



Modern Slavery Transparency Statement 2024

Extract from Integrated annual report 2024

Refer to [Hydro.com](https://www.hydro.com) for full 2024 Annual Report



General information

The sustainability statements present Hydro's governance and performance related to material sustainability topics, including detailed performance indicators (sustainability metrics).

This general information section presents identified material sustainability related impacts, risks, and opportunities, and Hydro's principles for sustainability reporting which form the basis for preparation of the sustainability statements.

Principles for sustainability reporting

The purpose of Hydro's reporting is to provide stakeholders with a fair and balanced picture of relevant aspects, engagements, practices, and results for 2024. The sustainability statements are prepared on the same consolidated basis as the financial statements. Sustainability information that relates to business relationships in non-consolidated entities, including Hydro's upstream or downstream value chain, is clearly identified as such. No specific information corresponding to intellectual property, know how or the results of innovation that is considered material for users of the integrated annual report, has been omitted.

Quantitative metrics included in the sustainability statements include a description of reporting principles, measurement and calculation methodology, assumptions and basis for presentation, including an evaluation of accuracy if the data is estimated using sector averages or other proxies and planned actions to improve accuracy in the future. Metrics subject to a high level of measurement uncertainty are clearly identified as such.

The sustainability statements, including [additional notes](#) and [disclosures pursuant to the Norwegian Equality Act](#) in the appendix, are approved by the Board of Directors.

Statutory reporting and reporting standards

Hydro's sustainability statements are prepared in compliance with the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), the Norwegian Accounting Act, and other applicable regulations. Hydro follows the ESRS recommendations regarding phase in periods for disclosure requirements E1-9, E2-6, E3-5, E4-6, E5-6.

Disclosures required by the Norwegian Equality and Anti-Discrimination Act are included in the [Appendix](#).

Human rights related reporting, including disclosures required by the Norwegian Transparency Act 2021, the Australian Modern Slavery Act 2018, and the UK Modern Slavery Act 2015 are provided in the sections on [Own Workforce](#), [Workers in the value chain](#), and [Affected communities](#).

The reporting requirements in these regulations apply to Hydro as an enterprise resident in Norway with total assets of more than NOK 35 million combined with, on average, more than 50 full time employees, a supplier of goods with a total turnover of more than AUD 100 million in Australia and GBP 36 million or more in the UK, respectively.

The human rights related disclosures are prepared based on information collected from all consolidated entities in Hydro. Hydro's Human Rights Policy and further information about the company's human rights management approach is available on [Hydro.com](#). Hydro's Code of Conduct sets out the company's position on human rights in all operations, including the opposition to all forms of modern slavery. Entities that are not fully owned by, but are controlled by Hydro, can have different policies. Hydro expects that their relevant policies are aligned with the ones of Hydro. The Modern Slavery Transparency Statement is approved and signed by the Board of Directors of the parent company Norsk Hydro ASA. See also Hydro's separate statements based on the Norwegian Transparency act at [Hydro.com](#).

Hydro also reports in accordance with the GRI Standards and the requirements of the International Council on Mining and Metals (ICMM). The GRI index is available at [Hydro.com/gri](#).

Reporting scope and disclosures in relation to specific circumstances

The sustainability statements cover the period January 1 to December 31, 2024. Operations sold or demerged during the year are not included, unless specified. Health and safety, and headcount metrics for previously consolidated operations are included in the historical data for the period the unit was owned by Hydro. Climate and environmental metrics for new operations or operations acquired during the reporting year are included for the year in full as well as in historical data unless otherwise mentioned. Data from discontinued or closed down operations are included for the part of the reporting period it was under operation, unless otherwise stated. In line with ESRS requirements, non-controlled joint ventures, joint operations, associates and other joint arrangements are not included in the sustainability metrics, except for the Scope 1 and Scope 2 emissions reported in the climate change section.

Reporting systems

Metrics for climate change, energy, pollution, water, resource use and waste, and certain data on biodiversity are collected using Hydro's environmental reporting system on an annual basis. Metrics for health and safety of Hydro's own workforce are collected using the reporting systems for incident reporting, IMS and Synergi. Diversity and other metrics relating to Hydro's own workforce are collected from Hydro's SAP system and Hydro's employee engagement survey, Hydro Monitor. Data for workers in the value chain and affected communities are based on Hydro's due diligence processes and data collected from the business areas, procurement teams, and Group Internal Audit and Investigations' overview of alerts reported to line management, supporting staff functions, and Hydro's AlertLine. Additional metrics are calculated by corporate functions based on third party data.

Basis for preparation and limitations

The basis for calculation and presentation of sustainability metrics is described in the notes to the respective metrics, including information on whether the metrics are measured directly or estimated based on sources such as third party data or sector averages. Metrics are collected from Hydro's operational units relying on local management systems and are typically based on process data systems, measurements, calculations, and purchasing data. Controls are performed to ensure the information is complete and accurate. However, the scope of the sustainability statements and the absence of generally accepted reporting standards and practices for certain data may result in uncertainties in the reported information. The notes to the chapters on each material sustainability topic includes information on sources of estimation or outcome uncertainty.

Reporting changes and prior reporting errors

- Hydro's sustainability statements in the Annual Report 2024 have been prepared in compliance with ESRS.
- Hydro's assessment and presentation of material sustainability matters were updated in 2024 based on the [guidance issued by EFRAG](#).
- Consumers and end users are no longer considered a material topic, as Hydro does not have a material impact on, and is not exposed to material risks associated with individuals who consume goods for personal use, based on an improved understanding of ESRS definitions of consumers and end users.

Material topic: Resource use and circular economy		Related to Risk 1, Risk 2, Risk 3 described in the risk review		
Material impacts Value chain impacts associated with Hydro's dependency on raw materials for alumina refining and primary aluminium production. Impacts associated with resource outflows, including tailings from mining operations, bauxite residue from alumina refining and waste generation from operations in the aluminium value chain.	Material risks and opportunities Risks associated with Hydro's dependency on raw materials in a concentrated aluminium value chain. Opportunities associated with having an integrated value chain with traceable, secure material supply, including recycled aluminium, and opportunities associated with developing more circular production models in the aluminium value chain.	Due diligence activities and processes to identify and assess material impacts, risks, and opportunities Hydro identifies and assesses impacts, risks, and dependencies associated with resource use and circular economy by measuring its resource use and resource outflows from all operations. This includes energy and raw material use for production processes, recycled content in resource inflows, as well as the generation of tailings, residue and waste from its operations, and the waste treatment and disposal methods for different waste streams.	Stakeholder engagement Hydro has strategic partnerships with many customers to design and develop more sustainable products. The company engages industry associations, standard setters, and local stakeholders in countries where it has significant operations, as well as with regional structures like the European Union, on topics related to the environmental and social impacts of resource use. Hydro engages local authorities and communities directly in relation to tailings and bauxite residue management through on-site inspections, third party audits. Hydro engages several commercial partners and supports R&D projects connected to management and utilization of bauxite residue, and has established partnerships to develop more circular solutions to other waste streams.	
Material topic: Legacy assets		Related to Risk 1, Risk 4, Risk 15, Risk 16 described in the risk review		
Material impacts Potential incidents or accidents affecting the health and safety of people or the environment near legacy industrial sites.	Material risks and opportunities Risks associated with obligations or changing expectations for the management of tailings facilities and industrial legacy sites, restoration or remediation of waterbodies or land areas, or future closure and clean up obligations for industrial sites.	Due diligence activities and processes to identify and assess material impacts, risks, and opportunities Impacts and risks are assessed through on going assessment of legacy sites and industrial operations. Sites are screened for potential impacts and risks, land and waterbodies near material industrial sites are tested for pollution. Hydro's legacy project has developed a methodology to evaluate legacy risks and their potential financial effects for Hydro.	Stakeholder engagement Potentially affected stakeholders are engaged directly and through local media, and informed and consulted when potential impacts have been identified. Local authorities and NGOs are also engaged on impact assessments to identify potential risks.	
Material topic: Own workforce		Related to Risk 10, Risk 13, Risk 14, Risk 16 described in the risk review		
Material impacts Potential fatal or life changing accidents affecting own workforce. Potential incidents of discrimination or harassment affecting own workforce. Positive impacts associated with employees personal and career development and social protection.	Material risks and opportunities Risks associated with fatal or life changing accidents. Risks associated with actual or alleged incidents of discrimination, harassment, or other breaches of employee's rights. Opportunities associated with being perceived as an attractive and responsible employer.	Due diligence activities and processes to identify and assess material impacts, risks, and opportunities Impacts and risks are identified and assessed using employee engagement surveys, grievance mechanisms including AlertLine, root cause reviews of incidents affecting employees, health and safety network meetings, and regular employee reviews meetings conducted by line managers.	Stakeholder engagement Hydro engages its employees on health and safety issues through frequent health and safety network meetings in business areas. Engagement on diversity and inclusion issues is primarily done through employee reviews and the range of initiatives sponsored by members of the Executive Leadership Team.	

