievement of Performance and Goal setting process in Hydro/Hycast system within due date

Implemented defined actions for 2024 according to survey and follow-up plan



Planet #2

Publish Hycast Sustainability Report 2023

Carbon data sheets made and published for all major products (GC, LPC, AFM, SIR, DFF)

20% reduction (Baseline: 2021 assessment) for residual waste from masonry workshop
30% reduction (Baseline 2021 assessment) for residual waste from the office.



Profit #3

>6 % Earnings before interests and tax

Measured as EBIT/total revenue according to IFRS15

KPI measurement 2024

Hycast has achieved significant progress in sustainability and people initiatives. Waste reduction targets were exceeded: the original goal was a 20% reduction in residual waste and 30% in office waste, but after merging categories, the total reduction since the 2021 baseline is 34% by weight. Adjusted for a 67.2% increase in turnover, the reduction equals 48.6% for the combined measured waste categories.

In December 2024, Hycast published its first sustainability report, including a full climate footprint analysis. The report shows that 93% of emissions are Scope 3, highlighting the importance of sustainable procurement and close collaboration with suppliers. Carbon datasheets have been developed and published for all main products (GC, LPC, AFM, SIR, and DFF).

On the people side, Hycast has implemented a comprehensive competence development plan aligned with organizational goals. Insights from the Hydro Monitor Survey drive team and company improvements, while well-being initiatives are continuously planned and executed in collaboration with the Social Committee. Management training focuses on psychological safety and deeper understanding of AMBS/HYBS principles. Hycast ensures occupational health and safety through ISO45001 compliance, continuous competence development, and strong management responsibility combined with employee involvement.



Key Figures 2024

	Unit	2024	2023	2022	2021
Employees (own)	#	66	62	58	56
Employees (hired)	#	1	3	4	4
Own employees in %	%	98,5 %	95,4 %	93,5 %	93,3 %
Apprentices	#	0	0	0	0
Apprentices in %	%	0,0 %	0,0 %	0,0 %	0,0 %
Total employees	#	67	65	62	60
Female employees	#	13	11	10	10
Male employees	#	54	54	52	50
Female employees in %	%	19,7 %	17,7 %	17,2 %	17,9 %
Female leaders	#	2	1	1	1
Male leaders	#	8	8	7	8
Female leaders in %	%	20,0 %	11,1 %	12,5 %	11,1 %
Average number of years employed - total	#	64	62	58	56
Average age - total	#	46,0	44,9	45,5	45,1
Turnover	#	1,55 %	3,10 %	1,70 %	1,70 %

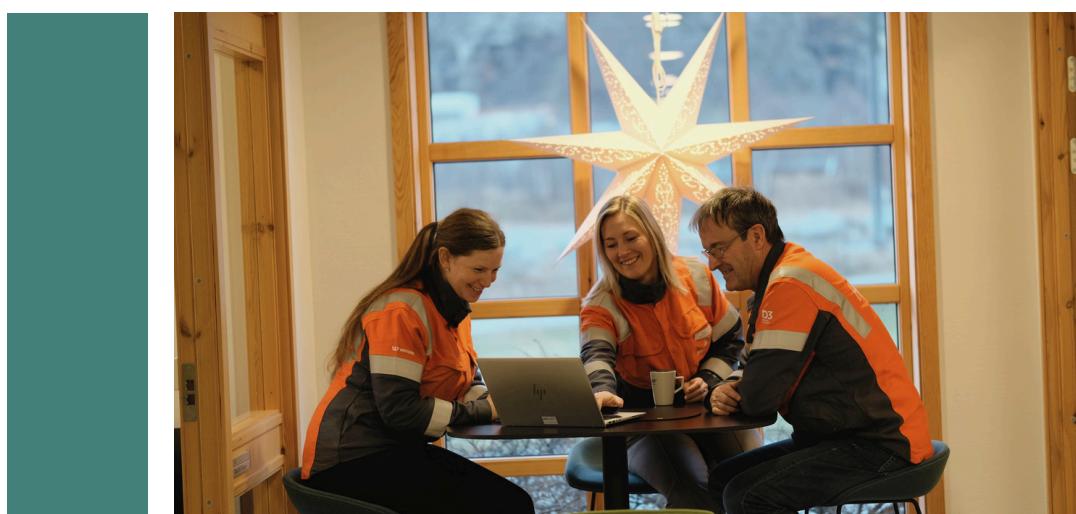
The workforce has shown steady growth, increasing from 56 employees in 2021 to 66 in 2024, with a strong reliance on permanent staff (98.5% in 2024). Gender diversity is improving, as female representation rose from 17.7% in 2023 to 19.7% in 2024, and female leaders now account for 20% of leadership positions. Employee retention remains strong, reflected in an increase in average tenure from 56 to 64 and a significant reduction in turnover from 3.10% in 2023 to 1.55% in 2024. The average age has remained stable at around 45–46 years, indicating a mature and experienced workforce.



