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ASI CERTIFICATION  
PERFORMANCE  
STANDARD



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PRESENTED TO

# HYDRO BAUXITE & ALUMINA

CERTIFICATE  
NUMBER

24

ASI  
STANDARD

PERFORMANCE  
STANDARD  
(V2 2017)

CERTIFICATION  
LEVEL

FULL  
CERTIFICATION

ASI  
ACCREDITED  
AUDITOR

DNV GL

DATE OF ISSUE

29 MAY 2019

DATE OF EXPIRY

28 MAY 2022

CERTIFIED SINCE

29 MAY 2019

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'John' or similar, written over a white background.

Aluminium Stewardship Initiative Ltd  
ACN 606 661 125, Australia  
info@aluminium-stewardship.org

*Validity of this Certificate is subject to continued  
conformance with the applicable ASI Standard  
and can be verified at*

**[www.aluminium-stewardship.org](http://www.aluminium-stewardship.org)**

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CERTIFICATION SCOPE

Hydro Bauxite & Alumina including the  
Paragominas bauxite mine (Brazil), the Alunorte  
alumina refinery (Brazil) and the corporate office  
(Norway).

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# SUMMARY AUDIT REPORT PERFORMANCE STANDARD

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## OVERVIEW

MEMBER NAME	Hydro
ENTITY NAME	Hydro Bauxite & Alumina
CERTIFICATION SCOPE	Hydro Bauxite & Alumina including the Paragominas bauxite mine (Brazil), the Alunorte alumina refinery (Brazil) and the corporate office (Norway).
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>• Bauxite Mining</li><li>• Alumina Refining</li></ul>
ASI STANDARD	<ul style="list-style-type: none"><li>• Performance Standard V2</li></ul>
AUDIT TYPE	<ul style="list-style-type: none"><li>• Certification Audit</li></ul>
AUDIT FIRM	DNV GL
AUDIT DATE	26 – 29 November 2018
AUDIT REPORT SUBMISSION	2 April 2019
AUDIT SCOPE	<p>The audit scope covered Hydro Bauxite &amp; Alumina including the Paragominas bauxite mine (Brazil), the Alunorte alumina refinery (Brazil) and the corporate office (Norway).</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>• Bauxite Mining</li><li>• Alumina Refining</li></ul> <p>All relevant criteria in the ASI Performance Standard were included in the audit scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none"><li>• Certification</li></ul>

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AUDIT  
METHODOLOGY  
DECLARATION

The Auditors confirm that:

- ☒ The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.
- ☒ The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.
- ☒ The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.
- ☒ The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.

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CERTIFICATION  
PERIOD

29 May 2019 – 28 May 2022

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NEXT AUDIT  
TYPE

Surveillance Audit

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NEXT AUDIT  
DUE DATE

26 November 2020

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CERTIFICATE  
NUMBER

24

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has systems in place to maintain awareness of and ensure compliance with applicable law. Link to Hydro Code of Conduct: <a href="https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=3003">https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=3003</a></p> <p>In February 2018 the region of Barcarena in northern Brazil suffered from flooding following two days of extreme rainfall. The areas flooded included Hydro's Alunorte alumina refinery. More information on the episode and the current situation related to Legal compliance see the 2018 Annual report from page 71: <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
1.2 Anti-Corruption	Conformance	<p>The Entity works against corruption in all its forms, including extortion and bribery, consistent with applicable law and prevailing international standards. There is an anti-corruption policy and integrity program in place and it is implemented in the organisation by training and compliance activities.</p> <p><a href="https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=3003">https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=3003</a></p>
1.3 Code of Conduct	Conformance	<p>The Entity has implemented a Code of Conduct procedure including principles relevant to environmental, social and governance performance. Each manager is responsible for implementing the Code of Conduct in their team and there are formal processes to train each category of employee at a level that is relevant to them.</p> <p><a href="https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=300">https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=300</a></p>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	<p>The Entity implements and maintains, at relevant levels in the organisation, Environmental, Social and Governance policies.</p>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	<p>The policies and procedures are reviewed and updated on a regular basis, and all corporate policies and procedures have senior management approval.</p>