Material topic: Workers in the value chain		Related to Risk 10, Risk 13, Risk 14, Risk 16 described in the risk review	
Material impacts	Material risks and opportunities	Due diligence activities and processes to identify and assess material impacts, risks, and opportunities	Stakeholder engagement
Potential fatal or life changing accidents affecting workers in the value chain.	Risks associated with fatal or life changing accidents involving workers in the value chain.	Contractors working on Hydro's sites are subject to the same requirements and due diligence on health, safety and worker's rights as Hydro's own workforce. Impacts and risks on other workers in the value chain are identified and assessed by performing supplier due diligence activities using data on inherent risk of negative impacts by geography and industry. High and medium risk suppliers are subject to further due diligence using self-assessments, screening tools, direct engagement and audits to determine residual risk of negative impacts, and direct engagement on corrective action plans related to residual risk of negative impacts.	Contractors working on Hydro's sites are engaged directly on health and safety standards the same way as Hydro's own workforce. Other potentially affected workers in the value chain are engaged indirectly through Hydro's requirements and expectations for workers' rights as set out in Hydro's Supplier Code of Conduct.
Potential incidents resulting in breaches of the rights of workers in the value chain.	Risks associated with actual or alleged incidents of discrimination, harassment or other breaches of the rights of workers in the value chain.		
Positive impacts associated with supplier engagement on workers rights, including health and safety standards.			
Material topic: Affected communities		Related to Risk 10, Risk 16 described in the risk review	
Material impacts	Material risks and opportunities	Due diligence activities and processes to identify and assess material impacts, risks, and opportunities	Stakeholder engagement
Potential incidents affecting the rights of people in local communities.	Risks associated with accidents impacting health and safety, and risks associated with actual or alleged incidents affecting the rights of people in affected communities across the value chain. Opportunities associated with being perceived as a cornerstone company in the communities where we operate.	Impacts and risks are identified and assessed by mapping the local sustainability context and transition challenges where Hydro operates using data on inherent risk of negative impacts by geography and industry. Potential human rights impacts are further assessed by direct engagement of potentially affected stakeholders through stakeholder dialogue to understand what is expected of the company, what is important to local communities, how Hydro impacts them and how the company can solve common challenges.	Potentially affected stakeholders in local communities are engaged directly through stakeholder dialogues and through local media, and informed and consulted when potential impacts have been identified. Local authorities and NGOs are also engaged on impact assessments to identify potential risks.
Potential accidents negatively impacting the health and safety of people in local communities.			
Positive impacts from contributing to resilient local communities in a changing world, and skills and jobs for the future low-carbon economy.			
Material topic: Business conduct		Related to Risk 8 described in the risk review	
Material impacts	Material risks and opportunities	Due diligence activities and processes to identify and assess material impacts, risks, and opportunities	Stakeholder engagement
	Risks associated with actual or alleged breaches of regulations, standards or stakeholder expectations for business conduct.	Hydro identifies inherent risk of corruption and other business conduct issues through corruption indexes and other screening tools, and assess potential impacts and risks through supplier and business partner due diligence processes. Hydro monitors business conduct incidents through cases reported to line management, supporting staff functions, Hydro's grievance mechanisms, AlertLine and Canal Direto, quarterly and year end compliance reporting from its business areas, and information collected from Hydro's legal and compliance departments.	Hydro engages its major shareholder, the Norwegian state, on compliance and business conduct in quarterly meetings and engages local authorities, civil society, and industry associations and other companies regularly. Hydro also participates in the development of industry practices through engagement with organizations such as Transparency International Norway, the Maritime Anti-Corruption Network, the International Council on Mining and Metals (ICMM) and the Aluminium Stewardship Initiative (ASI).
	Opportunities associated with responsible business conduct.		

Own workforce – our people and work environment

Why it matters

Hydro has a responsibility to provide a safe and inclusive work environment for all workers, including own employees, temporary employees, agency workers, and contractors. Hydro values human life above all other considerations and will not compromise the health and safety of those working for the company or affected by its activities.

Hydro believes a safe work environment also promotes efficiency and lower operating costs. Hydro relies on a safe, healthy, competent, and engaged workforce to ensure quality and efficiency in all operations. Safeguarding the rights, health, and safety of the workforce, while fostering a culture for learning, equal treatment, and opportunities is essential for attracting and developing talent, ultimately enhancing the company's performance. Hydro's organizational culture, which emphasizes learning and development, innovation, leadership, and belonging aligns with the company's strategic priorities and drives success.

Conversely, an adverse psychosocial work environment or accidents that affect the health and safety of Hydro's workforce can result in disruption of business operations. Such incidents may result in legal proceedings, fines or other financial consequences, and damage to the company's reputation, which can erode trust in both the short, medium and long-term. Failure to comply with applicable regulations for working conditions, equal treatment and/or reporting on workforce related issues could also result in fines and negative reputation.

Hydro positively impacts employees by offering secure employment, learning and development, fair wages, and social protection. However, potential negative impacts can arise from unintended incidents of discrimination, harassment, or accidents resulting in injury, illness, or even fatalities involving employees or contractors.

Hydro's workers are exposed to a variety of safety risks that, if not controlled, could result in accidents leading to injuries or fatalities. The inherent risks of negative impacts on health and safety are higher when performing non-routine work such as building and construction projects, and in work related to energy, work at height, mobile equipment, overhead cranes, confined spaces, molten metal and projects.

Our approach

Hydro identifies and monitors its impact on own employees and contractors according to the same standards, Code of Conduct, and other governing policies and documents, including the HSE Policy and Hydro's people strategy. The EVP People and HSE, the highest ranking official in this area, is responsible for guiding Hydro's approach to health, safety, and workforce engagement concerning impacts and risks. The operationalization of this is delegated to the HSE and People organizations in the Business Areas, respectively. Hydro identifies and measures impacts on its workforce through direct involvement of employees in incident identification and investigation, regular network meetings within Business Areas, employee reviews, and engagement surveys.

As part of Hydro's human rights due diligence, the company maps salient potential and actual human rights impacts across its operations. See the [position statement on human rights due diligence](#) for more information about the company's human rights management and due diligence approach. Hydro is committed to, and has a [human rights policy](#) based on, the UN Guiding Principles on Business and Human Rights, and other global frameworks that define human rights principles for businesses.

Salient human rights risk in own workforce

	Discrimination and harassment
	Health and safety
	Vulnerable individuals and groups

Health and safety, discrimination and harassment, and vulnerable individuals and groups have been identified as salient human rights risk areas related to own workforce. See the sections on occupational health and safety, and diversity, inclusion and belonging for more information. Hydro's human rights policy explicitly addresses forced or compulsory labor and child labor, but these are not identified as salient risks for Hydro's own workforce. Regarding other potential human rights impacts, see the section on labor rights.

Targets and ambitions		
0	25%	78%
fatalities or life changing injuries	women overall and in leadership position by 2025s	score on the Inclusion Index by 2024
Performance		
1 / 1	24% / 21%	75%
fatality ¹⁾ / life-changing injury in consolidated operations	women overall / in leadership positions	score on the Inclusion Index

1) One contractor fatality in consolidated operations.

Occupational health and safety

Hydro shall be a leading company in its industry in occupational health and safety. This will be achieved through consistent implementation of the management system with committed and visible leadership, and full engagement of all employees and others who work with the company. The CEO HSE Committee is the strategic decision making committee for all main HSE related matters for the Hydro group. The committee is led by the President & CEO, and consists of the members of the Executive Leadership Team (ELT) and the head of global HSE.

Hydro's health and safety activities are governed by the company's [HSE policy](#) and the [Global HSE Directive](#), which are owned by the EVP for People and HSE, and applicable for all own employees and contractors. Health and safety standards are aligned with ISO standards. Health and safety are identified as salient human rights with potential adverse impacts on employees and contractors across Hydro's operations. Hydro's ambition is to provide safe and healthy workplaces, promote health and wellbeing, and prevent work related injuries and illness.

Hydro drives safety improvements by systematically reducing risks, training personnel, and regularly following up by line management and safety delegates. All injuries and high risk incidents are investigated to find root causes, and to share lessons learned between Hydro sites. Employees are engaged on health and safety issues through frequent network meetings across the business areas.

Hydro works continuously to avoid damage to property and loss of production. Hydro has developed a comprehensive health and safety management system, and the company's manufacturing sites are

certified to internationally recognized health and safety standards. Hydro embraces digital tools where possible and has developed an advanced incident management system, self-assessment tools, risk management processes, e-learning training modules, a digital HSE assistant using Artificial Intelligence etc., all easily accessible to employees. In addition, Hydro has strengthened its behavioral tools using human performance techniques and the consistent use of peer-to-peer job observations. Hydro has developed employee assistance programs at site level to support affected workers. This includes as a minimum psychological support for those needed, but also include other types of support depending on the area they operate in, such as financial advice.

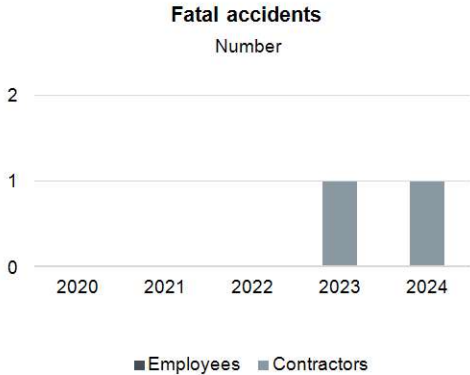
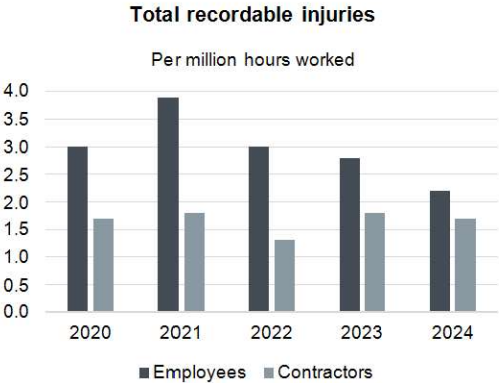
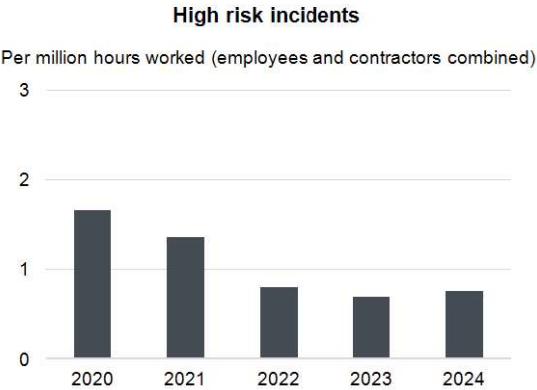
The total recordable injuries rate in 2024 was 2.0 per million hours worked, compared to 2.4 in 2023. An improvement is seen in the number of injuries occurred to own employees. The majority of injuries were relatively minor. However, there was one fatality involving a contractor at the aluminium smelter Albras in Brazil. Action plans and global learning plans have been established and implementation is ongoing. There was also one life changing accident at Albras, when a contractor lost two fingers.

The deployment of fatality prevention procedures, and associated life saving rules and behaviors continued in 2024. This contributed to a continued reduction in the number and rates of high risk incidents with the potential to be life changing, however, there was an increase in the high risk incidents with the potential to be fatal. Key initiatives include a self-assessment process for critical programs, electrical committees reviewing high risk incidents and required controls to be put in place, digitalizing systems and tools with integrated artificial intelligence functionality increasing the quality of the root cause investigations and risk assessments, monthly deep-dive incident data analyzes to support continuous improvement through root cause and

use identification, and defining actions to prevent incidents from recurring. Quarterly health, safety, security, and environment network meetings are used to connect specialists from all business areas to discuss findings and actions taken from high risk incidents, and to share best practice and innovative solutions. Hydro also increased its emphasis on installing engineering controls to prevent high risk incidents from occurring.

