

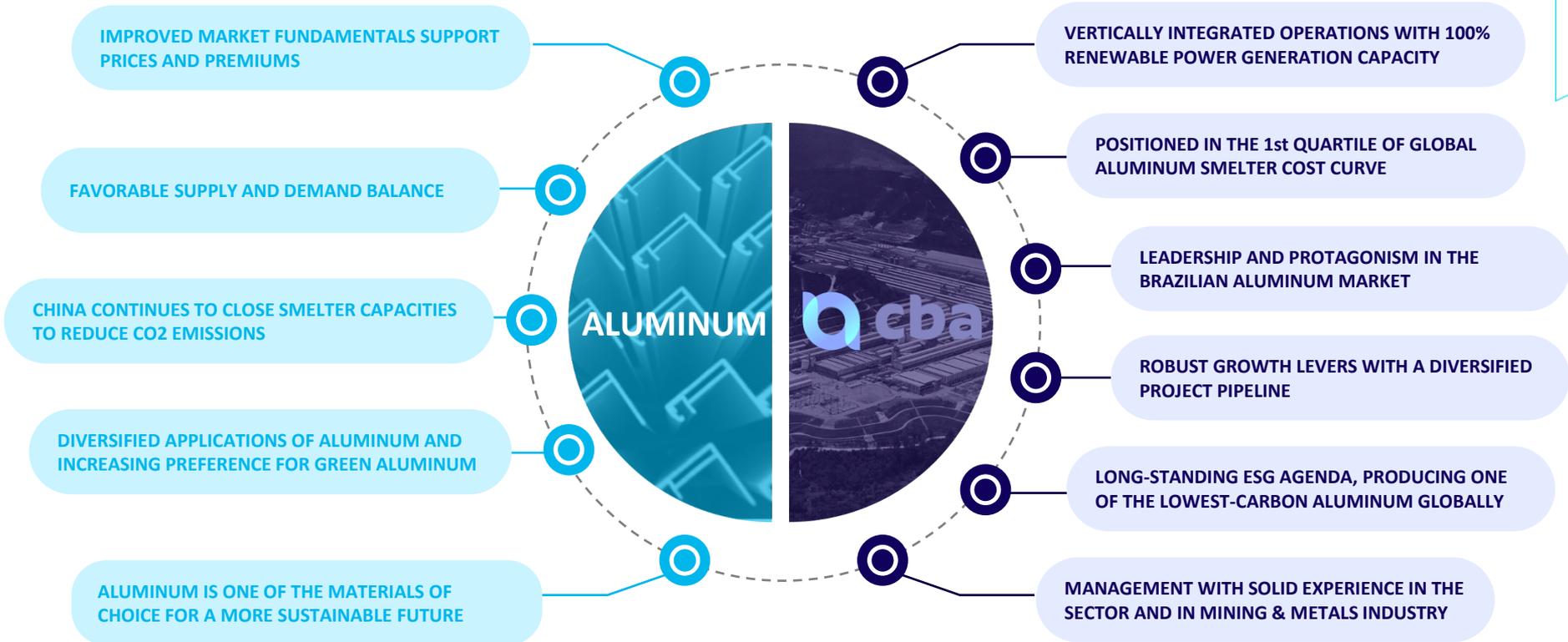


# EARNINGS 2Q21

*Conference Call*



# CBA well positioned to compete and capture opportunities in a favorable aluminum industry landscape



# 2Q21 Highlights

*Robust performance, supported by a favorable market dynamics and an effective management of financial and operational resources*



- Average LME Aluminum price of **US\$2,400/t** (+60% vs. 2Q20)
- Aluminum sales volume of **120 thousand tonnes** (+29% vs. 2Q20)
- Net revenue of **R\$1.9 billion** (+74% vs. 2Q20)
- Net income of **R\$397 million** (13x more than in 2Q20)
- Adjusted EBITDA<sup>1</sup> of **R\$363 million** (+110% vs. 2Q20)
- Adjusted EBITDA margin of **19%** (+3 p.p. vs. 2Q20)
- Leverage of **2.36x** (3.53x in 1Q21)



- **2020 GHG\* Inventory** published, reporting emissions of 2.66 tons CO<sub>2</sub>e / tons of molten aluminum (**4.5x less than the world average**)
- Pot rooms technology upgrade project in **FEL 3**
- Multi-material packaging recycling project (ReAl) in **FEL 3**
- Dry waste disposal project **under implementation**