Key Figures 2024 HSE

	Unit	Target	2024	2023	2022	2021
Fatalities	#		0	0	0	0
Injuries with absence	#	Zero injuries and accidents	0	0	0	0
HSE reported cases	#		68	43	152	125
Improvements reported	#		117	109	112	147
Total Recordable injury (TRI)	#	Zero injuries and accidents	0	0	0	0
Sick leave - total	%		4,1 %	4,9 %	4,3 %	2,0 %
Sick leave > 16 man days			2,0 %	2,4 %	2,1 %	0,8 %
Sick leave - women	%		6,9 %	6,1 %	1,4 %	3,9 %
Sick leave - men	%		3,4 %	3,8 %	4,0 %	1,2 %

Hycast maintained an outstanding safety record in 2024, achieving zero fatalities, injuries with absence, and total recordable injuries for the fourth consecutive year, fully meeting the target of zero incidents. The increase in reported HSE cases from 43 in 2023 to 68 in 2024 likely reflects a stronger reporting culture and heightened awareness rather than a decline in safety standards. Continuous improvement efforts remain robust, with 117 improvement actions recorded. Sick leave showed positive development, decreasing from 4.9% in 2023 to 4.1% in 2024, while long-term sick leave (>16 days) also improved slightly to 2.0%. However, sick leave among women (6.9%) remains higher than among men (3.4%).



Key Figures 2024 Finance

	Unit	Target	2024	2023	2022	2021
Revenue	kNOK	500 000	503 932	444 773	496 945	285 663
EBIT	kNOK	40 000	50 128	5 832	26 009	3 570
EBIT %	%	7-10%	9,9 %	1,3 %	5,2 %	1,2 %
EBITDA	kNOK		52 181	8 084	28 602	6 292
EBITDA %	%		10,4 %	1,8 %	5,8 %	2,2 %
Equity	kNOK		218 890	206 671	199 985	150 658
Equity %	%	40-50%	52,1 %	49,2 %	48,1 %	47,4 %
ROACE %	%		42,1 %	47,0 %	18,0 %	23,5 %
Salary to employees	kNOK		101 453	99 521	84 670	72 330
Dividend	kNOK		50 000	0	0	0
Taxes	kNOK		12 549	2 005	5 897	1 011
Investments	kNOK		606	0	871	560
Cost related to purchased goods and services	kNOK		303 166	287 192	350 290	181 328
Cost R&D/Technology	kNOK		14 189	16 395	18 918	16 683
Cost R&D/Technology %	%	3-5%	2,8 %	3,7 %	3,8 %	5,8 %
(EBIT+Cost R&D/Technology) %	%	12 %	12,8 %	5,0 %	9,0 %	7,1 %

The company achieved strong financial performance in 2024, with revenue reaching 503,932 kNOK, surpassing the target of 500,000 kNOK. EBIT improved significantly to 50,128 kNOK, well above the target of 40,000 kNOK, resulting in an EBIT margin of 9.9%, within the target range of 7–10%. EBITDA also increased to 52,181 kNOK, reflecting healthy operational profitability. Equity strengthened to 218,890 kNOK, corresponding to an equity ratio of 52.1%, exceeding the target range of 40–50%. ROACE remained strong at 42.1%, indicating efficient capital utilization. Investments were modest at 606 kNOK, while R&D/Technology costs accounted for 2.8% of revenue, slightly below the 3–5% target. Overall, the company demonstrates solid growth, improved profitability, and financial stability.

Sustainability at Hycast



Material topics grouped to define 4 focus areas:



The focus areas identified in last year's materiality analysis remain highly relevant. These priorities continue to guide Hycast's sustainability strategy and actions, ensuring alignment with stakeholder expectations and long-term business objectives.

Sustainability at Hycast: focus areas

Operational reliability and safety

Hycast works continuously to ensure operational reliability and safety by identifying challenges together with customers and finding solutions. We document performance improvements, register HSE-related incidents from customers, and make necessary changes. All technology provided complies with safety directives and legislation.