Hydro's approach to continual improvement of physical and chemical occupational health is based on work environment risk assessments (WERA), and implementation of risk reduction measures followed up through an associated key performance indicator. WERA provides a systematic approach for evaluating the exposure of similar exposure groups, identifying the most exposed work operations and measures can be implemented before ill health occurs, which applies to both own employees and contractors. The group online HSE tool, IMS, provides a WERA module to facilitate the work process and ensure transparency.

The focus on mental health and wellbeing has continued with numerous initiatives during the year to raise awareness, including mental health webinars, quarterly wellbeing topics addressing stress management, heat stress management, workplace hygiene and lighting. In addition, more workshops were run in different countries together with Human Resources and HSE managers to increase the competence related to stress and wellbeing. Toolkits such as psychological safety training for leaders and burnout prevention training have been developed. To ensure a systematic approach to the psychosocial work environment, Hydro has established a new psychosocial risk indicator (PRI) as part of its employee engagement survey, Hydro Monitor. A process for follow up of the PRI has been developed, including guidelines and tools.



Hydro's people strategy

Hydro's ambitious people strategy towards 2030 focuses on learning and development, innovation, leadership, and belonging. These global strategic priorities are supported by targets and activities that address the specific needs and challenges of the business areas.

We grow

Hydro's purpose is to create a viable organization that empowers people to grow. The company invests in skills development aligned with both business and individual needs to achieve its business strategy and to be an attractive employer. Hydro provides opportunities for personal and professional growth opportunities, aiming to foster a continuous learning culture based on growth mindset among leaders and employees, where learning is integrated into daily work.

Learning and development is offered through a blend of on the job training, social initiatives such as networking, mentoring and peer-to-peer learning, along with formal learning programs. Hydro's learning platform offers content from various learning providers and esteemed universities. In addition, every employee engages in an annual appraisal dialogue with their leader to discuss and document development goals and activities. See [Note S1.4](#) for metrics related to completed training activities in 2024.

We lead

Leadership is a key lever for Hydro's organizational success. Hydro has developed a leadership framework that combines valid research with Hydro's unique needs, enabling leaders to effectively deliver the business strategy and embody Hydro's values. This framework underpins Hydro's leadership processes, development programs and tools. In 2024, Hydro continued to deploy this framework through its people processes, with established leadership criteria supporting the selection, development and succession of leaders.

Leadership development and succession planning for critical positions remain strategic people priorities as Hydro moves towards 2030. To cultivate a strong pipeline of leaders with diverse experience, Hydro aims to rotate leaders across different parts of the organization, and offer development initiatives and programs tailored to the needs of both leaders and specialists.

We innovate

Innovation is the third pillar of the People Strategy, where technology and digital tools serve as enablers for better decision making and help freeing up time for value adding activities.

We belong

Belonging is the final pillar of the new people strategy. The ambition is that together Hydro creates a healthy and inclusive environment where everybody's contributions matter.

Diversity, inclusion, and belonging (DIB)

Hydro aims to increase value creation and foster a culture of belonging in a high performing and sustainable work environment based on the diverse backgrounds and perspective of its employees. Belonging is a key pillar of the People Strategy 2030, strongly supported by a focus on diversity and inclusion.

- **Diversity:** Hydro began its systematic work on diversity in 1997, initially focusing on improving gender balance. Over time, these efforts expanded to include a broader range of diversity factors including age, nationalities, cultural backgrounds, ethnicity, ability and religious beliefs. This comprehensive approach continues to be central to building an inclusive workforce that supports innovation and business growth.
- **Equity:** Hydro is committed to promoting equitable opportunities for all employees, ensuring that everyone has the chance to thrive, contribute and succeed. This means recognizing that individuals come from different starting points, and adjusting support and resources accordingly. By fostering an equitable environment, Hydro aims to create a workplace where every employee can reach their full potential, regardless of their background or circumstances.
- **Inclusion:** Hydro aims to actively seek diverse perspectives and leverage a wide range of competencies to solve tasks and meet customer needs. This approach fosters inclusive leadership and creates a culture where all employees are encouraged and empowered to contribute their full potential.
- **Belonging:** Hydro is committed to creating a work environment where everyone feels safe, respected and cared for, supporting a balance between work and private life.

Hydro's DIB Policy articulates the company's principles and commitment for diversity, inclusion and belonging. Hydro celebrates five diversity days to raise awareness and enhance inclusion: International Women's Day, the International Day for the Elimination of Racial Discrimination, Pride, World Mental Health Day, and the International Day of People with Disabilities, each sponsored by top management. Additionally, employee resource groups, including the Hydro Rainbow LGBTQI+ network and women's networks, have been established across various business areas and headquarters.

The Executive Leadership Team is responsible for overseeing and driving the DIB agenda across the company, ensuring accountability at the highest level. A global DIB core team led by Hydro's DIB Lead and supported by a DIB representative from each Business Area is tasked with executing and advancing this agenda. The team employs a data driven approach to monitor gender balance and other diversity and inclusion metrics in recruitment, turnover and employee engagement. Each Business Area is responsible for developing roadmaps to implement targeted actions based on the reviews.

To survey employee engagement among all permanent employees, Hydro conducts a biannual employee engagement survey, Hydro Monitor, which is complemented with shorter pulse surveys on a more frequent basis. The survey focuses on key engagement drivers and allows employees to provide feedback that is translated into targeted action plans and improvement roadmaps. Hydro Monitor also helps identify and monitor negative impacts on own employees, pinpointing vulnerable groups risk.

Discrimination and harassment are identified as salient human rights risks with potential adverse impact on employees across Hydro's operations. Vulnerable individuals and groups are particularly exposed, including, but not limited to, in this context women, LGBTQ+ and ethnic minorities. Any reported incident is managed according to the global procedure for reporting and managing alerts.

To assess the risk and identify cases of discrimination and harassment, Hydro uses an internal grievance mechanism, [AlertLine](#). Group Internal Audit and Investigation (GIA&I) is responsible for overseeing all alerts that are reported through Hydro's AlertLine. The team assesses the relevance and severity of the Alerts, and is responsible for investigating the ones classified as severe. GIA&I consults a Review Committee comprised of representatives from Legal, HR and Compliance and supports line management and staff functions in their investigations or other follow up activities.

See [Note G1.1](#) for metrics related to cases associated with discrimination and harassment received through AlertLine.

Reward

In 2024, Hydro embarked on the implementation of the global reward strategy, where Hydro's philosophy describes its attitude towards reward. Hydro believes that its people drive the company's success. Hydro recognizes that the value it creates depends on the effort of each and everyone. The company is committed to creating a workplace that is fair and equitable for all, regardless of background and personal characteristics.

Hydro works to ensure equitable compensation for work of equal value, regardless of gender. Hydro's reward strategy includes four principles:

- **Market competitive:** The reward shall be aligned with local market to ensure competitiveness.
- **Performance oriented:** The total reward should enhance and encourage performance oriented behavior, short and long-term, and retention of critical competence and resources.
- **Transparent:** A description of the organization's reward elements should be available to all employees, and each employee and his/her leader should have a clear understanding of the employee's total reward. The reward should be based on clear and consistent criteria with due regard to the basic needs of the worker.
- **Holistic:** Total reward should be holistic and a well balanced mix of monetary and non-monetary compensation elements, including career opportunities and other recognition elements, having the potential for differentiation, immediate and over time.

Hydro analyzed global pay statistics in 2024 and found an unadjusted gender pay gap of six percent. Hydro analyzes equal pay by accounting for factors such as job type, job level and complexity, experience, education, tenure, performance and work location, in addition to gender. The analysis shows an adjusted pay gap of seven percent, due to gender and other potentially unidentified factors. Hydro will address this pay gap and work to ensure equitable compensation for work of equal value. To identify areas for improvement and gain actionable insight, the company conducted a detailed analysis across 42 business units in 21 countries.

The ratio of the highest base salary to the median base salary for all permanent employees was 17.4. For more information, see the [Remuneration report](#). See also [note S1.6](#) for detailed pay gap analysis specific to Norwegian employees, based on the Norwegian Equality and Anti-discrimination Act.

All Hydro employees are covered by the social security systems in their respective countries. At a minimum, all employees receive (in combination with statutory benefits and social security) business travel insurance, benefits covering work related events (accidents and illnesses), and retirement benefit. As part of the global reward strategy, Hydro introduced a global minimum standard of 16 weeks fully paid parental leave for primary caregiver and four weeks fully paid leave for secondary caregiver in 2024.

Living wage

Hydro has an ambition to improve the lives and livelihoods wherever it operates, and to ensure that the company has a transparent compensation with due regard to the basic needs of the worker.

Hydro conducted a wage analysis in 2024 to benchmark against a living wage in the markets where Hydro operates. The result shows that out of 29,564 employees assessed, 396 individuals (1.3 percent) were identified to have an earning below what is considered "decent living" covering the basic needs of the workers. To foster a fair and supporting work environment, Hydro is committing to close the gaps by setting and maintaining wages that reflects both industry standards and the cost of living. Hydro has partnered with FairWage Network to assess compensation in the company, targeting to ensure sustainable compensation for its employees. Hydro has developed a dashboard to track employees earning below the living wage to and will continue to map wages below the living wage and close the wage gap in 2025.

Collaborating with unions and employee representatives

Hydro actively engages with its workers on labor rights through a variety of channels, including meetings with labor unions, work councils, and joint management worker committees. Hydro has maintained a Global Framework Agreement since 2011, and its European Works council agreement was revised in 2022. Discussions with employee representatives cover topics such as Hydro's people strategy, policies and procedures. Key areas of focus include health and safety, standards for decent work, human rights, labor rights, and compliance with applicable regulations in each country of operation. This collaborative approach ensures that employee voices are heard and integrated into decision making processes that impact their working conditions and rights.

Hydro's major sites in Europe and Brazil are unionized. Extrusions has a major presence in North America, and 44 percent of Hydro's employees in North America are covered by collective bargaining agreements. Overall, 67 percent Hydro's global workforce are covered by collective agreements. Collective bargaining takes place at a frequency agreed with the local unions. See [Note S1.6](#) in the appendix, for more details.

In Norway, non-organized workers typically benefit from the same compensation adjustments negotiated at the industry level. In addition, workers on individual agreements may receive adjustments based on company and individual performance, and external benchmarking. In regions where union representation is not

permitted, Hydro strives to establish alternative worker management relations to ensure fair treatment.