\*Greenhouse Gases



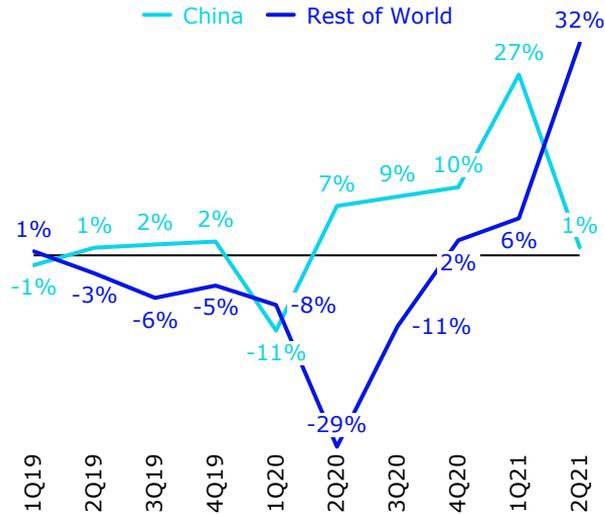
- **IPO concluded** on 07/15/2021, trading shares commenced on the **Novo Mercado**, the highest governance standards of B3, reflecting already consolidated practices at CBA

<sup>1</sup> Adjustments reflect equity income and dividends received from investees and nonrecurrent events in profit and loss, including the Mark-to-Market ("MtM") of energy contracts

# Strong demand growth and supply dynamics led to a deficit in the aluminum global market in 2Q21

## Demand recovery continues in China and in the rest of the world

Global primary Aluminum demand (% YoY)

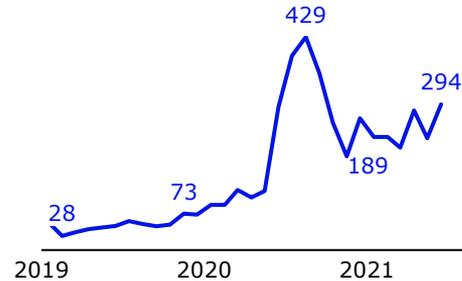


**Capacity closures** in China in order to reduce energy consumption and emissions



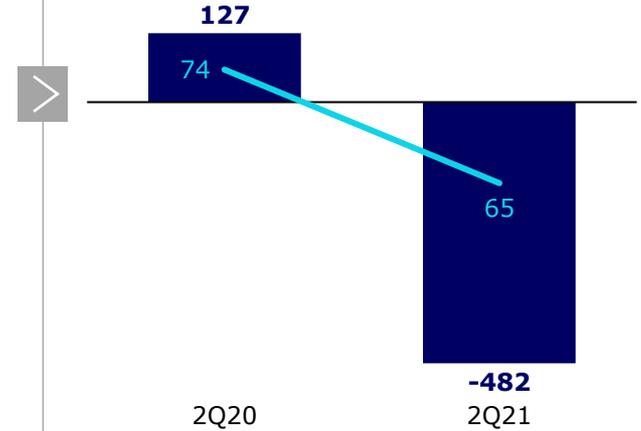
**China increases aluminum imports** to levels not seen since 2009

China aluminum products imports (kt)



## Global market returns to deficit and stocks levels decrease

— Stocks (days) ■ Balance (kt) (Supply vs Demand)



