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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 green 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).

# SUMMARY AUDIT REPORT

## PERFORMANCE STANDARD

### 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 (26 – 29 November 2018)</li><li>• Surveillance Audit (15 October 2020 – 12 November 2020)</li></ul>
AUDIT FIRM	DNV GL
AUDIT DATE	<ul style="list-style-type: none"><li>• 26 – 29 November 2018 (Certification Audit)</li><li>• 15 October 2020 – 12 November 2020 (Surveillance Audit)</li></ul>
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none"><li>• 2 April 2019 (Certification Audit)</li><li>• 25 January 2021 (Surveillance Audit)</li></ul>
AUDIT SCOPE	<p><u>Certification Audit (26 – 29 November 2018)</u></p> <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> <p><u>Surveillance Audit (15 October 2020 – 12 November 2020)</u></p> <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>

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Supply chain activities included in the audit scope:

- Bauxite Mining
- Alumina Refining

All relevant criteria in the ASI Performance Standard were included in the audit scope.

At the time of the audit (October - November 2020), access to facilities for all audit personnel was not possible, due to COVID-19 related travel restrictions. The Paragominas and Alunorte production sites in Brazil included an onsite audit component, whilst the Corporate Office in Norway was audited as a 'desktop' exercise, in accordance with the ASI Interim Policy regarding Audits, Audit-Related Travel and Coronavirus (v4), and included a remote review of relevant documentation.

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AUDIT  
OUTCOME

- Certification

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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

Re-Certification Audit

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NEXT AUDIT  
DUE DATE

28 May 2022

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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/en-NO/sustainability/business-integrity-and-responsible-sourcing/compliance-and-integrity/our-code-of-conduct/">https://www.hydro.com/en-NO/sustainability/business-integrity-and-responsible-sourcing/compliance-and-integrity/our-code-of-conduct/</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 current situation related to Legal Compliance in the 2018 Annual Report from page 71: <a href="https://www.hydro.com/Document/Index?ame=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?ame=2018%20Annual%20report.pdf&amp;id=8525</a></p> <p>More information on governance and Management Systems is available in the 2019 Sustainability Report: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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 and it is implemented via training and compliance activities. The Code of Conduct is available on the website: <a href="https://www.hydro.com/Document/Index?name=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695">https://www.hydro.com/Document/Index?name=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695</a></p> <p>The Code of Conduct is translated into several languages and training, and surveys are performed and integrated into the Entity's compliance and Management System.</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</p>

CRITERION	RATING	COMMENT
		to them. The Code of Conduct is available on the website: <a href="https://www.hydro.com/Document/Index?name=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695">https://www.hydro.com/Document/Index?name=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695</a>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity implements and maintains, at relevant levels in the organisation, Environmental, Social and Governance Policies. Several Policies exist and can be accessed at: <a href="https://www.hydro.com/en/about-hydro/corporate-governance/policies-and-tools/">https://www.hydro.com/en/about-hydro/corporate-governance/policies-and-tools/</a>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The policies and procedures are reviewed and updated on a regular basis, and all corporate policies and procedures have senior management approval. Policies are available at: <a href="https://www.hydro.com/en/about-hydro/corporate-governance/policies-and-tools/">https://www.hydro.com/en/about-hydro/corporate-governance/policies-and-tools/</a>
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/en/about-hydro/corporate-governance/policies-and-tools/">https://www.hydro.com/en/about-hydro/corporate-governance/policies-and-tools/</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 the 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 and a framework on Responsible Supply Chain, available at: <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> and <a href="https://www.hydro.com/en/sustainability/busines">https://www.hydro.com/en/sustainability/busines</a>

CRITERION	RATING	COMMENT
		<a href="#">s-integrity-and-responsible-sourcing/responsible-supply-chain/</a>
2.5 Impact Assessments	Conformance	<p>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. See the following link: <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>The Entity has more recently shown even more results and impact studies. A comprehensive external Human Rights Due Diligence and Impact Assessment in the State of Para has been performed and actions on improvement areas addressed, with a summary report to be publicly disclosed at a later stage. Impact studies and discussions are also to be reviewed in the latest Sustainability Report where links to UN Sustainability Development Goals are addressed: <a href="https://www.hydro.com/en/media/news/2020/sustainability-report-for-hydros-operations-in-brazil-2019/">https://www.hydro.com/en/media/news/2020/sustainability-report-for-hydros-operations-in-brazil-2019/</a></p>
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.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	<p>The Entity publicly discloses its governance approach and its material environmental, social and economic impacts. The reporting is accessible on the company website: <a href="https://www.hydro.com/en/investors/reports-and-presentations/annual-reports/annual-report-2019/">https://www.hydro.com/en/investors/reports-and-presentations/annual-reports/annual-report-2019/</a></p>