No strikes exceeding one week and no lock outs took place in 2024. However, Hydro's extrusion plant in Vetlanda, Sweden, was affected after twelve unions in Sweden joined a sympathy strike related to a conflict between the Swedish labor union, IF Metall, and the car manufacturer Tesla. Hydro was not part of the conflict, but the sympathy strike resulted in a temporary production stop at Vetlanda. The sympathy strikes ended in May 2024.

Labor rights

Through the Global Framework Agreement, Hydro is committed to upholding equality of opportunity and treatment in line with International Labour Organization (ILO) Conventions 100 and 111, respectively. These conventions specifically address equal remuneration for men and women performing work of equal value, and the elimination of discrimination in employment and occupation. Hydro's Diversity, Inclusion and Belonging strategy underscores this commitment, and has been communicated through the Business Area communication bodies, ensuring open dialogue between management and union representatives. This approach ensures that equality principles are integrated into daily operations and decision making processes at all levels of the company.

Hydro has operations in countries where the inherent risk of adverse human rights impacts has been assessed as high. Due to the nature of Hydro's operations in the countries and the demographic of its workforce, the company assesses the risk of adverse human rights impacts affecting its workforce to be low.

In 2023, Hydro conducted a human rights assessment of its operations and value chain in China. A risk of adverse impact related to late salary payments for a few contracted workers was identified. This continues to be followed closely.

Based on the general human rights situation in Hungary, Hydro has initiated a human rights assessment of its operations and of selected suppliers in the country. The assessments are conducted by third party experts and the results are expected in 2025.

For information about cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities in own operations or in the value chain (ref. ESRS S1-17), see [Note G1.1](#) in the Business Conduct chapter.

Just Transition

The green transition will create new employment opportunities as well as changes to existing ones. Innovations in Hydro's production methods and advancement of technologies risks the automation of jobs. Additionally, Hydro's focus on decarbonization must not exacerbate social inequalities or discrimination. Hydro has developed a framework for supporting a just transition, through which the company seeks to contribute to positive development in the societies where it operates, including for its own workforce. The framework is focused around three key outcomes: People have human rights protected and have access to equal opportunities; Local communities are resilient in a changing world; and People have the necessary skills and jobs for the future low-carbon economy.

Hydro contributes towards these outcomes in its own workforce by respecting and promoting human rights, supporting positive local development in the local communities where its employees live and work, and through developing skills and jobs relevant to the future low-carbon economy. In 2024, Hydro continued to develop and deliver learning and skills development for all its employees.

Hydro also works to increase inclusiveness among Hydro employees and tracks the perception of inclusiveness in the Hydro Inclusion Index, which is part of the biannual Hydro Monitor survey. See [Note S1.2](#) for Hydro employee engagement metrics.

Security and emergency preparedness

Hydro is committed to the protection of people, environment, physical assets, data and information. Hydro anticipates and prepares for potentially adverse incidents with crisis potential to maintain business and operational continuity.

To prepare for and respond to intentional, unintentional and/or naturally occurring disasters, and to protect people and critical assets, Hydro adapts and initiates security measures depending on the evolving risk picture. Hydro's emergency preparedness plans enable effective response to high risk incidents and crises, ensuring an effective, cohesive, integrated and timely response to any business disruption, regardless of origin, scale or complexity. Hydro has emergency preparedness plans in place that are regularly exercised against known and identified hazards.

Security in Hydro includes a proactive security risk management process, based on analysis, to enable appropriate mitigating actions and accurate and timely decision making. Security guards are employed on a regular basis to protect Hydro's personnel and assets. No armed personnel are used in Hydro's security operations.

Firearm related incidents and robberies continued to occur in 2024 in relation to Hydro's operations in Paragominas, Alunorte and Mexico. No Hydro personnel were injured in these events and resulting security mitigation measures were employed to further protect personnel and prevent against other incidents.

Global conflict, especially the war in Ukraine, continues to put pressure on international relationships increasing political tensions and elevating the potential risk of sabotage. The Israeli-Hamas-Hizbullah conflict has added to international uncertainty surrounding terror related events and possible conflict escalation in the Middle East.

Group Security closely monitors the security risks in Brazil and maintains close contact with both Hydro plants in Mexico with a monthly security call implemented to ensure security mitigation measures are aligned with the developments and threat. Regular security updates are disseminated to all Hydro Business Areas with information and advice provided on any associated travel, security or emergency mitigation measures which may be required due to the war in Ukraine and the escalating conflict in the Middle East. Hydro continues to ensure its security operations conform to the Voluntary Principles on Security and Human Rights, ensuring an ethical approach to the delivery of security services.

Hydro is responsible for infrastructure and functions on local and regional levels that can be critical to society, and the company operates large scale production sites where a crisis could influence community interests and safety in general. Hence, Hydro is subject to control and follow up by relevant national authorities. Hydro has emergency plans in place by site, Business Area and at group level, and the company exercises and validates these plans regularly.

Twenty emergency and crisis management workshops, with risk mapping at their core, were held in 2024, planned and exercised by Group HSE. Based on evolving complex scenarios these workshops were conducted at department, plant, Business Unit, Business Area and Corporate Emergency Team (CET) levels. They help to link the process of security and emergency response, crisis management, and business continuity and recovery from the plant through to business area level and above. In addition, all sites are required to exercise emergency preparedness and response training as a minimum on an annual basis or more frequently based on identified hazards and risks or as stipulated by local laws and regulations

Hydro's strategy to prepare for future pandemics is based on cooperation with local authorities and compliance with rules complemented by a flexible range of Hydro specific responses, robust emergency preparedness and business continuity plans. Where applicable, guidelines and regulations from national

authorities such as those pertaining to travel restrictions, social distancing, home office or complete societal lockdowns, have been reflected in Hydro's internal policies and procedures. Hydro evaluates its key pandemic related risks and vulnerabilities through security and business resilience assessments, which support the preparation and review of business-continuity plans. Measures that have been used and could be reinstated include stock level increases for raw materials to reduce Hydro's exposure to supply chain disruptions and cash preservation measures to reduce cost, capital expenditures and ensure adequate liquidity to face the financial impact of potential shutdowns.



S1 Notes on Own workforce

S1.1 Characteristics of Hydro's employees

Reporting principles

Data on employees are retrieved from Hydro's human resources SAP system. Gender data are based on the employees' self-reporting in Hydro's SAP system. Head count per country is based on which country the employees perform their work. Temporary employees include apprentices but exclude contractor employees. Employee turnover covers permanent employees only and includes resignations, retirements and manning reductions, but excludes closures and divestments. Hydro also engages a small number of non-employee workers and consultants that are not included in Hydro's employee data. Data presented represents head count at year end, December 31. See also [note 9.2](#) to the financial statements on the reporting entity.

GRI Reference: GRI 2-7 (2021).

Number of employees (head count)					
Gender	2024	2023	2022	2021	2020
Male	25,724	26,901	26,805	26,781	29,659
Female	8,073	7,589	7,126	6,282	6,510
Other	1				
Not reported		4			
Total employees	33,798	34,494	33,931	33,063	36,169

Number of employees (head count)					
Country	2024	2023	2022	2021	2020
Brazil	7,059	6,915	6,827	6,643	6,070
Norway	4,858	4,683	4,485	4,245	4,048
USA	5,606	5,993	6,164	5,932	5,510
Other	16,275	16,903	16,455	16,243	20,541
Total employees	33,798	34,494	33,931	33,063	36,169

Head count, 2024	Female	Male	Other	N/D	Total
Number of employees	8,073	25,724	1		33,798
Number of permanent employees	7,235	24,829	1		32,065
Number of temporary employees	838	895			1,733
Number of non-guaranteed hour employees					
Number of full-time employees	7,498	25,115	1		32,614
Number of part-time employees	575	609			1,184

	Brazil	Norway	USA	Other	Total
Number of employees	7,059	4,858	5,606	16,275	33,798
Number of permanent employees	6,555	3,981	5,591	15,938	32,065
Number of temporary employees	504	877	15	337	1,733
Number of non-guaranteed hour employees					
Number of full-time employees	7,014	4,291	5,595	15,714	32,614
Number of part-time employees	45	567	11	561	1,184

S1.2 Diversity, inclusion and belonging

Reporting principles

Data on gender distribution in the Board of Directors and the Executive Leadership Team are counted manually at year end. Data on gender distribution at management levels 0-3 and data on employee age distribution are retrieved from Hydro's human resources SAP system. Data on employees' inclusion and other engagement metrics are based on Hydro's biennial employee engagement survey, Hydro Monitor.

GRI Reference: GRI 2-7 (2021), 405-1 (2016)

Gender distribution	Number of persons					Percentage of total				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Board of Directors, women ¹⁾	4	4	4	4	4	36%	36%	36%	40%	40%
Board of Directors, men	7	7	7	6	6	64%	64%	64%	60%	60%
Executive Leadership Team, women	5	4	4	4	4	56%	40%	40%	44%	40%
Executive Leadership Team, men	4	6	6	5	6	44%	60%	60%	56%	60%
Women at management levels 0-2	29					35%	37%	37%	35%	31%
Woman at management levels 0-3	179					38%	36%	35%	36%	32%

1) With three women among the seven shareholder-elected members and one woman among the four employee representatives on the Board of Directors, Hydro complies with the Norwegian legal requirements on female representation.

Age distribution of employees	2024	2023	2022	2021	2020
Under 30	17%	14%	14%	12%	14%
30-49	51%	53%	53%	53%	52%
50 +	32%	33%	33%	35%	34%

* Age distribution prior to 2024 only includes permanent employees; 2024 data is based on permanent and temporary employees

Hydro Monitor	2024	2022	2020	2018
Inclusion Index (II)	75%	76%		
Women	76%	75%		
Men	75%	76%		
Employee Engagement Index (EEI)	74%	76%	72%	84%
Women	75%	76%	70%	86%
Men	74%	76%	72%	83%
Psychosocial Risk Index (PRI)	76%	76%	75%	
Women	76%	75%	73%	
Men	76%	76%	75%	
Integrity Culture Index (ICI)	77%	78%	76%	
Women	78%	78%	75%	
Men	77%	78%	76%	

Leavers and employee turnover	2024	2023	2022	2021	2020
Total employees who left	4,141	5,088	5,934	4,573	5,255
Rate of employee turnover	13%	15%	17%	14%	14%

S1.3 Health and safety

Reporting principles

Health and safety data are prepared and reported to management on a monthly basis, based on data registered in Synergi and IMS, the reporting tools for health, safety, security and environmental incidents. The data covers employees and contractors at all consolidated units within Hydro, including sales offices and administrative functions. Reported numbers include incidents in discontinued operations.