CRITERION	RATING	COMMENT
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity communicates the policies internally, for instance on display boards for employees, and externally as appropriate, for instance on the company website: <a href="https://www.hydro.com/principles">https://www.hydro.com/principles</a>
2.2 Leadership	Conformance	A senior management representative has been nominated to have overall responsibility and authority for ensuring conformance with the requirements of ASI.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has documented and locally implemented integrated Environmental Management Systems, and is certified to ISO 14001 at Alunorte site.
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has documented and locally implemented integrated Social Management Systems, and the Alunorte facility is certified to SA 8000.
2.4 Responsible Sourcing	Conformance	The Entity has implemented a responsible sourcing policy covering environmental, social and governance issues. <a href="https://www.hydro.com/Document/Index?name=Corporate%20social%20responsibility%20in%20the%20supply%20chain&amp;id=3006">https://www.hydro.com/Document/Index?name=Corporate%20social%20responsibility%20in%20the%20supply%20chain&amp;id=3006</a>
2.5 Impact Assessments	Conformance	The Entity has conducted environmental, social, cultural and Human Rights impact assessments, including a gender analysis, for new projects or major changes to existing facilities. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
2.6 Emergency Response Plan	Conformance	The Entity has site-specific emergency response plans developed in collaboration with potentially affected stakeholder groups such as local communities, workers and their representatives, and relevant agencies.
2.7 Mergers and Acquisitions	Conformance	The Entity has reviewed environmental, social and governance issues in the due-diligence process for mergers and acquisitions. These elements are governed by the CVP (Capital Value Process).
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity has processes and procedures to review environmental, social and governance issues related to the planning process for closure, decommissioning and divestment.

CRITERION	RATING	COMMENT
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity publicly discloses its governance approach and its material environmental, social and economic impacts. The reporting is accessible for instance through the GRI Index reporting on the company website. <a href="https://www.hydro.com/Document/Index?name=GRI-index.pdf&amp;id=8522">https://www.hydro.com/Document/Index?name=GRI-index.pdf&amp;id=8522</a>
3.2 Non-compliance and liabilities	Conformance	The Entity publicly discloses information on significant fines, judgments, penalties and non-monetary sanctions for failure to comply with applicable law through their annual reporting. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
3.3a Payments to governments (legal and contractual)	Conformance	The Entity only makes, or has made on its behalf, payments to governments on a legal and/or contractual basis. This is disclosed in the annual report accessible on the company website. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
3.3b Payments to governments (disclosure – bauxite mining)	Conformance	The Entity publicly discloses payments to governments in their annual report. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
3.4 Stakeholder complaints, grievances and requests for information	Conformance	The Entity has implemented accessible, transparent, understandable and culturally and gender sensitive Complaints Resolution Mechanisms, adequate to address stakeholder complaints, grievances and requests for information relating to its operations. This is accessible through a link on the company website and other local means.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity evaluates life cycle impacts of its major product lines for which aluminium is considered or used. The company does this for instance through LCA studies performed by independent institutions or on a case by case basis with customer interactions and needs. <a href="http://www.world-aluminium.org/media/filer_public/2017/06/28/lca_report_2015_final.pdf">http://www.world-aluminium.org/media/filer_public/2017/06/28/lca_report_2015_final.pdf</a>