CRITERION	RATING	COMMENT
		<p>The Entity has issued a separate Sustainability Report regarding the Brazilian operations covering the 2019 year and highlights of developments in 2020:  <a href="https://www.hydro.com/en/media/news/2020/sustainability-report-for-hydros-operations-in-brazil-2019/">https://www.hydro.com/en/media/news/2020/sustainability-report-for-hydros-operations-in-brazil-2019/</a></p>
3.2 Non-compliance and liabilities	Conformance	<p>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, available on page 255:  <a href="https://www.hydro.com/en/investors/reports-and-presentations/annual-reports/annual-report-2019/">https://www.hydro.com/en/investors/reports-and-presentations/annual-reports/annual-report-2019/</a></p>
3.3a Payments to governments (legal and contractual)	Conformance	<p>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 on page 83:  <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
3.3b Payments to governments (disclosure – bauxite mining)	Conformance	<p>The Entity publicly discloses Payments to Governments in their Annual Report on page 83:  <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
3.4 Stakeholder complaints, grievances and requests for information	Conformance	<p>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.</p> <p>The Entity provides a communication channel with External Parties including Communities, available on the Entity's website, with its effectiveness demonstrated by interviews undertaken with key Stakeholders (5 from Alunorte and 6 from Paragominas) who demonstrate a good level of communication and partnership with the Entity:  <a href="https://www.hydro.com/pt-BR/fale-conosco/canal-direto/">https://www.hydro.com/pt-BR/fale-conosco/canal-direto/</a></p> <p>A new grievance mechanism in Brazil has been established: <a href="https://www.hydro.com/en-">https://www.hydro.com/en-</a></p>

CRITERION	RATING	COMMENT
		<a href="https://www.hydro.com/globalassets/07-media/news/2014/hydro-launches-a-new-grievance-mechanism-in-brazil/">US/media/news/2014/hydro-launches-a-new-grievance-mechanism-in-brazil/</a>
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 Entity does this, for instance, through Life Cycle Assessment studies performed by independent institutions or on a case by case basis with customer interactions and needs.
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity publicly communicates Life Cycle Assessment 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 Life Cycle Assessment information through international studies available on the internet, including: LCA report from International Aluminium Institute: <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> 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 on pages 49-51 and 52: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a>



CRITERION	RATING	COMMENT
		<p>Additionally, via a third-party verified carbon footprint claim:  <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></p>
5.2 GHG emissions reductions	Conformance	<p>Hydro 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 initiatives in Bauxite &amp; Alumina that provide input into this include the transition from heavy fuel oil to natural gas at Alunorte and a rehabilitation project at Paragominas. The climate model is described on the website and in the 2018 Annual Report on page 81:  <a href="https://www.hydro.com/globalassets/04-sustainability/hydroclimatemodel.pdf">https://www.hydro.com/globalassets/04-sustainability/hydroclimatemodel.pdf</a>,  <a href="https://www.hydro.com/Document/Index?ame=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/Document/Index?ame=2018%20Annual%20report.pdf&amp;id=8525</a></p> <p>The Entity monitors GHG emissions regularly, showing the level of atmospheric emissions issued meets requirements of local legislation. This is publicly disclosed in the 2019 Sustainability Report on pages 49-51 and 52:  <a href="https://www.hydro.com/en-BR/sustainability/our-performance/sustainability-report-for-hydros-operations-in-brazil/">https://www.hydro.com/en-BR/sustainability/our-performance/sustainability-report-for-hydros-operations-in-brazil/</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:  <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>The updated Annual Report 2019 is available on the web and highlights Emissions to Air and programs to reduce the impact on pages 38, 49-51:  <a href="https://www.hydro.com/globalassets/07-">https://www.hydro.com/globalassets/07-</a></p>

CRITERION	RATING	COMMENT
		<a href="https://www.hydro.com/media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a>
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 current situation available in the 2018 Annual Report on 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> <p>The Entity has established projects to improve even further as described in the 2019 Annual Report on pages 15-17: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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 extreme rainfall. The areas flooded included Hydro's Alunorte Alumina Refinery. More information on the episode and current situation available in the 2018 Annual Report on 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> <p>The Entity showed good performance in preventing Spills and Leakage and had since further made a large amount of investments to prevent future Spills and Leakages.</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 in place 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</p>

CRITERION	RATING	COMMENT
		<p>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> <p>The Entity has since followed up on the episode and improvement is evident. Since the previous audit no significant spills or leakages have been reported.</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. This is transparently reported in the Annual Report on page 51: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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 on pages 56-57: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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. In the latest Sustainability Report the Entity describes and discusses the development regarding Bauxite Residue challenges and opportunities: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p> <p>Refer to Annual Report, page 38-39: <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>
6.6b Bauxite Residue (integrity checks and controls)	Conformance	<p>The Entity has extensive procedures to check and control storage areas of Bauxite Residue. Several investments recently have been made</p>