# Improved fundamentals in the global aluminum industry, with increasing prices and premiums



**Government stimulus** underpinned synchronized growth of major economies

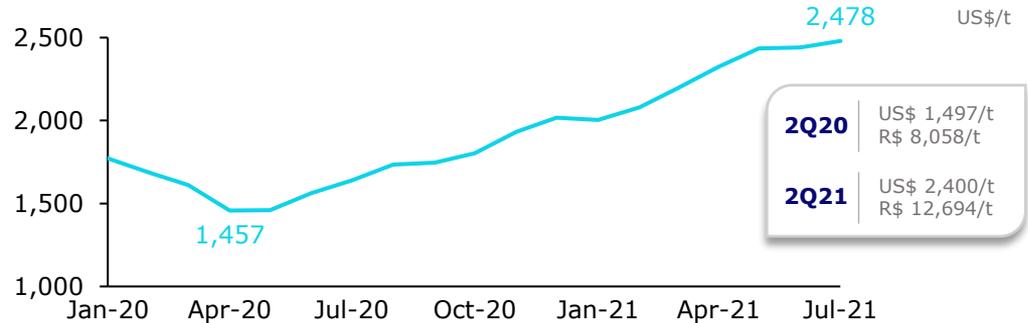


**Accelerated recovery in China and major markets** led to a rise in aluminum consumption and resulted in price hikes

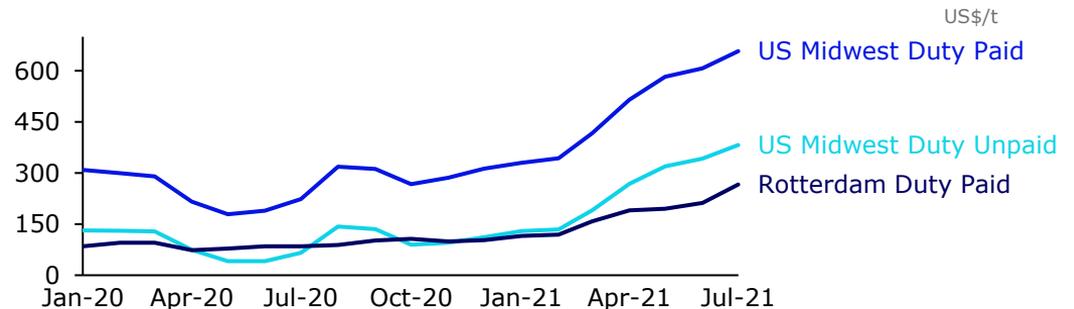


Higher **logistical costs** e **stock replenishment** influenced the upsurge in regional premiums

**LME Aluminum surged 65% in relation to April 2020**



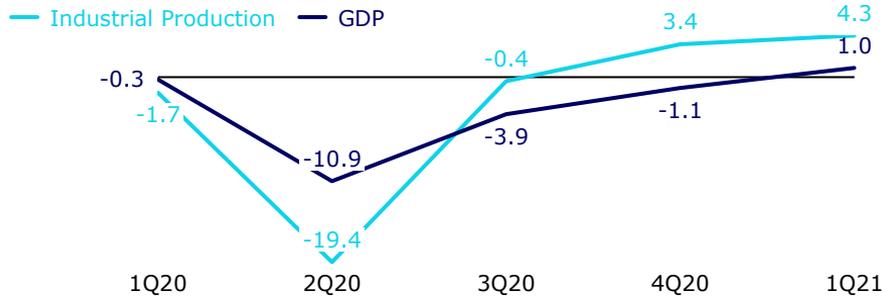
**Demand recovery boosted regional premiums**



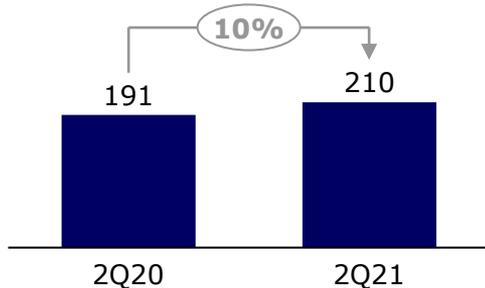
# The Brazilian aluminum market showed demand recovery and remained as a net importer of the commodity

## Increasing consumption, backed by a rebound in GDP and Industrial Production growth

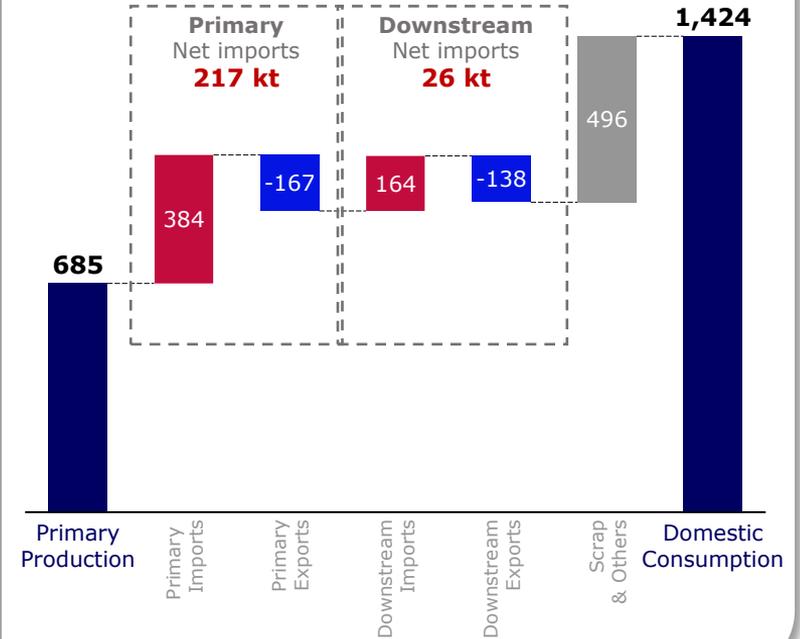
Growth (% YoY)



Primary Aluminum Demand (Kt)