CRITERION	RATING	COMMENT
		<a href="https://www.european-aluminium.eu/resource-hub/environmental-profile-report-2018/">https://www.european-aluminium.eu/resource-hub/environmental-profile-report-2018/</a>
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity publicly communicates LCA information through international studies and is a key contributor to analysis and data in this respect.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The Entity publicly communicates LCA information through international studies available on the internet: LCA-report from International Aluminium Institute: <a href="http://www.world-aluminium.org/media/finder_public/2017/06/28/lca_report_2015_final.pdf">http://www.world-aluminium.org/media/finder_public/2017/06/28/lca_report_2015_final.pdf</a>  LCA-report from European Aluminium: <a href="https://www.european-aluminium.eu/resource-hub/environmental-profile-report-2018/">https://www.european-aluminium.eu/resource-hub/environmental-profile-report-2018/</a>
4.2 Product design	Not Applicable	This criterion is not applicable to the Entity's certification scope.
4.3a Aluminium Process Scrap (targets)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
4.3b Aluminium Process Scrap (alloy separation)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
4.4a Collection and recycling of products at end-of-life (strategy)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
4.4b Collection and recycling of products at end-of-life (engagement)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	The Entity discloses GHG emissions and energy use in their environmental reporting as part of the annual report and through a third-party verified carbon footprint claim. <a href="https://www.hydro.com/Document/Index?name=Hydro%20Annual%20Report%202017&amp;id=3097">https://www.hydro.com/Document/Index?name=Hydro%20Annual%20Report%202017&amp;id=3097</a>  <a href="https://www.hydro.com/en/products/low-carbon-aluminium-hydro-4.0-and-hydro-75r/">https://www.hydro.com/en/products/low-carbon-aluminium-hydro-4.0-and-hydro-75r/</a>
5.2 GHG emissions reductions	Conformance	Hydro overall has an ambition to be carbon neutral in a lifecycle perspective by 2020. The company has various roadmaps, projects and initiatives to support this strategy. Examples of

CRITERION	RATING	COMMENT
		<p>initiatives in Bauxite &amp; Alumina that feeds into this is transition from heavy fuel oil to natural gas at Alunorte and the rehabilitation project at Paragominas. The climate model is described on the web and in the 2018 Annual report on page 81:</p> <p><a href="https://www.hydro.com/globalassets/04-sustainability/hydroclimatemodel.pdf">https://www.hydro.com/globalassets/04-sustainability/hydroclimatemodel.pdf</a></p> <p><a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
5.3a Aluminium Smelting (management system)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
5.3b Aluminium Smelting (up to and including 2020)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
5.3c Aluminium Smelting (after 2020)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Conformance	<p>The Entity has good systems and procedures to report on emissions to air to regulators and internally to group level. The aggregated performance is presented in the annual report available on the company website.</p> <p><a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
6.2 Discharges to Water	Conformance	<p>The Entity has good systems and procedures to report on discharges to water to regulators and internally to group level. The aggregated performance is presented in the annual report available on the company website. In February 2018 the region of Barcarena in northern Brazil suffered from flooding following two days of extreme rainfall. The areas flooded included Hydro's Alunorte alumina refinery. More information on the episode and the current situation related to Legal compliance see the 2018 Annual report from page 71:</p> <p><a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	<p>The Entity regularly assesses major risk related to environmental aspects, potential spills and leakage from the production processes. The Alunorte site is ISO 14001 certified. In February 2018 the region of Barcarena in northern Brazil suffered from flooding following two days of</p>



CRITERION	RATING	COMMENT
		<p>extreme rainfall. The areas flooded included Hydro's Alunorte alumina refinery. More information on the episode and the current situation related to Legal compliance see the 2018 Annual report from page 71:  <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	<p>The Entity has extensive plans, compliance controls and a monitoring programme in place to prevent and detect Spills and Leakage.</p>
6.4a Reporting of Spills (immediate disclosure)	Conformance	<p>The Entity has systems to report and communicate to affected parties about potential impacts of significant spills. Emergency response plans are established and regularly reviewed and tested. In February 2018 the region of Barcarena in northern Brazil suffered from flooding following two days of extreme rainfall. The areas flooded included Hydro's Alunorte alumina refinery. The timeline and transparent reporting on the episode can be reviewed on the Entity's web page:  <a href="https://www.hydro.com/en-NO/media/on-the-agenda/the-alunorte-situation/timeline-of-key-events/detailed-timeline/">https://www.hydro.com/en-NO/media/on-the-agenda/the-alunorte-situation/timeline-of-key-events/detailed-timeline/</a></p>
6.4b Reporting of Spills (regular reporting)	Conformance	<p>The Entity has good systems and a reporting culture to address and disclose potential significant spills. In the Annual report this is transparently reported.  <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
6.5a Waste management and reporting (strategy)	Conformance	<p>The Entity has a strong waste mitigation strategy including recycling of waste where relevant. Several projects and investments on waste recycling are implemented and/or under development.</p>
6.5b Waste management and reporting (disclosure)	Conformance	<p>The Entity publicly discloses waste generation and disposals in the annual report.  <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>
6.6a Bauxite Residue (storage construction)	Conformance	<p>The Entity has storage areas for Bauxite Residue that are designed to handle and prevent leachate to the environment. A new storage area was built recently with the best available technology.</p>