Employees are workers under direct supervision of Hydro. For the purpose of recording health and safety statistics, employees include agency workers. Health and safety statistics for employees are included for the period they are employed by or otherwise in service for Hydro.

Contractors are workers who are under contract to execute work for Hydro, who are under the direct supervision of the contractor and operate at Hydro premises under Hydro's indirect supervision. Contractors are included during the period they are employed by or otherwise in service for Hydro.

Total recordable injuries (TRI) is calculated as the sum of lost time injuries (LTI) + restricted work cases (RWC) + medical treatment cases (MTC). LTI is a personal injury at work leading to unfitness for work and absence beyond the day of the accident. RWC is a personal injury at work that does not lead to absence beyond the day of the accident, because of alternative job assignment. MTC is treatment, other than first aid, administered by a physician or registered professional personnel under the standing orders of a physician.

High risk incidents (HRI) include major accidents and incidents with major potential.

TRI, LTI and HRI rates are calculated based on TRI, LTI and HRI per one million hours worked.

Fatal accidents comprise all fatalities resulting from a work-related incident.

Occupational illness rate is calculated as incidents of occupational ill health per million working hours. Actual occupational illnesses are defined by Hydro as either illnesses that have been confirmed by relevant authorities/insurance companies or doctors (depending on the national system); or that have led to any kind of permanent disability, disablement pension, loss of function and/or are a listed occupational disease. Occupational illness rate is calculated based on cases per million working hours.

Sick leave includes all absence due to illness, measured as number of days lost due to sick leave as a percentage of possible working days excluding holidays. Sick leave is recorded based on local definitions which may differ between countries.

GRI reference: GRI Standards 403-9, 403-10 (2018).

Total recordable injuries, lost-time injuries, and fatal accidents

	2024	2023	2022	2021	2020
Total recordable injuries (TRI)	195	237	227	299	224
Employees	130	174	186	254	188
Contractors	65	63	41	45	36
Total recordable injuries (TRI) rate	2.0	2.4	2.4	3.3	2.7
Employees	2.1	2.8	3.0	3.9	3.0
Contractors	1.7	1.8	1.3	1.8	1.7
Lost-time injuries (LTI)	109	128	115	156	119
Employees	74	95	90	126	102
Contractors	35	33	25	30	17
Lost-time injuries (LTI) rate	1.1	1.3	1.2	1.7	1.4
Employees	1.2	1.5	1.4	2.0	1.6
Contractors	0.9	0.9	0.8	1.2	0.8
Total number of fatal accidents	1	1	0	0	0
Employees	0	0	0	0	0
Contractors	1	1	0	0	0

High risk incidents (HRI)

	2024	2023	2022	2021	2020
High risk incidents	75	67	75	122	140
HRI rate	0.76	0.69	0.80	1.36	1.66

Occupational illness rate and sick leave

	2024	2023	2022	2021	2020
Occupational illness cases	10	12	20		
Occupational illness rate	0.2	0.2	0.3	0.3	0.3 ¹⁾
Sick leave, percent (global total)	3.3%	3.5 %	4.1 %	3.8 %	4.2 %
Sick leave, Norwegian employees	4.4%	4.5 %	4.7 %	4.9 %	4.5 %
Norwegian female employees	5.2%	5.2 %	5.5 %	6.5 %	5.3 %
Norwegian male employees	4.1%	4.3 %	4.4 %	4.5 %	4.5 %

¹⁾ Occupational illness data for 2020 does not include Extrusions

See also [additional notes to Own workforce in the appendix](#).

Workers in the value chain

Why it matters

With a network of over 30,000 suppliers across more than 40 countries and 30,000 customers worldwide, Hydro exerts a substantial impact throughout its value chain. Upholding a responsible value chain is a core component of Hydro's Just Transition framework, which outlines the company's ambition to fostering a future that is both environmentally sustainable and socially equitable.

Hydro may positively influence workers by creating job opportunities. By establishing rigorous standards for suppliers regarding human and labor rights, and by actively engaging, influencing, and collaborating with them to enhance their human rights commitments and management practices, Hydro can contribute to increasing access to decent work for a greater number of individuals, ensuring their rights are upheld.

However, Hydro's procurement includes raw materials, products and services from industries and regions that present inherent risks to workers' rights. Within a complex and extensive supply chain, the potential negative impacts on workers affected by Hydro's operations can be significant. These may include violations of rights, challenges related to decent working conditions, limited access to a safe and healthy working environment, and the risk of accidents or unforeseen incidents leading to injuries, illness, or fatalities. Failure to deliver on requirements and expectations for workers' safety and rights in the value chain can lead to loss of public trust and operational disruptions.

Our approach

The risk of negative impact to workers in the value chain is managed through Hydro's supply chain management, encompassing a detailed selection criteria covering key aspects of human rights due diligence process. The process is described in more detail in the document [Human Rights Due Diligence in Hydro](#) available on Hydro's website under Policies and Tools. Through the human rights due diligence process, the company considers workers in the whole value chain, and identifies salient human rights risks that pose the greatest potential impact on workers in its value chain. While these identified risks inform the foundation of Hydro's due diligence approach, they are not exhaustive and subjected to local adjustments and additions.

As part of a broader assessment of Hydro's due diligence system, Deloitte assessed Hydro's sustainability in the supply chain management against the OECD guidelines in early 2024. The feedback has further helped to improve Hydro's approach, and also

provided useful input to a broader readiness process to the Corporate Sustainability Due Diligence Directive (CSDDD). Hydro continues the process of implementing and improving the procedure on sustainability in the supply chain to ensure a common approach across Hydro, and several of the Business Areas have strengthened their capacity on this topic.

Through regular assessment, follow up and collaboration with selected high risk suppliers, Hydro seeks to contribute to continuous development. Hydro conducted 215 supplier audits in 2024, including topics related to human rights, working conditions and HSE.

Key findings from the audits relate to lack of management systems, environmental awareness, compliance controls and emergency preparedness. Around 30 percent of the audits led to action plans, and by the end of 2024, almost 100 percent of the corrective actions proposed by Hydro resulted in improved performance.

Hydro is an active member of the Aluminium Stewardship Initiative (ASI) and promotes ASI's certification program to its aluminium suppliers for the sustainable development of their operations. Hydro also cooperates with other external stakeholders, such as unions and industry associations, to develop and implement supplier development programs.

Salient human rights risk for workers in the value chain

	Forced labor, modern slavery and child labor abuse
	Discrimination and harassment
	Vulnerable individuals and groups
	Freedom of association and collective bargaining
	Access to information and participation in dialogue
	Decent working conditions
	Health and safety

While there were no group wide quantitative targets for engaging directly with workers in the value chain in 2024, Hydro has set a new target to track the share of suppliers that have a corrective action plan in place for human rights residual risks identified in the due diligence process. Hydro will report performance against the new target in 2025.

Targets and ambitions

Transparency and traceability of key sustainability data for our products by end of 2025

Performance

9,520	2,878
Total suppliers screened in 2024	High and medium sustainability risk suppliers in 2024

Hydro’s approach to responsible sourcing is based on the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and can be summarized in three steps:

1. Mapping of risks and due diligence activities

All suppliers are subject to a qualification process, including a screening for risks related to human rights and workers’ rights. As part of creating a common and consistent approach to supply chain management, suppliers in Hydro categorized as medium or high inherent risk, are subject to further screening, using either qualified third party ratings or standard self-assessment forms combined with desktop research. If further due diligence is needed, Hydro conducts a comprehensive review or audit of the supplier to assess if it meets Hydro’s requirements before any agreements are signed. For suppliers with a high inherent sustainability risk, follow-up assessments shall be conducted regularly during contract period. If any non-compliance with Hydro’s requirements is identified, the supplier is subjected to a corrective action plan where mitigative actions are outlined to address the gaps. This plan is designed to ensure that all identified gaps are closed effectively. The mandatory process for due diligence of all suppliers is described in the company wide procedure, [Sustainability in the supply chain](#).

2. Clear expectations

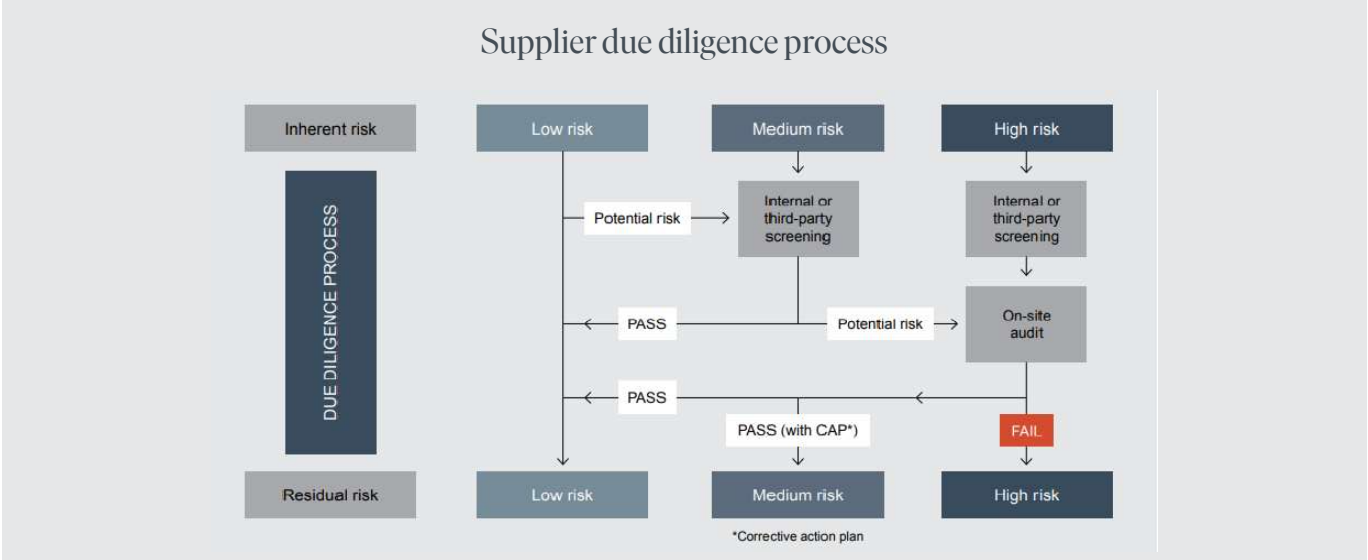
[Hydro’s Supplier Code of Conduct](#) sets out the minimum sustainability requirements for all its suppliers. The code is based on internationally recognized standards such as the Universal Declaration of Human Rights and the International Labor Organization, ILO Core Conventions.