CRITERION	RATING	COMMENT
		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 reusing and reducing the storage of Bauxite Residue. A long-term target has been established. The best available technology for storage is in use. On page 38 in the Annual Report the Entity describes the technology developments: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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, for instance research programs and testing. See the Annual Report on page 38: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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. Details available in the Annual Report 2019 on page 16: <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. Public disclosure is outlined in the Sustainability Report 2019 on pages 15-17: <a href="https://www.hydro.com/Document/Index?name=%C3%8Dndice%20GRI%20-%20Opera%C3%A7%C3%B5es%20da%20Hydro%20no%20Brasil%202019.pdf&amp;id=563721">https://www.hydro.com/Document/Index?name=%C3%8Dndice%20GRI%20-%20Opera%C3%A7%C3%B5es%20da%20Hydro%20no%20Brasil%202019.pdf&amp;id=563721</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 pages 16 and 54: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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. Details available in the Annual Report on pages 16 and 17: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a>

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8.2a Biodiversity management (biodiversity action plans)	Conformance	<p>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. Details available in the Annual Report on pages 15 and 16:</p> <p><a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	<p>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:</p> <p><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></p>
8.2c Biodiversity management (reporting)	Conformance	<p>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. The achieved Biodiversity outcomes are discussed in the Annual Report on pages 15 and 58: <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
8.3 Alien Species	Conformance	<p>The Entity has implemented procedures and guidance on environmental and product stewardship addressing topics such as Biodiversity and Alien Species.</p>
8.4a Commitment to “No Go” in World Heritage properties (exploration and new mines)	Conformance	<p>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.</p>
8.4b Commitment to “No Go” in World Heritage properties (existing operations)	Conformance	<p>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.</p>
8.5a Mine rehabilitation (best available techniques)	Conformance	<p>The Entity has an extensive reforestation programme consisting of growing native species</p>

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		<p>and partnerships with university and research organisations. See the Sustainability Report for more information regarding programs and results on pages 15, 38 and 59:  <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
8.5b Mine rehabilitation (financial provisions)	Conformance	<p>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.</p>
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	<p>The Entity has established a Human Rights Policy: <a href="https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/hydros-human-rights-policy.pdf">https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/hydros-human-rights-policy.pdf</a></p>
9.1b Human Rights Due Diligence (process)	Conformance	<p>The Entity demonstrates good practice in this area, with extensive Human Rights 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> <p>The Entity's framework for Human Rights management was reviewed in 2019 and reports analyzed in 2019-2020. The results and improvements addressed are highlighted in the Sustainability Report on pages 22-24:  <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
9.1c Human Rights Due Diligence (remediation)	Conformance	<p>The Entity respects Human Rights and observes 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:  <a href="https://www.humanrights.dk/sites/humanrights.dk/files/media/migrated/hydro_report_january_2017.pdf">https://www.humanrights.dk/sites/humanrights.dk/files/media/migrated/hydro_report_january_2017.pdf</a>  <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>

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		<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 some of the important highlights are addressed in the Annual Report on page 26:</p> <p><a href="https://www.hydro.com/en/media/on-the-agenda/the-alunorte-situation/our-commitments/https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525">https://www.hydro.com/en/media/on-the-agenda/the-alunorte-situation/our-commitments/https://www.hydro.com/Document/Index?name=2018%20Annual%20report.pdf&amp;id=8525</a></p> <p>The Entity's framework for Human Rights management was reviewed in 2019 and reports analyzed in 2019-2020. The results and improvements addressed are highlighted in the Sustainability Report on pages 22-24:</p> <p><a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>
9.2 Women's Rights	Conformance	<p>The Entity's 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%20Code%20of%20Conduct%20EN.pdf&amp;id=550695">https://www.hydro.com/Document/Index?name=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695</a></p>
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 in the Entity's Annual Report on page 26:</p> <p><a href="https://www.hydro.com/Document/Index?name=Annual%20report%202019%20web.pdf&amp;id=506433">https://www.hydro.com/Document/Index?name=Annual%20report%202019%20web.pdf&amp;id=506433</a></p> <p>The Entity's 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=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695">https://www.hydro.com/Document/Index?name=Hydro%20Code%20of%20Conduct%20EN.pdf&amp;id=550695</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 2019 Annual Report on page 293:</p> <p><a href="https://www.hydro.com/Document/Index?name=Annual%20report%202019%20web.pdf&amp;id=506433">https://www.hydro.com/Document/Index?name=Annual%20report%202019%20web.pdf&amp;id=506433</a></p>