Manufacturing

In manufacturing, we are moving from cost-based data to actual Global Warming Potential (GWP) data. Suppliers are required to provide GWP based on production information. Our main reduction targets include fossil-free steel, carbon-neutral transport and travel, and a transition to 100% renewable energy. During the use phase, we collect real data from customers to improve sustainability.

Attractive employer

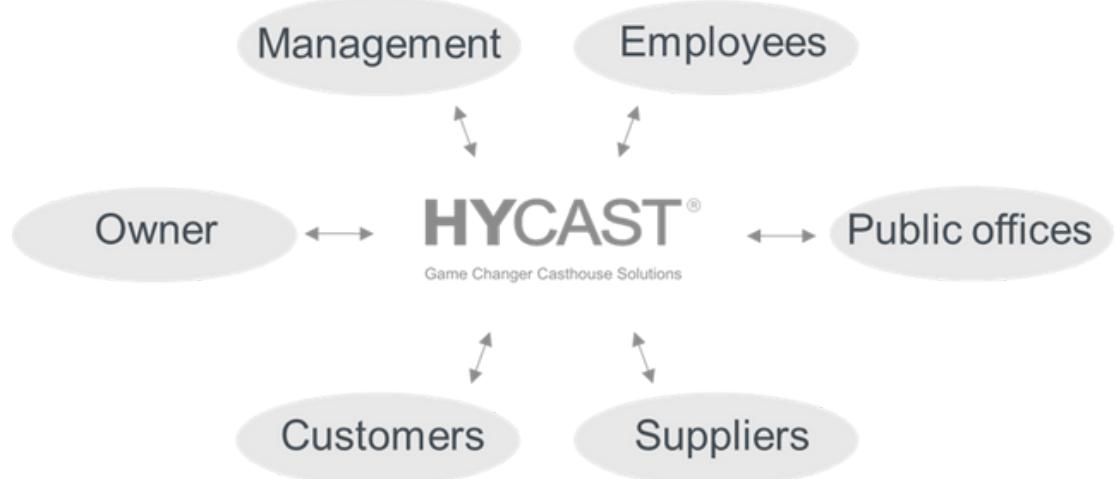
As an attractive employer, we focus on competence development by creating comprehensive plans for skill growth aligned with organizational goals. All employees receive training on the Business System (AMBS/HYBS) and the People Strategy with support from Hydro HR. Hycast use insights from the Hydro Monitor Survey to drive team and company improvements and implement relevant actions across teams. Well-being initiatives are continuously planned and executed at both team and company levels, supported by strong collaboration between management and the Social Committee. Management training programs cover essential topics such as building psychological safety in teams and deepening understanding of AMBS/HYBS principles. We ensure occupational health and safety by complying with ISO45001 standards, strengthening internal competence and structure, and securing management responsibility and employee involvement.

Local community value creation

Hycast also creates value for the local community by supporting cultural and sports activities, participating in regional networks and business clusters, and maintaining a high share of local and regional suppliers, amounting to approximately 200 MNOK annually.

Sustainability at Hycast: focus areas

Hycast material assessment. In 2023 Hycast conducted the first materiality assessment to identify where Hycast has the greatest impact on society and environment. Based on GRI-3 (2021) Materiality standard and the principle of double materiality, conducted by a third party. This is the basis for Hycast Stakeholders:



Sustainability roadmap

Timeline for our work - baseline, first report and further goals.