## 2020 Brazilian aluminum market balance (kt)



# Decarbonization is gaining traction globally and tends to support the low carbon aluminum demand

Emissions Trade System launched in China on July 16th 2021



EU Carbon tax on imported products to be implemented in 2023



Government stimulus focused on Energy Transition



Consumers highly engaged with sustainability and emissions reduction



Increasing investments in recycling and renewables among aluminum players

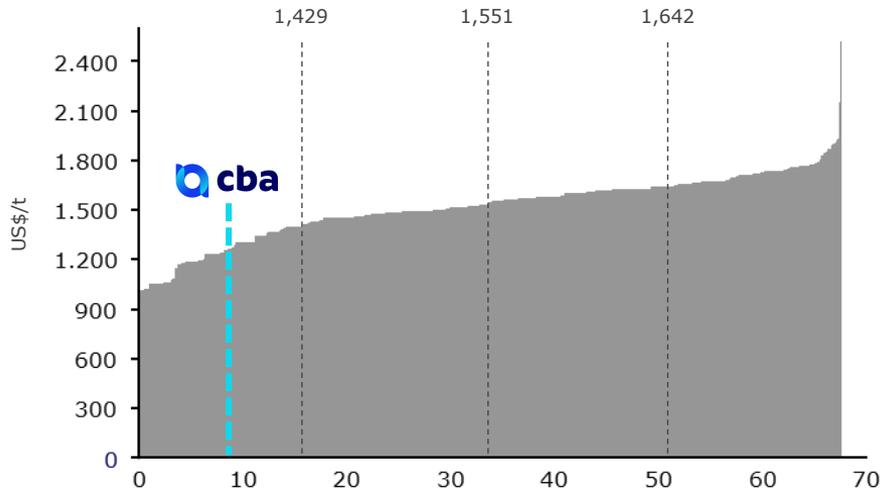


- ✓ CBA produces **one of the lowest-carbon aluminum** in the global industry
- ✓ Pot rooms **technology upgrade** project: **emissions reduction**
- ✓ **Solar energy** investments with expected start-up in 2023
- ✓ Tier-one **international certifications** (ASI, MSCI, CDP, etc)
- ✓ Objectives in **2030 ESG Strategy**
- ✓ **Co-engineering projects** in collaboration with customers and ability to influence the market towards a **greater use of aluminum**
- ✓ **Innovation** and **Digital Transformation** as key elements of CBA's strategy

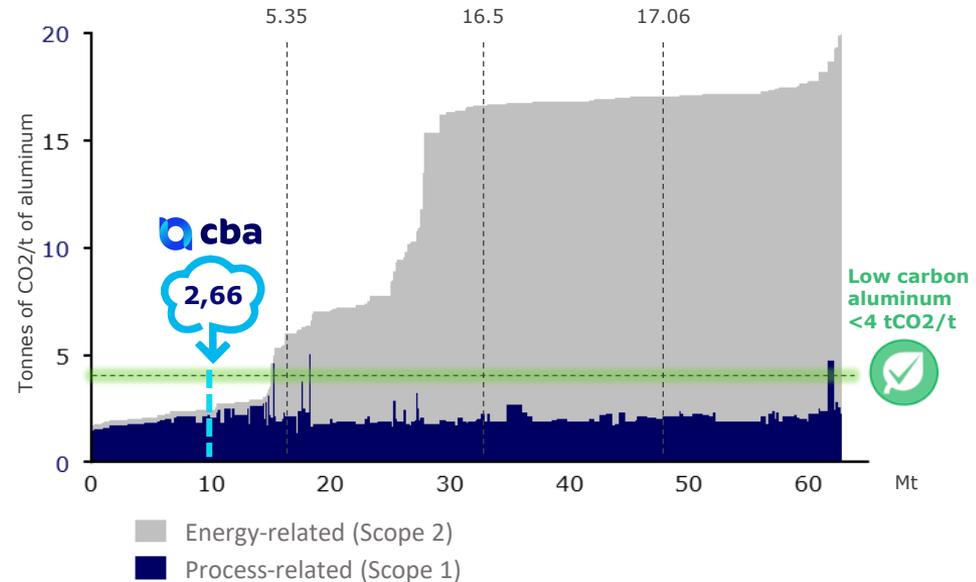
# Vertical integration and renewable power generation ensure CBA positioning in the first quartile globally

CBA in the 1st quartile of **COST** curve e **EMISSIONS** curve

2021 Smelter Business Cost Curve



2020 Emissions Curve | Smelter step



■ Energy-related (Scope 2)  
■ Process-related (Scope 1)