The principles set out in Hydro’s Supplier Code of Conduct are made binding through contractual clauses. Hydro’s Supplier Code of Conduct requires suppliers to conduct due diligence in their own supply chain, and sustainable procurement expectations are reflected in Hydro’s supplier self-assessments, which is specified in its contracts and assessed in visits and audits.

3. Support and development

Hydro builds its relationship with its suppliers on mutual trust and development. Hydro works to strengthen and improve its suppliers’ sustainability performance through efforts such as dialogue, knowledge sharing, innovation processes, incentives, and supplier development programs. Hydro actively discusses and promotes human and workers’ rights.

While failure to comply with Hydro’s Supplier Code of Conduct may as a last resort result in a termination of the contract, Hydro always seeks



to work with its suppliers with intention of continuous improvement as long as it considers this to be in the best interest of the people in its supply chain.

As a part of Hydro’s work to strengthen its procurement processes, the company has also incorporated living wage requirements. According to the supplier Code of Conduct, wages and benefits paid for a standard working week shall as a minimum meet national legal or industry standards, whichever is higher. Wages should be sufficient to cover basic needs and provide some discretionary income.

Hydro engages and collaborates with stakeholders internally and externally when relevant, to help inform and evaluate the effectiveness of its approach to responsible sourcing. See the [human rights due diligence process](#) and the section on [Partnerships](#) for more information.

Due diligence of customers

Hydro follows closely regulations for sanctions or restrictions on countries and specific companies. Hydro regularly screens customers and business partners for any potential sanctions. In addition to this, Hydro conducts a sustainability due diligence process before it enters new sales contracts with partners in countries with identified high human rights risks.

In 2024, several new business opportunities were assessed and discussed to identify any potential adverse human rights impacts related to the projects and country of operation. Hydro continues to engage in several external networks to understand how to efficiently implement human rights due diligence downstream in its value chain.

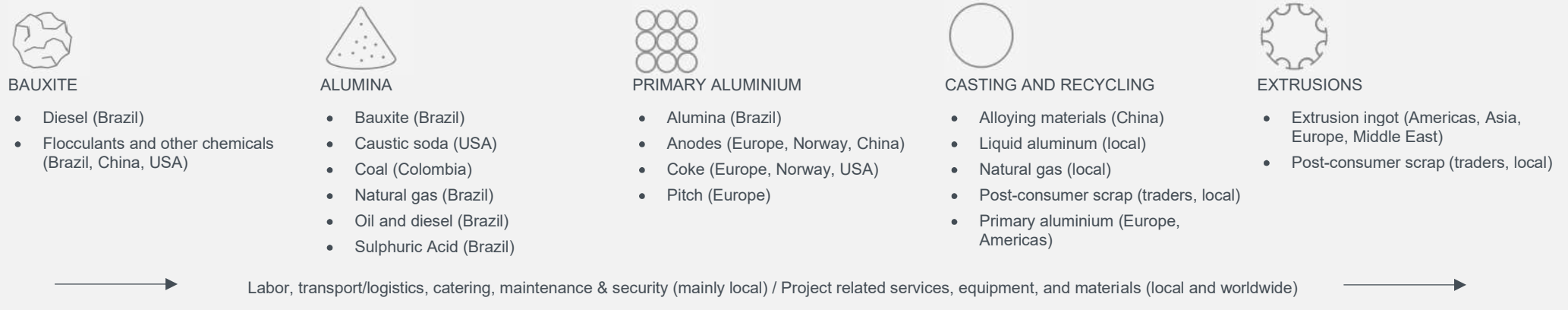
Supplier and business partner screening

As part of the integrity risk management process, more than 9,000 potential or existing counterparties were screened for human rights violations, corruption, money laundering, politically exposed persons, and violations relating to sanctions using the Moody’s Grid integrity risk tool during 2024. New business partners related to most operations are screened before registered in the ERP system. Hydro’s operations in North America also use the denied parties risk tool MK Denial to screen suppliers against 16 official sanction lists multiple times a year. In 2024, approximately 13,600 customers and vendors were screened in MK Denial.

All suppliers, customers and other business partners registered in Hydro’s main accounting systems are screened on a weekly basis against recognized international sanction lists. Hydro has developed a spend cube to visualize external spend, measure procurement initiatives, and manage supply chain risk. See [Note S2.1](#) for metrics related to supplier screening and due diligence activities.

Inputs with heightened sustainability risks

The figure presents the main inputs to Hydro's operations that are associated with heightened inherent sustainability risk. The countries listed indicates the majority of spend per input category; data on supplier locations can be limited to information about the head office or traders and does not provide a complete picture.



Hydro's supply chain

Most of Hydro's suppliers are located in the same countries as Hydro's production facilities. This includes bauxite and the majority of the alumina, which both are produced in Hydro's mine and refinery in Brazil. Beyond Hydro's direct suppliers, Hydro's value chain cuts across a number of countries, with the characteristics of the global aluminium value chain informing the company's approach and impact assessments. Mines, refineries and smelters are located only in fixed geographically areas, making selection opportunities limited, which again influence the risk situation.

Salient human rights risks affecting workers in the value chain

In the aluminium value chain several stages present heightened human rights risks, particularly in the sourcing of raw materials and metals. While all the identified salient risks may be relevant across the value chain, each process step, from bauxite mining to smelting and the use of traders as intermediaries, carries specific concerns. To mitigate these risks, Hydro places significant emphasis on ensuring suppliers achieve ASI (Aluminium Stewardship Initiative) certification, as this provides a comprehensive framework for responsible production, sourcing, and governance for the bauxite, alumina and aluminium flow. For the other supply chains, Hydro focuses on

engagement with tier one suppliers and progressively aim to deepen our understanding and oversight further upstream where we see additional risks. Initial screenings guide the adaptation of our due diligence checklists, which are further strengthened by third party assessments, such as those provided by EcoVadis. This risk-based approach supports targeted interventions at critical points in the value chain, addressing specific concerns at each stage.

1. Sourcing of Bauxite

Direct sourcing to the Alunorte refinery in Barcarena, Brazil, comes from two mines: Hydro's own mine Paragominas (70%) and the MRN mine in Trombetas (30%). Both mines are ASI certified. These bauxite sources provide close to 100 percent of the supply to the alumina production going to Hydro's Norwegian smelters and 100 percent to the Albras smelter.

Hydro also has an indirect link to bauxite sources through metal procured to its smelters, casthouses and extruders. In total for both direct and indirect sourcing in 2024, more than 80 percent of the bauxite can be traced back to mines in Brazil and Australia, where Hydro has a good overview of the risks. The third biggest bauxite source, at approximately 8 percent, is indirectly sourced from Guinea. Most of this comes from two mines in Guinea, both of which are ASI certified. However, given the challenging situation in Guinea, Hydro monitors the situation continuously. The remaining 10 percent of the

indirectly sourced bauxite are spread on small volumes from different mines across the world.

Risks that receive special considerations include land conflicts, labor rights issues such as decent working conditions and health and safety, as well as environmental impacts, which can infringe on human rights.

2. Alumina refining

In addition to the bauxite from Paragominas and MRN, the refining process at Alunorte requires electric energy, coal, caustic soda, fuel oil and lime. Coal is sourced from suppliers with mines located in Colombia. As the combination of product category and country is consider a high risk, the suppliers are continuously monitored, through desktop screening and engagement with the suppliers, depending on the findings identified, at regular intervals. Suppliers in high-risk categories are also subjected to on-site assessments. Caustic soda is sourced from the U.S., while the energy, fuel oil and lime come from Brazil. They are subjected to continuous standard due diligence processes that has not identified any material issues in 2024.

Situated in the upstream part of the value chain with, Hydro sees similar heightened risks for workers in the value chain as for the bauxite part related to decent working conditions and environmental impacts.

3. Smelting

For Hydro’s smelters, the key risk commodities outside of alumina have been identified as alloys, anodes and external aluminium used to accelerate the casting process. Key risks in smelting include forced or exploitative labor in alloy and anode production, particularly in China, and the difficulty in tracing materials traded through intermediaries.

Close to 100 percent of the alumina used by Hydro’s smelters in Norway comes from the company’s Alunorte refinery. If additional alumina is needed for balancing, the sources are either ASI certified or subject to Hydro audits.

The aluminium Hydro produces typically contains between one and 11 percent alloys. Most of the alloys are sourced from China, either through traders or directly from refineries. These are mostly long-term and strategic contracts lasting for many years. Hydro conducts regular audits of the refineries for a range of topics including sustainability issues. When Hydro has negative findings or observations, the company establishes improvement plans with the suppliers.

Hydro also sources around 40 percent of the anodes for its Norwegian smelters, directly from producers in China on annual or multi-annual contracts. The rest is produced by Hydro either in Norway or Slovakia, and the suppliers are subjected to the same processes as for alloys sourcing.

The metal Hydro sources to its smelters are traded through the London Metal Exchange, which requires the brands to verify compliance with OECD due diligence requirements, reducing the need for Hydro to run independent assessment of these supplies.

4. Casting and extrusions

Since Hydro’s casting capacity exceeds its own smelting production, cold metal is also acquired from external sources and traders.

Sourcing metal from traders introduces extra challenges related to human rights due diligence due to more complex traceability of the materials. Without full transparency into the origin of the metal, there is a heightened risk of being linked to suppliers who may engage in unethical labor practices. In 2024, Hydro started to map the flow of metals beyond external smelters to better understand where the alumina and bauxite originates. As described above under Sourcing of Bauxite, the vast majority of the bauxite comes from a handful of countries and from mines that are either ASI certified, or that Hydro has supplier-specific data on. Hydro will continue to develop a better understanding of this flow and the mines that are linked to the company, also for smaller volumes, and then assess whether further due diligence may be needed.

5. Recycling

As production of recycled aluminium increases, so does Hydro’s demand for scrap. The nature of scrap sourcing is local, and the vast majority of scrap suppliers will be in the immediate vicinity of Hydro’s recyclers. In 2024, approximately 80 percent of externally sourced scrap was supplied by vendors in the same country as Hydro’s recyclers, with close to 92 percent of the scrap suppliers residing in Europe, Canada or the U.S. In addition, Hydro sources some volumes of process scrap from the Middle East. Hydro has a bespoke due diligence process for smaller and local scrap suppliers based on the in-depth knowledge from the scrap sourcing teams. For the larger suppliers, including the ones in the Middle East, Hydro categorizes scrap suppliers as high sustainability risk and assesses them accordingly.