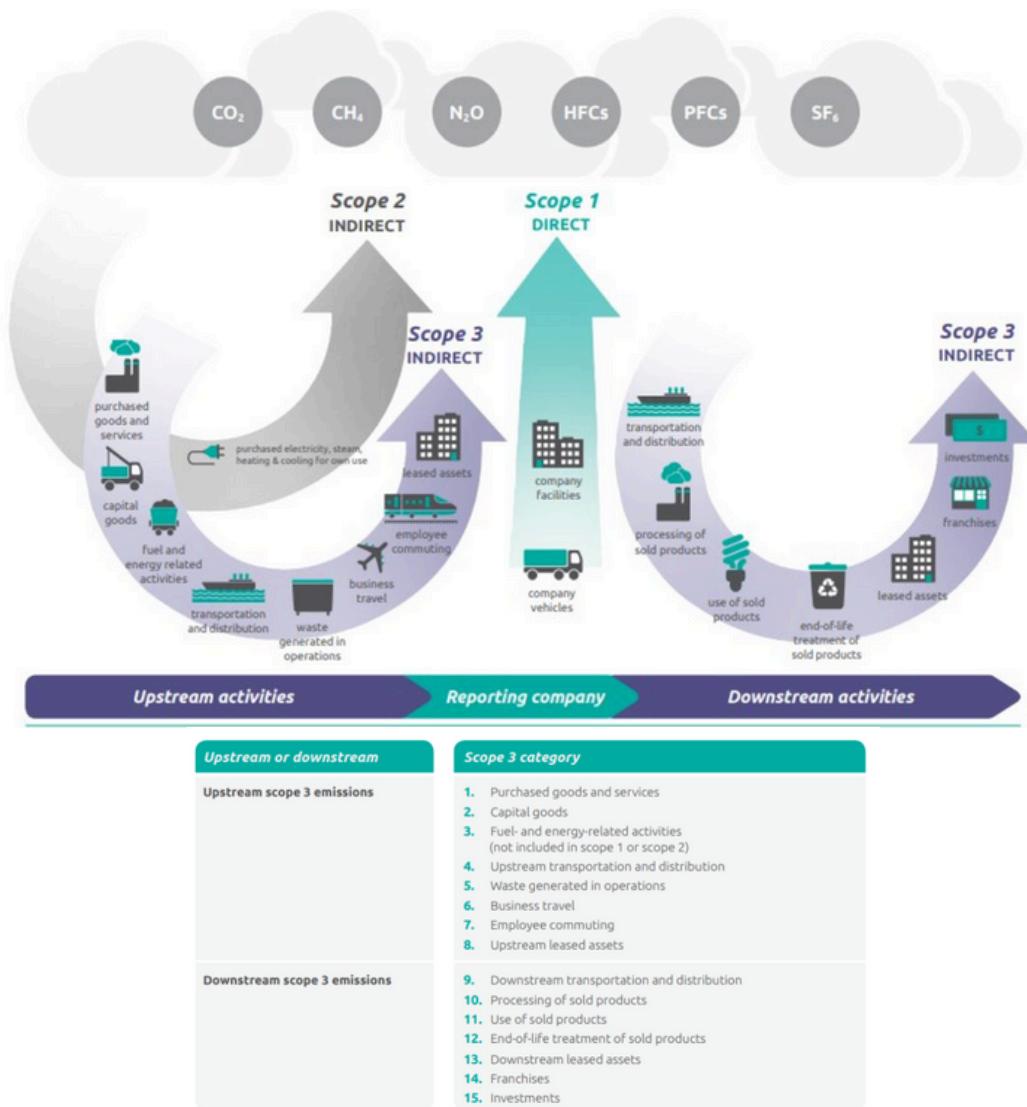
2024

2025

2026



Climate emissions



For scope 1:

Here we have used data for actual fuel consumed and data from freight suppliers.

For scope 2:

Data from energy supplier and carbon factors from NVE.

For Scope 3:

Here we have applied a spend-based approach for purchased goods and services. For Business travel we have used data from the travel agency. For downstream transport we have used data from freight suppliers.

The use-phase and end-of life is not included in the carbon accounting.

Source: <https://www.epa.gov/climateleadership/scope-1-and-scope-2-inventory-guidance>

Carbon accounting

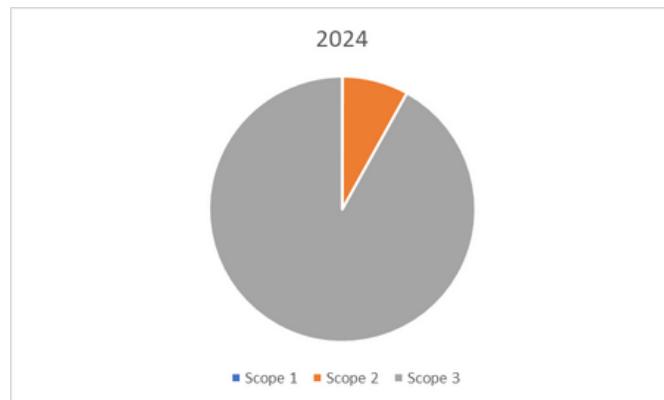
The spreadsheet shows Hycast's carbon accounting for 2024, summarizing greenhouse gas emissions across three scopes defined by the GHG Protocol. Scope 1 covers direct emissions from company-controlled sources like fuel use, Scope 2 includes indirect emissions from purchased electricity and heating, and Scope 3 accounts for other indirect emissions such as purchased goods, services, waste, and transportation. Each category lists activity data, emission factors, and resulting CO₂-equivalent emissions. The total footprint is 5,433.6 tCO₂e, with Scope 3 representing the largest share (about 79%), mainly driven by purchased goods and transportation.