CRITERION	RATING	COMMENT
		<a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
6.6b Bauxite Residue (integrity checks and controls)	Conformance	The Entity has extensive procedures to check and control storage areas of Bauxite Residue. Several investments recently have been made to further increase the integrity of storages, including waste water treatment capacity.
6.6c Bauxite Residue (water discharge)	Conformance	The Entity has a waste water treatment plant. Discharge of water from the plant is treated, neutralised and controlled from this plant.
6.6d Bauxite Residue (marine and aquatic environments)	Conformance	The Entity has a waste water treatment plant. Discharges of water are treated, neutralised and controlled from this plant. There is no discharge of Bauxite Residue to marine and aquatic environments.
6.6e Bauxite Residue (start of the art technologies)	Conformance	The Entity has a task-force to work on re-using and reducing the storage of bauxite residue. A long-term target has been established. The best available technology for storage is in use. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
6.6f Bauxite Residue (remediation)	Conformance	Currently the Entity is not in the situation of closing bauxite residue areas, however there are long term plans and projects to handle this. <a href="https://www.hydro.com/Document/Index?name=Presentation%20Q3%202018&amp;id=3284">https://www.hydro.com/Document/Index?name=Presentation%20Q3%202018&amp;id=3284</a>
6.7a Spent Pot Lining (SPL) (storage and management)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.7b Spent Pot Lining (SPL) (recovery and recycling)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.7c Spent Pot Lining (SPL) (Untreated SPL)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.7d Spent Pot Lining (SPL) (review of alternatives)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.7e Spent Pot Lining (SPL) (marine and aquatic environments)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.8a Dross (recovery)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.8b Dross (recycling)	Not Applicable	This criterion is not applicable to the Entity's certification scope.

CRITERION	RATING	COMMENT
6.8c Dross (review of alternatives)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity has mapped its water withdrawal and use by source and type.
7.1b Water assessment (risk assessment)	Conformance	The Entity assesses risks related to operational, internal and external risk in their area of influence. Annual report 2018 page 83: <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
7.2a Water management (management plans)	Conformance	The Entity maps risks and implements a water consumption control program. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
7.2b Water management (monitoring)	Conformance	The Entity has established programs and controls to monitor the effectiveness of their plans, for instance a water consumption control program.
7.3 Disclosure of water usage and risks	Conformance	The Entity is reporting on water withdrawal and use, and their water related risks in the annual report on the web. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>  At corporate level the Entity is supporting the SDG (Sustainable Development Goals) and have identified Water Stewardship as a prioritized topic of their operation.
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity has assessed the risk and materiality of the impacts on biodiversity from the land use and activities in the Entity's Area of Influence. The Entity cooperates with academic institutes to increase the knowledge and secure a science-based approach.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Entity has a 1:1 land rehabilitation target set for 2017 onwards, and high attention is given to the 2020 target of closing the historical rehabilitation gap from the former operator of the Bauxite Mine.

CRITERION	RATING	COMMENT
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity participates in different global initiatives, for instance ICMM (International Council on Mining and Metals). In the annual report the Entity discloses their action plans, targets and initiatives related to Biodiversity challenges. When entering into new projects and activities the Entity has established guidance that can be reviewed on the web page: <a href="https://www.hydro.com/Document/Index?name=Guidance%20note%20on%20biodiversity&amp;id=3012">https://www.hydro.com/Document/Index?name=Guidance%20note%20on%20biodiversity&amp;id=3012</a>
8.2c Biodiversity management (reporting)	Conformance	The Entity participates in different global initiatives, for instance ICMM (International Council on Mining and Metals). In the annual report the Entity discloses their action plans, targets and initiatives related to Biodiversity challenges <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
8.3 Alien Species	Conformance	The Entity has implemented procedures and guidance on environmental and product stewardship addressing topics such as biodiversity and alien species.
8.4a Commitment to “No Go” in World Heritage properties (exploration and new mines)	Conformance	The Entity is not operating in World Heritage areas and has made their commitment to ICMM principles not to explore or develop new mines in such areas.
8.4b Commitment to “No Go” in World Heritage properties (existing operations)	Conformance	The Entity is not operating in World Heritage areas and has made their commitment to ICMM principles not to explore or develop new mines in such areas.
8.5a Mine rehabilitation (best available techniques)	Conformance	The Entity has an extensive reforestation programme consisting of growing native species and partnerships with university and research organisations.
8.5b Mine rehabilitation (financial provisions)	Conformance	The Entity has an entire team dedicated to mine rehabilitation aiming to be world leaders in this area. It is evident that sufficient financial provisions are planned for mine rehabilitation.
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	The Entity has established a Human Rights Policy.