Recycling introduces risks such as informal labor arrangements among smaller local suppliers, which may lead to exploitative practices like poor working conditions. There are also challenges in ensuring full supply chain transparency, particularly with process scrap from the Middle East. Additionally, improper handling of scrap materials can create occupational health hazards.

6. Construction, maintenance and logistics

Hydro prioritizes human rights due diligence across logistics, construction, and maintenance services to ensure that these workflows are conducted responsibly. Logistics services and transportation carry risks related to excessive working hours, unsafe conditions, and the exploitation of migrant workers. Construction and maintenance on Hydro’s sites may present risks related to hazardous work environments and the potential for unfair labor practices, including wage theft and elements of forced labor. Maintenance services, which are essential for safe operations, also pose occupational risks if safety measures are not strictly followed. To address these risks, Hydro requires that its standards are implemented and conduct audits to verify compliance.

7. Renewable energy production value chain

Hydro’s energy production sourcing share risks with those found throughout the raw materials supply chains for aluminium. This includes an indirect risk associated with mining and refining processes in the lower tiers for products and equipment needed for power generation. Components such as generators and turbines require a range of input materials, such as copper, steel and nickel, that have concentrated supply chains associated with upstream social and environmental risks.

Hydro will continue to develop a better understanding of the material flows related to energy production sourcing activities with a special focus on souring activities for electromechanical equipment in 2025.

Hydro Energy has a selection of investments in the battery value chain, which can be exposed to human rights risks in relation to the extraction and processing of minerals. This includes a 24.1 percent ownership in the maritime energy storage systems company Corvus, which has around 150 suppliers globally, including battery manufacturers. Corvus is sourcing battery cells from Chinese suppliers, which means there are known sector level risks as well as raw material sourcing risks.

Hydro Energy has actively supported Corvus’s work with supply chain sustainability and included Corvus’ in a human rights risk assessment on China in early 2024. Corvus also publishes its own transparency act statement in accordance with the Norwegian Transparency Act, where further information can be found. Hydro Energy also owns 0.6 percent of Swedish cell manufacturer Northvolt, which has similar risks in their supply chains.

Findings and impacts

Hydro’s risk-based approach directs in-depth due diligence efforts towards critical upstream suppliers within the aluminium value chain, especially in countries with weaker environmental regulations and identified risk of forced labour like conditions. These assessments are supplemented with reviews of suppliers where both sector and country risk may be lower but still well known, for example within logistic services and for larger maintenance and construction projects on our sites.

Through Hydro’s audits and reviews in 2024, it has identified three cases of adverse impacts:

- In pre-screening of potential supplier, one case of document retention for its sub-supplier was identified.
- In pre-screening of potential supplier, lack of overtime payment for its sub-supplier was identified.
- In standard supplier audit, one case of insufficient management systems had led to unhygienic working conditions.

Hydro takes these issues very seriously and have established corrective action plans in dialogue with the supplier to address the issues and help close the gaps.

Of the material issues identified in 2024, all were closed or in the process of being so, by year-end.

Hydro recognizes that access to accurate information can be a challenge, and where the company does not have specific findings, risk factors may still be confirmed with subsequent discussions both on the supplier site as well as in Hydro forums.

Hydro has long-term relations with many of its high risk and critical suppliers. This allows Hydro to better assess the trends over time and provides useful context to understand the impact of various initiatives towards these suppliers. Since the economic situation in many of the major sourcing regions has improved significantly, there is a general trend towards both better working conditions at suppliers as well as increased emphasis on environmental risks. While this development is independent of Hydro's efforts, the company welcomes the tangible improvements for many of the workers in our value chain.

For information about cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities in own operations or in the value chain (ref. ESRS S2-1), please see note [G1.1](#) in the Business Conduct chapter.

Disclosures related to specific countries

Brazil

In Brazil, potential risks for the Hydro Bauxite and Alumina supply chain include business integrity and human rights, particularly related to working conditions. To identify and address risks, existing and potential suppliers undergo a thorough supplier diagnosis process.

Human rights risks are assessed by procurement category and country. The category assessment considers 54 categories, covering 95 percent material spend and 100 percent of services. The country risk assessment considers forced labor, freedom of association, child labor, rule of law, living standards, civil and political rights.

In addition to human rights risk, suppliers undergo scrutiny against the national Labor Compliance List maintained by the Federal Labor Ministry. This list identifies companies in Brazil accused of subjecting workers to conditions analogous to slavery.

To maintain a high standard, existing suppliers undergo continuous monitoring and may be subject to human rights audits when deemed necessary. Suppliers may also apply to participate in a comprehensive supplier development program. In 2024, 30 supplier companies were invited to participate in the fourth edition of the program, which this year had a deep dive on human rights and ethics in business.

Wind and solar projects in Brazil

EPC (Engineering, Procurement and Construction) services related to the Hydro Rein wind and solar projects carry risks related to inadequate and unfair working conditions, discrimination and harassment. To address these risks, Hydro Rein works with its business partners to ensure the implementation of IFC Performance Standards. In addition, Hydro Rein and project partners aims to facilitate effective communication between the project and its workers during induction, training sessions and open dialogue.

Furthermore, development of renewable energy infrastructure carries risks related to potential adverse impacts to local communities that is described in the [Affected communities](#) chapter.

China

Due to the limited state protection of human rights as well as restrictions on access to information, Hydro assesses the inherent risk of human rights impacts in China to be high.

The serious government sanctioned human rights violations in and outside Xinjiang against Uyghurs and other Muslim minorities is a particularly severe risk that Hydro monitors closely. While Hydro does not source material and alloys from the Xinjiang region, the company still has a number of suppliers elsewhere in the country.

Hydro's 2023 externally led human rights assessment of its operations and value chain in China continues to inform Hydro's approach towards its suppliers.

The review did not identify any indications of forced labor at supplier sites. However, certain risk factors were identified and has been followed closely through 2024, with some of the suppliers re-visited for verification of positive change.

The issue of forced labor in the solar sector, particularly related to polysilicon production in the Xinjiang region, continues to be a focal point for Hydro Rein through its participation in large-scale solar projects.

A taskforce established in 2023 works to implement good practice and continues its extensive supply chain mapping and collaboration with industry associations, including through the Solar Stewardship Initiative (SSI). Hydro Rein will continue to promote responsible sourcing and material stewardship across the supply chain, and adopt good practices and mitigation measures together with the industry as a whole.

Qatar

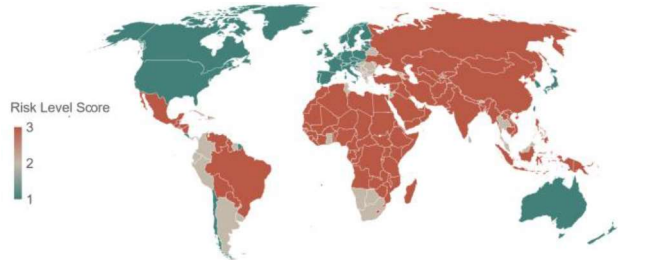
At the primary aluminium producer Qatalum, a joint venture where Hydro holds 50 percent, close to 75 percent of the roughly 1,350 workers are employed directly by Qatalum. The remaining 25 percent are temporary workers that are supervised by a Qatalum employed manager. Qatalum strives to secure good working conditions for all employees, and works continuously to assess, safeguard, and improve the conditions of contracted workers.

Qatalum became a member of the Aluminium Stewardship Initiative (ASI) in 2021 and in 2022, Qatalum received its Performance and Chain of Custody standard certificates, a recognition that it is aligned with globally accepted standards on ESG. In 2024 Qatalum was certified by DNV against the new version of the Performance standard, which includes several updates to the standard's human rights requirements. As a joint venture partner in Qatalum, Hydro actively oversees and promotes the company's CSR program. This includes conducting audits and inspections of contractors' housing facilities to ensure they meet Hydro's standards, including board visits to contractor camps.

In 2024, Hydro continued its discussions with local stakeholders and organizations present in Qatar to address and discuss common challenges related to the recruitment of migrant workers, as well as sharing knowledge and good practice related to working conditions in Qatar. Qatalum published its Sustainability Report 2023 in October 2024, which is available on [their webpages](#). See the audit report for findings on ASI's webpages [here](#).

Human rights country risk map

The map illustrates country-specific risk level scores, which are used by Hydro to assess the inherent sustainability risk of suppliers. The input data for this map is provided by EcoVadis. One means low risk, two means medium risk and three means high risk.



S2 Notes on Workers in the value chain

2.1 Supplier metrics

Reporting principles		
The data for the supplier metrics are retrieved from Hydro Spend Cube, which covers most of Hydro's spend on suppliers.		
Total number of suppliers is based on vendor identity. A single supplier to Hydro may constitute multiple vendors if Hydro has purchased from multiple locations by the same supplier. Hydro estimates that the number total unique suppliers is approximately 30,000.		
Local suppliers are defined as suppliers situated in the same country as the site making the purchase. Selection of local partners and suppliers/contractors shall be based on competitive bidding to the extent feasible, and in compliance with competition laws and regulations as well as Hydro's requirements.		
Supplier metrics	2024	2023
Total number of suppliers	43,138	41,589
Total spend on suppliers (NOK million)	157,078	142,833
% spent on local suppliers	66%	65%

S2.2 Supplier due diligence

Reporting principles		
Data on supplier screenings is collected from each procurement team.		
Suppliers screened is based on the number of screenings done using different screening tools, including Moody's Grid integrity risk tool, the MK Denial sanctions screening tool, screenings using supplier self-assessment questionnaires, EcoVadis ESG screenings, and desktop assessments. The reported number is based on the total screenings performed using Moody's Grid, which is the most frequently used screening tool. The total number of screenings conducted is higher, as a single supplier is often screened multiple times using different screening tools.		
Supplier audits is based on onsite audits conducted by either Hydro, or onsite audits conducted by a third party on behalf of Hydro.		
GRI reference: GRI Standards 308-2 (2016) and 414-2 (2016).		
Supplier due diligence	2024	2023
Total suppliers screened	9,520	10,446
Total number of medium and high sustainability risk suppliers ¹⁾	2,878	1,095
Supplier audits conducted	215	141
Supplier audits that lead to a corrective action plan for the supplier	107	50
Supplier contracts terminated due to sustainability risks	2	3

1) 2024 includes medium and high sustainability risk suppliers, 2023 only includes high sustainability risk suppliers.