Hycast Carbon Accounting 2024

Scope 1 - Direct Emissions	Amount	Unit	Factor	t CO ₂ e	
Diesel for pickup	658 l/year		0,002697197	1,77	0,0 %
Propane for heat shrink wrapper burner/masonry burner	0 kg/year			0,00	0,0 %
Welding gas, MISON 18	0 m ³ /year			0,000	0,0 %
Scope 2 - Indirect Emissions from Electricity/Heating/Cooling					
Electricity Industrivegen 49 - Market based	712 MWh/year		0,59861	426,01	7,8 %
Electricity Industrivegen 49 - Location based	712 MWh/year		0,015	10,68	0,2 %
District heating Industrivegen 49	34 MWh/year		0,00895818	0,30	0,0 %
Scope 3 - Other Indirect Emissions					
Purchased goods	1 295 M NOK/year			4277,77	78,7 %
Purchased services	1 8 M NOK/year			2,80	0,1 %
Refractory material waste	5 8820 kg/year			0,01	0,0 %
Residual waste from container	5 13156 kg/year			7,23	0,1 %
Wood waste	5 10640 kg/year			0,23	0,0 %
Corrugated cardboard waste from warehouse	5 1930 kg/year			0,04	0,0 %
Shredded paper	5 104 kg/year			0,00	0,0 %
Iron waste	5 630 kg/year			0,01	0,0 %
Aluminium waste	5 0 kg/year			0,00	0,0 %
EE-waste	5 70 kg/year			0,00	0,0 %
Residual waste from the office	5 390 kg/year			0,21	0,0 %
Paper waste	5 370 kg/year			0,01	0,0 %
Wastewater	5 309 m ³ /year			0,08	0,0 %
Water usage	5 309 m ³ /year			0,05	0,0 %
Business travel with private car	6 38621 km/year			6,45	0,1 %
Business travel with public transportation/taxi in Norway	6 95771 NOK/year			1,07	0,0 %
Business travel with public transportation/taxi in abroad	6 94848 NOK/year			1,06	0,0 %
Business travel with rental car	6 16 t CO ₂ /year			16,08	0,3 %
Business travel with airplane	6 407 t CO ₂ /year			407,24	7,5 %
Hotel stays	6 565 room nights			16,75	0,3 %
Transportation to customer by land	9 55 t CO ₂ /year			54,59	1,0 %
Transportation to customer by sea	9 24 t CO ₂ /year			23,79	0,4 %
Transportation to customer by air	9 179 t CO ₂ /year			179,36	3,3 %
SUM				5433,6 t CO₂e	

Carbon accounting

The total footprint is 5,433.6 tCO₂e, with Scope 3 representing the largest share (about 79%), mainly driven by purchased goods and transportation.