CRITERION	RATING	COMMENT
		<a href="https://www.hydro.com/Document/Index?name=Human%20Rights%20Policy.pdf&amp;id=3007">https://www.hydro.com/Document/Index?name=Human%20Rights%20Policy.pdf&amp;id=3007</a>
9.1b Human Rights Due Diligence (process)	Conformance	<p>The Entity shows very good practice in this area, with an extensive human risk mapping carried out with the Danish Institute for Human Rights, on the entirety of their supply chain including business partners and sub-contractors, detailed by country and site, with a focus on the upstream and downstream value chain of Hydro Business Areas.</p>
9.1c Human Rights Due Diligence (remediation)	Conformance	<p>The Entity respect Human Rights and observe the UN Guiding Principles on Business and Human Rights in ways appropriate to their size and circumstances. An extensive human rights risk mapping has been carried out by the Danish Institute for Human Rights, on the entirety of the Entity's supply chain including business partners and sub-contractors.</p> <p><a href="https://www.humanrights.dk/sites/humanrights.dk/files/media/dokumenter/udgivelser/hrb_2018/hydro_report_january_2017.pdf">https://www.humanrights.dk/sites/humanrights.dk/files/media/dokumenter/udgivelser/hrb_2018/hydro_report_january_2017.pdf</a></p> <p><a href="https://www.hydro.com/en/media/news/2017/hydro-among-top-ten-in-international-survey-on-human-rights/">https://www.hydro.com/en/media/news/2017/hydro-among-top-ten-in-international-survey-on-human-rights/</a></p> <p>The Entity has extensive programs to cooperate with stakeholders where the Entity operates. On the web the Entity shows their commitment and programs established and in the Annual Report (page 26) some of the important highlights are addressed.</p> <p><a href="https://www.hydro.com/en/media/on-the-agenda/the-alunorte-situation/our-commitments/">https://www.hydro.com/en/media/on-the-agenda/the-alunorte-situation/our-commitments/</a></p> <p><a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p> <p>A full updated human rights due diligence for the Entity is planned performed in 2019.</p>
9.2 Women's Rights	Conformance	<p>The Entity code of conduct clearly states the equality between genders and is working to raise the share of women in the workforce.</p> <p><a href="https://www.hydro.com/Document/Index?name=Hydro%27s%20People%20Policy&amp;id=3013">https://www.hydro.com/Document/Index?name=Hydro%27s%20People%20Policy&amp;id=3013</a></p> <p><a href="https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=3003">https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=3003</a></p>