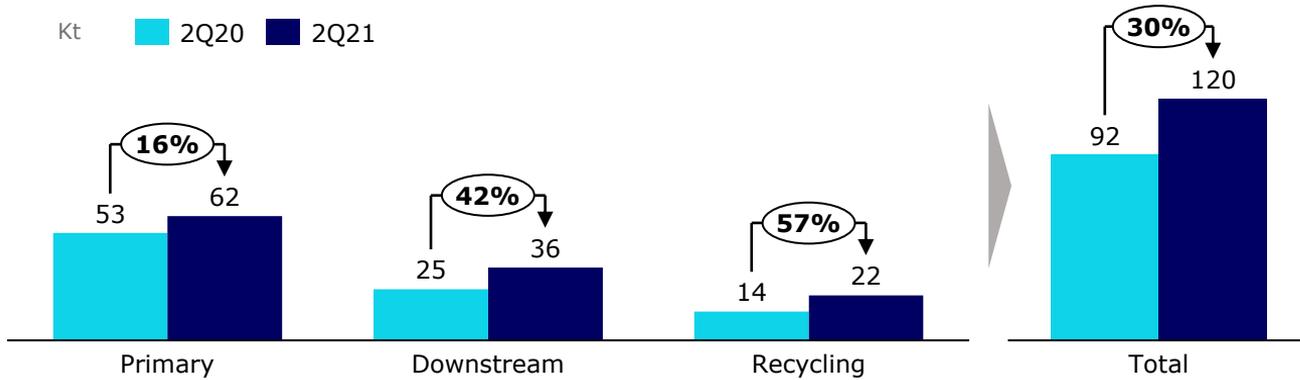
# OPERATING AND FINANCIAL PERFORMANCE



# Strong demand recovery drives aluminum sales

## Sales volume

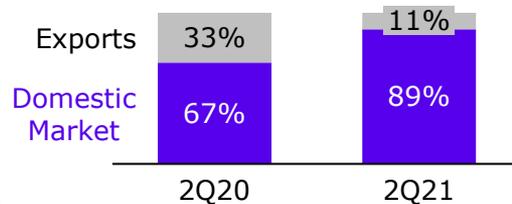
Kt    2Q20    2Q21



VAP (*value added products*)  
Sales increased from **32%**  
to **64%** of Primary total  
sales

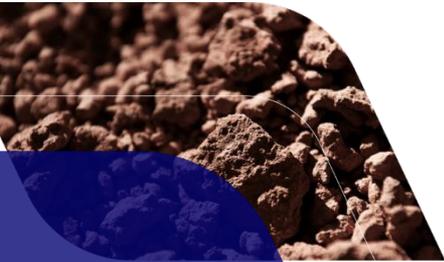
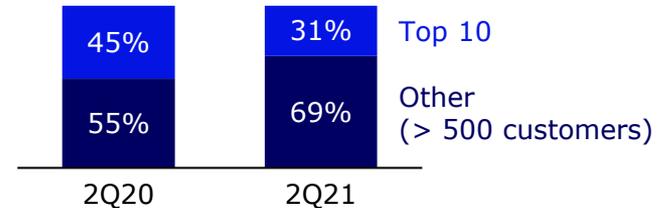
## Destination of sales

% Revenues



## Diversified Customer Portfolio

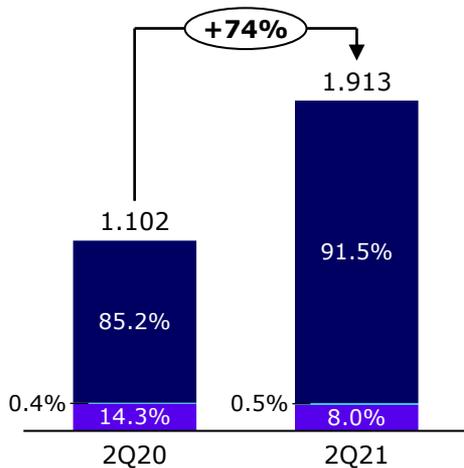
% Revenues



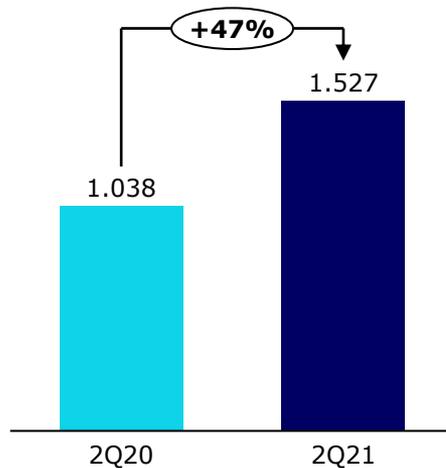
# Robust financial performance indicators in 2Q21