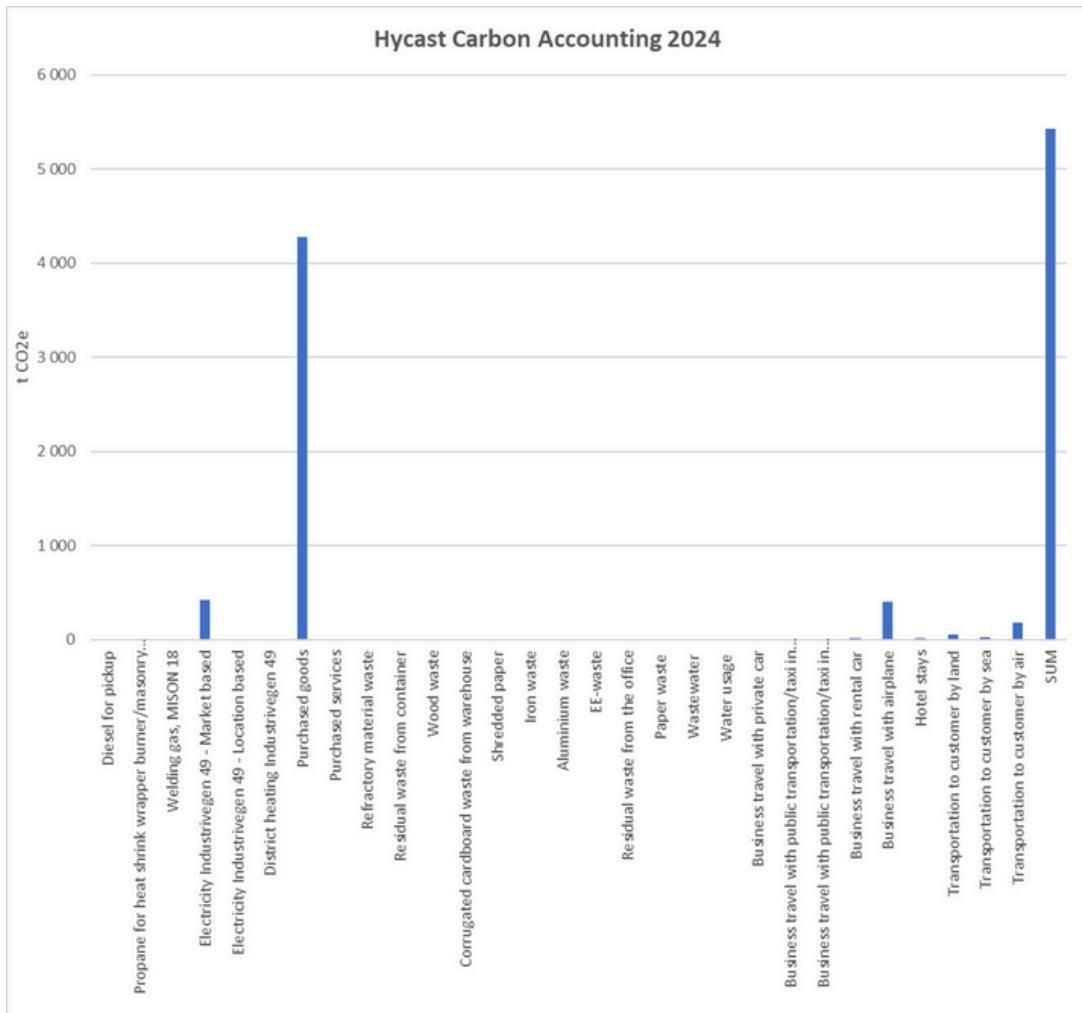


The figure illustrates Hycast's Improvement Plan for 2024–2030, showing projected emissions growth without interventions (blue bars) and the impact of planned reduction measures. These measures include renewable energy, carbon-neutral travel, fossil-free steel, and carbon-neutral transport/shipping, represented by colored bars below zero. Note that Scope 1 emissions are negligible compared to Scope 2 and Scope 3.

The black trend line (SUM) indicates the overall emissions trajectory after applying these initiatives. The chart highlights that while business growth would increase emissions, implementing these measures significantly reduces the total footprint, with the largest reductions expected from fossil-free steel and carbon-neutral transport by 2030.



Carbon accounting



The chart shows Hycast's CO₂ emissions for 2024 by source. It highlights that purchased goods and transportation to customers by sea are the dominant contributors, while other categories like electricity, fuel, and travel have much smaller impacts. The total emissions exceed 5,433 tCO₂e, with most coming from Scope 3 activities.

HSEQ Summary 2024

2024 marked a significant year for HSEQ at Hycast, with increased activity across health, safety, environment, and quality domains. Our overarching goal has been to improve structure, engagement, and data quality – both internally and in collaboration with suppliers. With strong systems, new roles, and dedicated initiatives, we are building a robust foundation for continuous improvement.

Health and well-being

Creating a safe and thriving work environment is central to our HSEQ efforts. In 2024, several well-being initiatives were implemented, including regularly social activities.



The Hydro Monitor survey was conducted in autumn 2024 and results were discussed across departments. Specific improvement actions are being developed for implementation in 2025.

Sick leave at Hycast remains significantly below the national average, with a total absence rate of 4.08%, Long-term absence was 1.90%, and short-term 2.04%. Employee health continues to be supported through vaccination offerings and access to Hydro's corporate sports association (Hydro BIL).

Safety

In 2024, Hycast recorded a total of 68 HSE incidents in Norway (excluding HTS), with no injuries, absences, or serious accidents, meeting the zero-incident target. The incidents were mainly related to equipment damage during customer operations.

Near-miss events totaled six, covering diverse issues such as lifting operations and local conditions, while 59 condition-related observations were registered, most with low loss potential.

Preventive measures included monthly safety inspections, risk assessments (SJA), and regular awareness campaigns through Viva Engage, complemented by training in Synergi and DMS/YCA Knowledge. Emergency drills are scheduled biennially, with the next in 2025. Overall, the increase in reported cases reflects a proactive safety culture, emphasizing continuous improvement, root cause analysis, and risk mitigation, particularly for on-site and commissioning activities.