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		<p>And, the Entity's Human Rights Policy:  <a href="https://www.hydro.com/Document/Index?name=Hydro%27s%20Human%20Rights%20Policy.pdf&amp;id=566838">https://www.hydro.com/Document/Index?name=Hydro%27s%20Human%20Rights%20Policy.pdf&amp;id=566838</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 Projects when relevant.</p>
9.6a Resettlements (avoid or minimise)	Conformance	<p>The Entity has processes 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. The 2018 Annual Report, page 246 and note S10.3 and page 261 address 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>
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, Paragominas and Alunorte. The 2018 Annual Report, page 246 and note S10.3 and page 261 address 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>  The Entity's 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.  In the 2019 Sustainability Report several initiatives are described on pages 36, 40 and 41:  <a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p>

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9.7b Local Communities (impacts)	Conformance	<p>The Entity takes appropriate steps to prevent and address any adverse impacts on Local Communities livelihoods resulting from its activities. The 2019 Sustainability Report addresses this issue and several places and case stories are described:</p> <p><a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</a></p> <p>Also, an external report titled 'Norsk Hydro Brazil's journey towards social responsibility' by the Global Child Forum, assesses the Entity's impact and work on Local Communities:</p> <p><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> <p>An updated Human Rights Due Diligence external mapping and report have been worked out and the report will be publicly available at a later stage.</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 Local Communities. In the recent published Sustainability Report many initiatives are described in detail:</p> <p><a href="https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf">https://www.hydro.com/globalassets/07-media/news/2020/october/sustainability-report-for-hydros-operations-in-brazil-2019.pdf</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 on page 294:</p> <p><a href="https://www.hydro.com/Document/Index?name=Annual%20report%202019%20web.pdf&amp;id=506433">https://www.hydro.com/Document/Index?name=Annual%20report%202019%20web.pdf&amp;id=506433</a></p>
9.9 Security practice	Conformance	<p>The Entity adheres to the Voluntary Principles on Security and Human Rights. This is addressed in the Annual Report on page 294:</p> <p><a href="https://www.hydro.com/Document/Index?name=">https://www.hydro.com/Document/Index?name=</a></p>

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		<a href="#">Annual%20report%202019%20web.pdf&amp;id=506433</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: <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>
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 that 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 that 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 that 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's sites. No deposits are held, no recruitment fees are paid.
10.3c Forced Labour (migrant workers)	Conformance	No incidents were found at the Entity's sites. No deposits are held, no recruitment fees are paid.
10.3d Forced Labour (debt bondage)	Conformance	No incidents were found at the Entity's sites.

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10.3e Forced Labour (freedom of movement)	Conformance	No incidents were found at the Entity's 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's 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. An engagement survey is performed regularly to monitor the engagement and development.
10.6 Disciplinary practices	Conformance	No incidents of mental or physical punishment were detected at the Entity's sites.
10.7a Remuneration (living wage)	Conformance	The Entity has policies and procedures with methodologies regarding Remuneration of Workers including payments, Overtime and deductions. An earlier Minor Non-Conformance, found where one welder worked hours in excess of the legal maximum and had a period of rest below the legal minimum has now been closed and no new situations were observed.
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 standards 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	The Entity has implemented a global Health and Safety Policy governed by the President and CEO: <a href="https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/health-safety-security-environment-hse-.pdf">https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/health-safety-security-environment-hse-.pdf</a>
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The Entity's Policy on HSE is communicated in several ways, for instance, publicly on the company website or visually on boards and

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		through training and contracts with external Stakeholders.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity's Policy on HSE has a commitment to comply with all Applicable Laws: <a href="https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/health-safety-security-environment-hse-.pdf">https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/health-safety-security-environment-hse-.pdf</a>
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	The Entity's 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/globalassets/08-about-hydro/corporate-governance/health-safety-security-environment-hse-.pdf">https://www.hydro.com/globalassets/08-about-hydro/corporate-governance/health-safety-security-environment-hse-.pdf</a>
11.2 OH&S Management System	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 ISO 45001. An earlier Minor Non-Conformance, related to areas at the Paragominas Bauxite Mine that had not undergone the AET - Analyze Ergonomic Work Area of the Plant and Pipeline as per Local Law NR 17, has been closed. It is evident the Entity has performed Corrective Actions through the elaboration of the Ergonomic Work Analysis Report prepared in October 2019.
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 Workers, including Contractors.
11.4 OH&S performance	Conformance	The Entity evaluates its Occupational Health and Safety performance regularly and several KPIs are addressed on Occupational Health and Safety. The Entity has several tools for evaluating performance and to continuously improve.

#### **Document Control and Version History**

Revision	Date	Notes
0	29 May 2019	Issued (Full Certification)
1	9 February 2021	Surveillance Audit