Supported by increasing aluminum demand

## Net Revenue

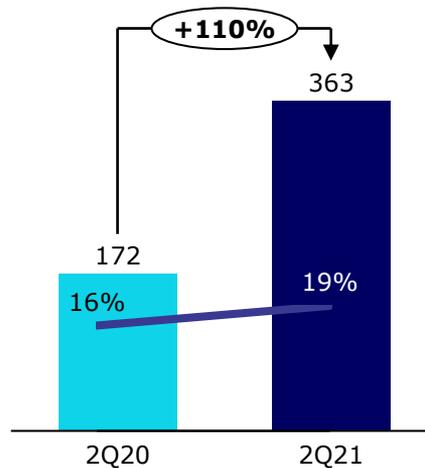


## Cost of Goods Sold

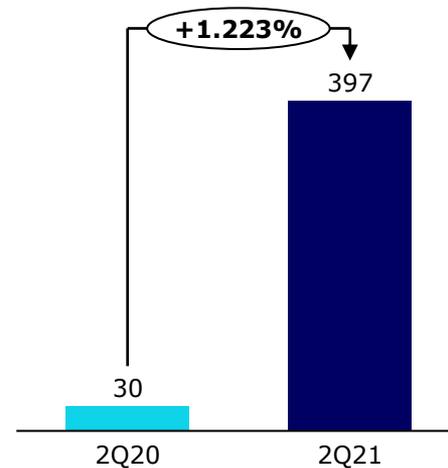


## Adjusted EBITDA

— Margin



## Net Income



- Aluminum
- Nickel
- Energy

➔  
**43%** Primary  
**33%** Downstream  
**6%** Recycling  
**18%** Others



**Revenues could be higher** excluding LME and Fx hedge effects



**Largest portion of costs in BRL** benefits margin

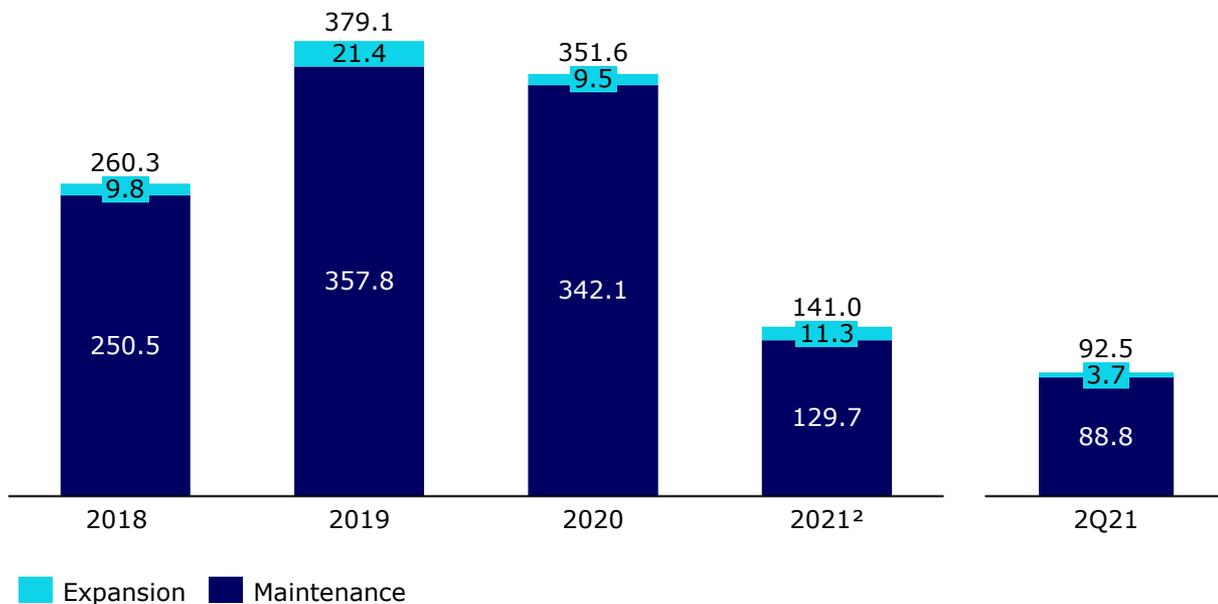


Net income increased due to **fx variance** and positive effect of the **energy MtM<sup>1</sup>**