Environment

Hycast published its first Sustainability Report in December 2024, mapping the company's climate footprint. A key finding was that 93% of emissions are Scope 3, highlighting the importance of sustainable procurement and collaboration with suppliers.

Waste management has improved significantly. Total residual waste was reduced by 48.6% compared to 2021, reaching 21,976 kg in 2024. Carbon data sheets for all core products were published, and plans for further emissions data collection are in place for 2025.

Quality

A total of 132 quality cases were registered in our system (Synergi) in 2024, including 103 deviations, 21 complaints, and 8 customer grievances. Key issues included delivery errors, documentation gaps, technical malfunctions, and deviations from customer specifications. Despite this, customer satisfaction remained strong, averaging 4.35 out of 5 based on survey responses.

Four internal audits were completed, and compliance with ISO 9001 for quality management, ISO 14001 for environmental management and the upcoming ISO 45001 for occupational health and safety was maintained and prepared for march 2025. Quality assurance was further strengthened through the document management platform YCA Knowledge, which now integrates Work Process Mapping (WPM) across all departments.



HSEQ focus for 2025

- ISO re-certification process and certifying for a new one.
- Increasing supplier engagement through audits
- Launching 5S methodology for order and cleanliness
- Deepening use of our management systems, Synergi and YCA Knowledge
- Strengthening the use of HSEQ data in risk assessments and strategic planning