CRITERION	RATING	COMMENT
9.3 Indigenous Peoples	Conformance	<p>The Entity has implemented Policies and processes to ensure respect for the rights and interests of Indigenous Peoples. This can be reviewed on the Entity web page through these links:</p> <p><a href="https://www.hydro.com/Document/Index?name=Human%20Rights%20Policy.pdf&amp;id=3007">https://www.hydro.com/Document/Index?name=Human%20Rights%20Policy.pdf&amp;id=3007</a></p> <p>The Entity code of conduct clearly states a commitment to respect Indigenous Peoples rights in accordance with the UN Principles for Business and Human Rights.</p> <p><a href="https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=300">https://www.hydro.com/Document/Index?name=Code%20of%20Conduct&amp;id=300</a></p>
9.4 Free, Prior, and Informed Consent (FPIC)	Conformance	<p>When planning new projects, the Entity maps the environmental and social impact, using the Equator Principles. Since the Entity started operating the mine and refinery there have been no projects requiring FPIC. This is disclosed in the Entity 2018 Annual report on page 91:</p> <p><a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p> <p>And the Entity Human Rights Policy:</p> <p><a href="https://www.hydro.com/Document/Index?name=Human%20Rights%20Policy.pdf&amp;id=3007">https://www.hydro.com/Document/Index?name=Human%20Rights%20Policy.pdf&amp;id=3007</a></p>
9.5 Cultural and sacred heritage	Conformance	<p>The Entity has processes and guidelines to cooperatively identify sacred or cultural heritage sites and values within the Entity's Area of Influence. Archaeological surveys are being performed upfront for new project when relevant.</p>
9.6a Resettlements (avoid or minimise)	Conformance	<p>The Entity has process and guidelines implemented to assess and consider feasible alternatives to avoid or minimise physical and/or economic displacement in project designs. There have been no resettlements of people since the Entity took over the operational control of the two sites, Paragominas and Alunorte. 2018 Annual report page 246 and note S10.3, page 261 addresses this issue.</p>
9.6b Resettlements (where unavoidable)	Conformance	<p>There have been no resettlements of people since the Entity took over the operational control of the two sites. 2018 Annual report page 246 and note S10.3, page 261 addresses this issue:</p> <p><a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p>

CRITERION	RATING	COMMENT
		<p>The Entity Human Rights Policy addresses commitments to respect and work in a cooperative way with local and affected stakeholders. The Entity is focusing on securing their areas and developing a plan together with local stakeholders to handle land management and complaints.</p>
9.7a Local Communities (rights and interests)	Conformance	<p>The Entity respects the legal and customary rights and interests of Local Communities in their lands and livelihoods and their use of natural resources. The Entity is seen as an extremely positive local actor by Local Communities.</p>
9.7b Local Communities (impacts)	Conformance	<p>The Entity takes appropriate steps to prevent and address any adverse impacts on local community livelihoods resulting from its activities. The 2018 annual report page 88 addresses this issue:  <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p> <p>Also, an external report assesses the Entity impact and work on local community: Global Child Forum: Norsk Hydro Brazil's journey towards social responsibility:  <a href="https://www.globalchildforum.org/wp-content/uploads/2018/04/Norsk-Hydro-Case-Study-Global-Child-Forum-180328.pdf">https://www.globalchildforum.org/wp-content/uploads/2018/04/Norsk-Hydro-Case-Study-Global-Child-Forum-180328.pdf</a></p>
9.7c Local Communities (livelihoods)	Conformance	<p>The Entity has extensive programs to continuously explore opportunities to respect and support livelihoods of the Local Communities. The Entity has established a CSR program developed between the Entity and stakeholders in the local community. Strategic goals have been developed to support different activities for instance contributing to quality education and capacity building for persons in the Entity's communities.  <a href="https://www.hydro.com/en-NO/media/on-the-agenda/the-alunorte-situation/our-commitments/">https://www.hydro.com/en-NO/media/on-the-agenda/the-alunorte-situation/our-commitments/</a></p>
9.8 Conflict-Affected and High-Risk Areas	Conformance	<p>The Entity does not contribute to armed conflict or human rights abuses in conflict-affected and high-risk areas. The Entity adheres to the Voluntary Principles on Security and Human Rights. This is addressed in the Annual Report 2018 page 97:</p>