# Investments<sup>1</sup> consistent with forecast

Modernization and growth in synergy with the Company's current operations

R\$ million



**Projects disclosed during the IPO process**



**Pot rooms technology upgrade**

At FEL 3 stage, including anode paste plant upgrade



**Dry disposal**

At implementation stage



**Additional aluminum production through recycling**

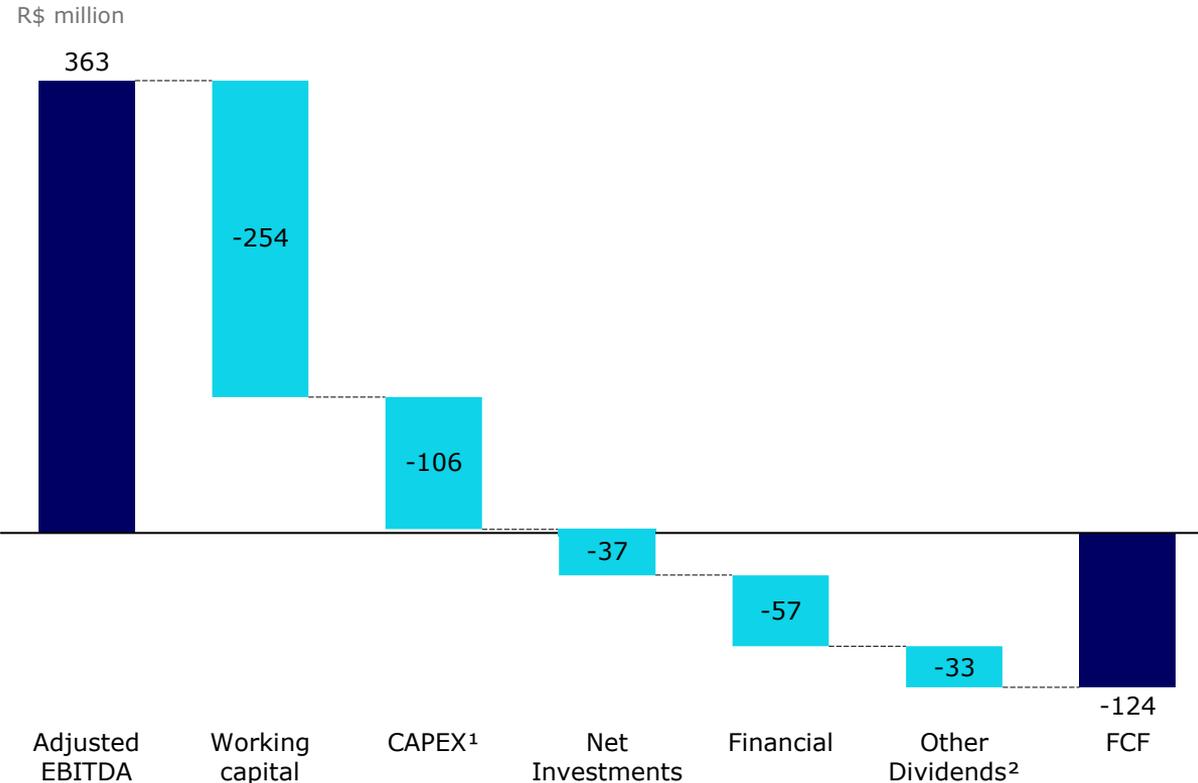
At electromechanical assembly stage

<sup>1</sup> Capex cash basis

**12** <sup>2</sup> Capex realized by Jun/2021.

# Cash flow reflects increased inventory and Capex<sup>1</sup> plans

*Inventory increase strategy in order to serve the higher demand for aluminum*



✓ Working capital grows due to **customers increase**, reflecting **better sales mix and higher volumes**

✓ **Inventory** increase strategy in order to serve a **recovering market** and to **guarantee sales** in 2H21 (**seasonal increase in aluminum demand**)