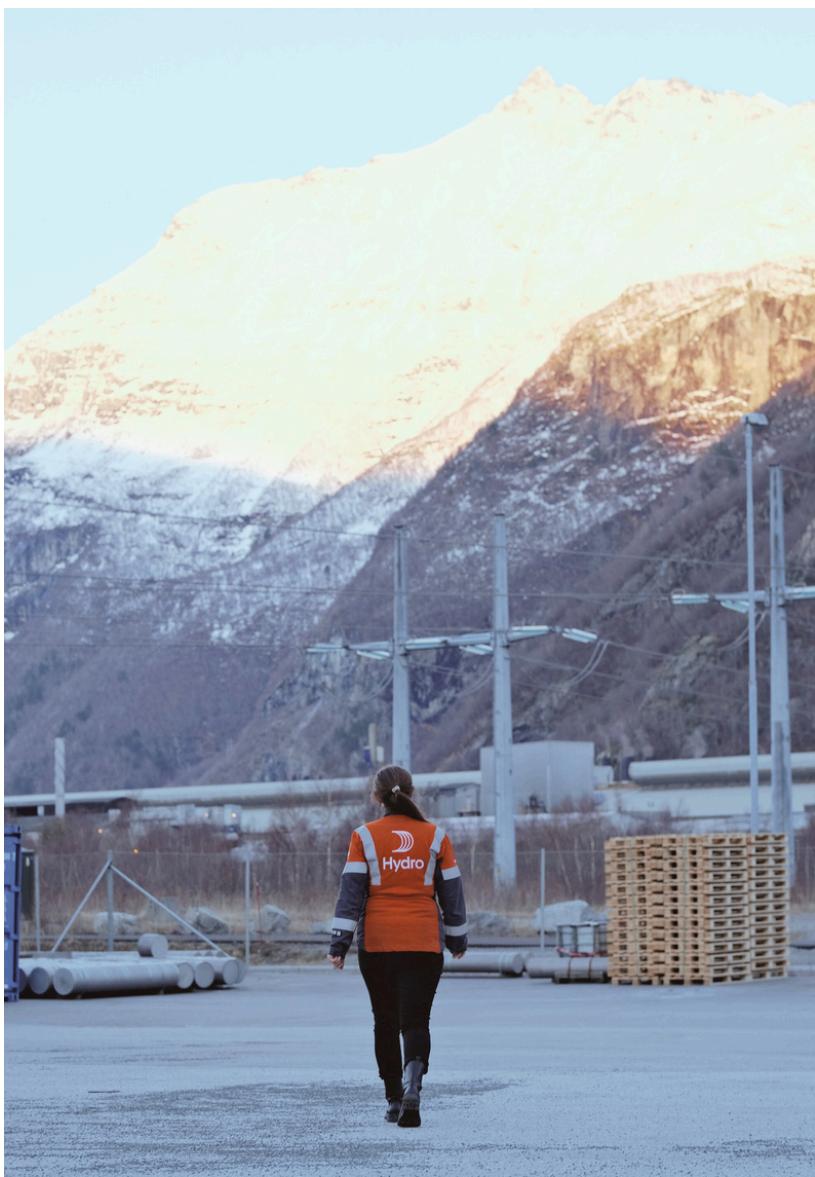
Sustainability focus for 2025

Strengthen Scope 3 Efforts

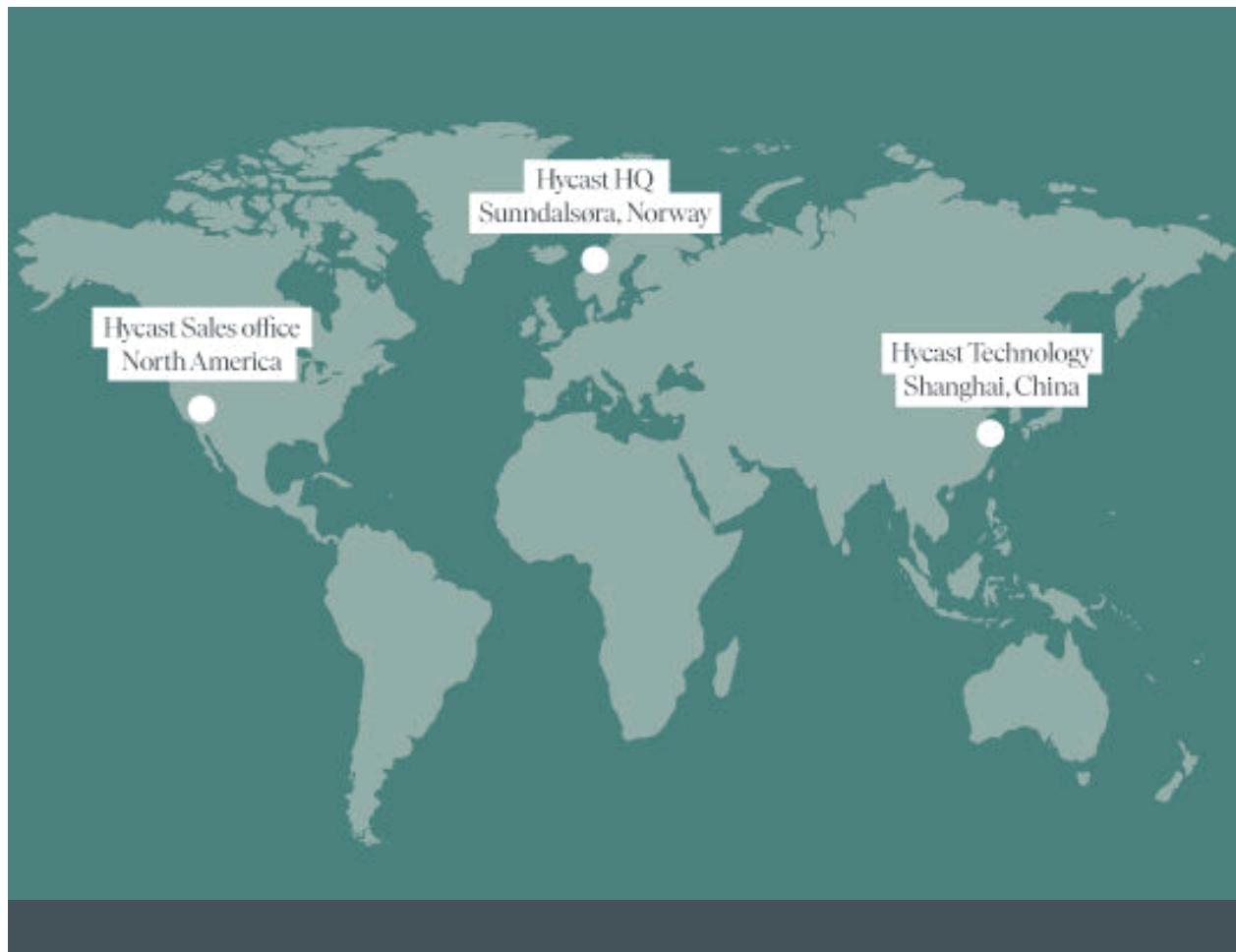
With 92% of emissions coming from Scope 3, Hycast must intensify collaboration with suppliers by requesting carbon footprint data. The goal is to have more than 50% of procured goods documented by suppliers. This should include clear reporting requirements, joint improvement projects, and sharing best practices, ultimately leading to established sustainability criteria in procurement contracts.

Automate Data Collection

Invest in digital solutions to collect and verify Scope 3 data. Automation will ensure more accurate reporting, reduce manual workload, and optimize resource use.



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