CRITERION	RATING	COMMENT
		<a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
9.9 Security practice	Conformance	The Entity adheres to the Voluntary Principles on Security and Human Rights. This is addressed in the Annual Report. <a href="https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a>
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	The Entity has established and implemented a People Directive procedure. In this procedure it clearly states the recognition of the principle of freedom of association and the right to join employee organizations.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	The Entity has established a People Directive procedure. In this procedure it clearly states the recognition of the principle of freedom of association and the right to join employee organizations. Collective Bargaining Agreements are implemented and used.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Not Applicable	Freedom of association or collective bargaining is not limited by law where the Entity operates.
10.2a Child Labour (minimum age)	Conformance	The Entity has established and implemented a People Directive procedure. In this procedure it clearly states Hydro does not accept child labour and will not employ children below the age of 15.
10.2b Child Labour (hazardous)	Conformance	The Entity has established a People Directive procedure. In this procedure it clearly states Hydro does not accept child labour and will not employ children below the age of 15.
10.2c Child Labour (worst forms)	Conformance	The Entity has established a People Directive procedure. In this procedure it clearly states Hydro does not accept child labour and will not employ children below the age of 15.
10.3a Forced Labour (human trafficking)	Conformance	The Entity's Code of Conduct and Supplier Code of Conduct restrict forced labour.
10.3b Forced Labour (deposits, fees, advances)	Conformance	No incidents were found at the Entity sites. No deposits are held, no recruitment fees are paid.
10.3c Forced Labour (migrant workers)	Conformance	No incidents were found at the Entity sites. No deposits are held, no recruitment fees are paid.



CRITERION	RATING	COMMENT
10.3d Forced Labour (debt bondage)	Conformance	No incidents were found at the Entity sites.
10.3e Forced Labour (freedom of movement)	Conformance	No incidents were found at the Entity sites. Workers are free to leave their working places.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	No original identity papers are kept by the Entity. Only copies are stored.
10.3g Forced Labour (freedom to terminate employment)	Conformance	No incidents were found at the Entity sites on this criterion.
10.4 Non-Discrimination	Conformance	No discrimination was found during audits and interviews at the Entity's sites.
10.5 Communication and engagement	Conformance	Communication and engagement at the Entity is very strong and with engagement from employees.
10.6 Disciplinary practices	Conformance	No incidents of mental or physical punishment were detected at the Entity's sites.
10.7a Remuneration (living wage)	Minor Non-Conformance	<p>The Entity has policies and procedures with methodologies regarding remuneration of workers including payments, overtime and deductions.</p> <p>One minor non-conformance was found where one welder worked an amount of hours in excess of the legal maximum and had a period of rest below the legal minimum. Other employee files reviewed were in conformance.</p>
10.7b Remuneration (method of payment)	Conformance	Payments of wages are conducted monthly in a punctual manner. All workers are getting payslips with payments details.
10.8 Working Time	Conformance	The Entity complies with applicable law and industry standard on working time. It has different shifts models and all working hours are registered.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	<p>The Entity has implemented a global Health and Safety Policy governed by the President and CEO.</p> <p><a href="https://www.hydro.com/Document/Index?name=Health%2C%20security%2C%20safety%20and%20environment%20policy&amp;id=3010">https://www.hydro.com/Document/Index?name=Health%2C%20security%2C%20safety%20and%20environment%20policy&amp;id=3010</a></p>

CRITERION	RATING	COMMENT
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The Entity Policy on HSE is communicated in several ways, for instance, publicly on the company website or visually on boards and through training and contracts with external stakeholders.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity policy on HSE has a commitment to comply with all Applicable Laws.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The Entity policy on HSE addresses rights of workers to refuse or stop unsafe work by the fact that "safe work is always the most important" and contains a commitment to comply with all Applicable Laws. <a href="https://www.hydro.com/Document/Index?name=Health%2C%20security%2C%20safety%20and%20environment%20policy&amp;id=3010">https://www.hydro.com/Document/Index?name=Health%2C%20security%2C%20safety%20and%20environment%20policy&amp;id=3010</a>
11.2 OH&S Management System	Minor Non-Conformance	The Entity has a documented and implemented Occupational Health and Safety Management System that is conformant with applicable national and international standards. The Alunorte site is certified to OHSAS 18001.  However, it was noted that areas at the Paragominas bauxite mine had not undergone the AET - Analyze Ergonomic Work Area of the Plant and Pipeline as per Local Law NR 17.
11.3 Employee engagement on health and safety	Conformance	The Entity is following best industry practice on Occupational Health and Safety with close cooperation with management and the employees including contractors.
11.4 OH&S performance	Conformance	The Entity evaluates its Occupational Health and Safety performance regularly and several KPI's are addressed on Occupational Health and Safety. The Entity has several tools for evaluating performance and continuously improve.