✓ Investments **consistent with forecast**

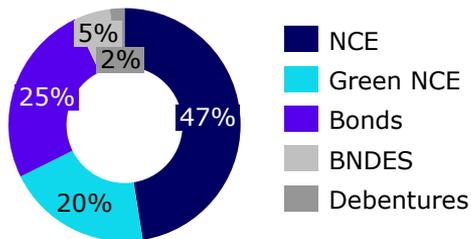
<sup>1</sup> Capex accrual basis

<sup>2</sup> Relates to distribution of CBA Energia

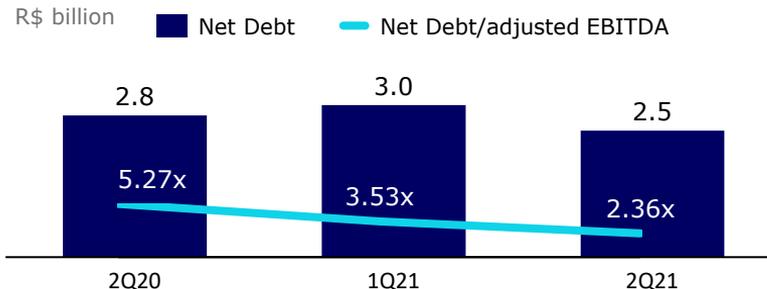
# Debt long profile

With a strong liquidity position and leverage reduction

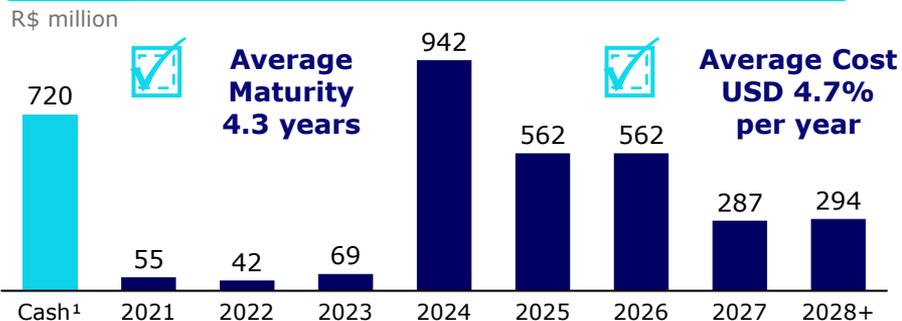
## Breakdown by Instrument



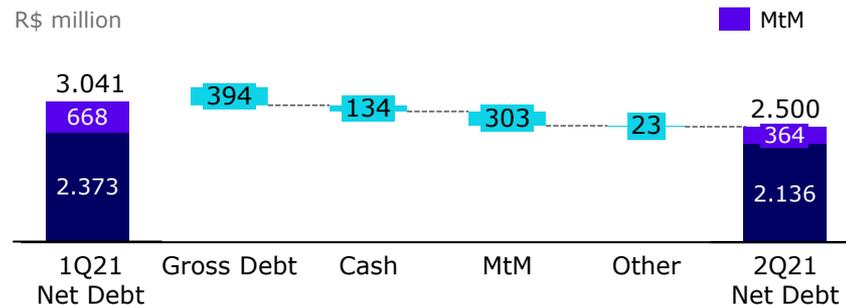
## Net Debt/adjusted EBITDA



## Debt Amortization Schedule



## Net Debt Evolution



14 <sup>1</sup> Includes cash, cash equivalents and financial investments in June/2021.



# ESG HIGHLIGHTS



# 2030 ESG Strategy

Solid ESG Strategy, including well-structured programs

## LEVERS



### ENVIRONMENTAL

- E1 - Climate Change Management
- E2 - Circular Economy
- E3 - Natural Resources
- E4 - Tailing Dam Management



### SOCIAL

- S1 - Valuing people
- S2 - Social Legacy



### GOVERNANCE

- G1 - Sustainable Value Chain
- G2 - Ethics and Transparency
- G3 - ESG Ownership

## ESG communications (Transversal Theme)

## Programs

## STRATEGIC GOALS

- P1 - GHG emissions management
- P2 - Energy management
- P3 - Aluminum recycling
- P4 - Carton and flexible packaging recycling
- P5 - Water Stewardship

- P6 - Biodiversity
- P6 - Residue Storage Dams
- P8 - Diversity, Inclusion and Retention of talents
- P9 - Health, safety and quality of life

- P10 - Social Legacy
- P11 - Sustainable Procurement
- P12 - Sustainable Solutions for Customers
- P13 - Ethics and Transparency
- P14 - ESG Ownership
- P15 - ESG Communications

## Commitments and International Certifications



# 2030 ESG Strategy – Highlights

Best practices related to emissions management and evolution in projects that enable environmental benefits

## ENVIRONMENTAL



CLIMATE CHANGE  
MANAGEMENT



CIRCULAR  
ECONOMY



NATURAL  
RESOURCES



TAILING DAM  
MANAGEMENT

SDG:



### 2Q21 Highlights



- CBA published its **2020 Inventory of GHG (Greenhouse Gas Emissions)** verified by a third party and published in the Public Emissions Register
- **Dry disposal** : at implementation stage
- **Pot rooms technology upgrade** : FEL 3 stage
- **ReAl project** (multi-material packaging recycling): at FEL3 stage with innovative solution patented

# 2030 ESG Strategy – Highlights

People-centered management sustained by high governance standards

## SOCIAL



VALUING  
PEOPLE



SOCIAL  
LEGACY

SDG:



- **Diversity at CBA: 12.8% of women** in the Company's overall workforce (2Q21) compared with 7.4% in 2018.
- **Injury frequency rate of 2.30** (2Q21) compared with a rate of 3.20<sup>2</sup> in the global aluminum industry in 2020.

## GOVERNANCE



SUSTAINABLE  
VALUE CHAIN



ETHICS AND  
TRANSPARENCY



ESG  
OWNERSHIP

SDG:



- IPO: CBA listed on the **B3 Novo Mercado**, the highest B3 governance standards, reinforcing the already world-class governance standards practiced by the Company.

<sup>1</sup> Per 1,000,000 man hours worked

<sup>2</sup> Source: IAI – International Aluminium Institute.

# Closing remarks

**Growth in synergy with existing businesses speeds up value creation**

**Financial performance: solid results and robust liquidity position**

**Leading cash cost position and one of the lowest carbon emissions globally**

**2030 ESG Strategy and Commitments: Engajement, long-term objectives, tangible actions and CBA's protagonism in the aluminum industry**

**Digital Transformation and Innovation: value creation through innovative solutions and valuable partnerships**



# Q&A

**Investor Relations**

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