Affected communities

Why it matters

As a global aluminium and energy company with mining interests, Hydro's operations impact communities in association with its own operations and operations in Hydro's value chain. Hydro's business activities impact a large number of people in local communities positively through job creation and local value creation. Hydro contributes to the societies to which it belongs by offering decent jobs and by paying taxes and fees. In some communities, Hydro also establishes and maintains infrastructure and supports social programs and investments.

Hydro's business also has the potential to adversely impact local communities. The company's approach to identifying and addressing such impacts is described in this chapter.

Hydro can only succeed as a company if the communities around its operations also succeed. The company depends on local institutions and infrastructure, and trust and good relationships with local communities are of key importance to Hydro's operations. Failure to deliver on local communities' requirements and expectations towards Hydro's environmental and social responsibilities can lead to loss of public trust and operational disruptions.

Our approach

Hydro has established a framework through which the company seeks to contribute to a transition that leaves no one behind, in line with the UN's 2030 Agenda ("Just Transition Framework"). The

framework and Hydro's approach to managing positive and adverse impacts on affected communities is organized around three pillars. The first pillar, "Respecting and promoting human rights," is at the heart of the framework. While Hydro's ambition of improving lives and livelihoods wherever it operates goes beyond respecting human rights, this is the foundation of all of Hydro's social impact initiatives in local communities. Hydro's [human rights due diligence process](#) is at the core of this pillar, and potential and actual adverse human rights impacts that affect communities near Hydro's operations or along Hydro's value chain are identified and managed through this process.

The two other pillars, "Supporting local development" and "Investing in education and providing decent jobs," are reflected in Hydro's approach to preventing and mitigating any potential or actual adverse impacts on affected communities as well as in Hydro's approach to contributing positively, going beyond mitigation.

Hydro's Just Transition Framework is an example of how the company adjusts its role in affected communities as a result of the company's deeper understanding of what the transition towards a net-zero world means. The need for rapid development of renewable energy coupled with digitalization has a profound impact on a wide range of the communities Hydro is located in, and the Just Transition Framework has been developed in response to these impacts.

Policy commitments

Hydro's commitment to respect the human rights of affected communities associated with our operations and value chain, and to manage any potential or actual adverse impacts is set out in the company's [Human Rights Policy](#), which is approved by the Executive Leadership Team (ELT). The operational responsibility for ensuring that engagement with affected communities is conducted as set out in the policy is delegated to the business areas.

The policy is aligned with the UN Guiding Principles on Business and Human Rights and Hydro's commitment to respect human rights is guided by internationally recognized human rights and labor standards, including those contained in the International Bill of Human Rights. The policy provides reference to the UN Declaration on the Rights of Indigenous Peoples and the Indigenous and Tribal Peoples Convention (International Labor Organization, ILO, Convention 169) and other conventions relevant to affected communities.

All affected communities are covered by the policy. The policy includes Hydro's commitment to be particularly attentive to the rights of indigenous and tribal peoples, as well as traditional communities, in particular with regards to their rights to self-determination, to lands which they traditionally occupy, to their customs, traditions and institutions, and to their free, prior and informed consent (FPIC). In the policy, Hydro also commits to be particularly attentive to the rights of human rights defenders, considering in particular their rights to freedom of expression, association, peaceful assembly and to protest against Hydro's business and operations.

Hydro's approach to human rights due diligence in relation to the rights of communities and indigenous peoples specifically is also set out in Hydro's [Human Rights Policy](#), and detailed further in the [Position Statement on Human Rights Due Diligence](#). Potential or actual adverse impacts on local communities are managed through this process. If Hydro identifies adverse human rights impact that the company has caused or contributed to, Hydro works to cooperate in, promote access to and/or provide remediation.

Targets and ambitions

Improve lives and livelihoods wherever Hydro operates by contributing to

Protection of human rights and access to equal opportunities

Resilient local communities in a changing world

Skills and jobs for the future low-carbon economy

Performance

NOK 300 million

Community investments, charitable donations and sponsorships, including TerPaz (local community centers)

44,000

People reached

Stakeholder engagement

Hydro has committed to engage in regular dialogue with communities in line with the risk based approach established through its human rights due diligence process, including having more frequent and structured dialogue in communities with higher risk of adverse human rights impacts. Hydro's approach to stakeholder dialogue is summarized in three levels of engagement based on a global, regional and local approach.

Hydro's general approach to stakeholder engagement is set out in the [Human Rights Policy](#). Specific processes for stakeholder engagement exist in areas of the business where the potential impacts on affected communities have been considered salient.

Potential and actual adverse impacts

As part of Hydro's human rights due diligence process, the company identifies the risk of salient human rights impacts on affected communities. The risks are identified through Hydro's annual human rights risk assessment process, and additional processes for new projects and investments, drawing on internal and third-party human rights assessments, internal and external expertise, and other relevant sources. Any actual adverse impacts and specific risks are identified through the ongoing human rights due diligence process.

In cases where mitigating actions are implemented, these are documented as part of Hydro's annual human rights risk assessments and human rights data collection, and effects are monitored to the extent possible.

For information about cases of non-respect of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises that involve affected communities in own operations or in the value chain (ref. ESRS S3-1), see note [G1.1](#) in the Business Conduct chapter.

Salient human rights risk for affected communities

	Health and safety
	Discrimination and harassment
	Access to information and participation in dialogue
	Land rights and resettlement
	Vulnerable individuals and groups

Affected communities in own operations

Hydro uses human rights risk levels per country to help guide its human rights management. The risk levels are based on a range of independent human rights sources, such as the UN Human Development Index and the TI Corruption Perception Index. Hydro's assessments are also based on Hydro's internal risk evaluation and, for the aluminium production and sourcing, drawing on materiality assessments conducted by the International Aluminium Institute (IAI), on the severity and likelihood of potential impacts on people at the different stages of aluminium production.

Hydro has identified salient risks of adverse impacts on affected communities for some parts of the aluminium production process. Hydro has not identified salient risk of adverse impacts on affected communities in the extrusions and recycling part of its aluminium business. Hydro's fully owned primary metal plants are located in Norway, which has been assessed as a low-risk country related to adverse impacts on human rights in affected communities associated with Hydro's aluminium production. In addition to Hydro's Norwegian production, Hydro is the main indirect shareholder of Albras primary metal and the alumina refinery Alunorte in Barcarena, Brazil. Hydro also owns the bauxite mine Paragominas. Hydro has identified the inherent risks related to communities in Northern Brazil as the most salient due to the combination of the country and regional risk and the industrial processes conducted in this part of the production process.

The industrial processes within aluminium production carry an inherent risk of pollution, linked to process emissions to air and water, and the potential for accidental spills or leakages. Such emissions can have a negative impact on the local environment and local communities if not managed correctly. Hydro's business activities are subject to emissions regulations, including local



emission permits, as well as regional and international regulation of emissions. Hydro's approach to environmental management is covered in the chapter [Pollution](#). This is closely linked to the health and safety of local communities, which has been identified as a salient human rights risk across Hydro's business. Hydro has not identified the risk of adverse impacts on affected communities to be salient in its own operations in Hydro's energy business. Please see the section "Affected communities in value chain including joint ventures and joint operations" for information about other identified salient human rights risks and impact in relation to joint ventures and the value chain in Hydro's energy business.

Context specific salient human rights risks are described in the section "Affected communities in value chain including joint ventures and joint operations" and in the section "Joint ventures and value chain," where applicable.

Affected communities in Northern Brazil

Alunorte, Albras and Paragominas' activities are located in the Amazon, in the state of Pará. This region presents socio-economic challenges similar to other areas in the Amazon, affecting the well being of its residents. Paragominas, the location of the mine, and Barcarena, where the refinery and a smelter are situated, experience low to middle income rates. The cities along the bauxite pipeline Tome-Açu, Moju, Abaetetuba, Acará, and IPIXUNA DO PARÁ, experience lower income generation. Pará's water and sanitation services, for example, are below par when compared to other regions in Brazil. These structural challenges particularly affect vulnerable groups, including women, children, the elderly and small farmers.

The operations are neighbor to 28 Quilombola communities. According to an assessment by the competent Brazilian agency (FUNAI)¹, there is no demarcated indigenous land within a 10km radius of the pipeline and transmission line. However, Hydro engages in dialogue with self-declared indigenous communities in the region to support their socio-territorial development as part of a broader territorial program.

Given the regional history and the current socio-economic context, both Quilombola and non-Quilombola communities in Barcarena, Paragominas and along the bauxite pipeline are at risk of discrimination and economic exclusion. In response to this industry wide and regional context, Hydro has developed several initiatives to increase employment opportunities for these communities, including affirmative action for underrepresented groups, internship and trainee programs aimed at increasing diversity in the workforce, training and

professional development programs and targeted support to educational institutions.

As part of the licensing process in Brazil, environmental and social impact assessments are required to propose mitigation for projects with significant impacts. The licenses issued contain the mitigating actions.

The municipalities of Tomé-Açu and Acará along the pipeline between Paragominas and Alunorte have had historical land conflicts, which more recently have been driven by disputes over the ownership of oil palm monocultures, involving different groups, such as traditional communities, indigenous people, landowners and companies in the region. In recent years, the conflict has been aggravated by various violent events which have led to physical violence and damage on property. Although Hydro is not a party to the conflicts related to oil palm monocultures, the pipeline crosses this region. This has caused some challenges, which Hydro has sought to mitigate through dialogue, engagement and proposed cooperation initiatives with the groups concerned.

Within the Barcarena Industrial District, a group of individuals have illegally occupied an area owned by Alunorte and Albras, which is regulated for industrial purposes. Alunorte and Albras have filed a repossession lawsuit. The Court has recognized the irregularity of the occupation and granted the repossession plea. Currently, the companies are engaging in a mediation process in accordance with relevant legislation to support dialogue and the peaceful enforcement of the repossession order.

See also the [Business Conduct](#) chapter for information about the lawsuits filed by Cainquima and developments in on going legal cases.

Grievance mechanism
Canal Direto is Hydro's operational level grievance mechanism open to all external stakeholders in Brazil and targeted specifically at affected communities. The mechanism allows community members to raise their concerns anonymously. Grievances are assessed according to the criticality of each case. The process follows the criteria for effective grievance mechanisms set out in the UN Guiding Principles on Business and Human Rights. The effectiveness of the grievance mechanism is monitored through dialogue with the affected communities, monitoring of the type and volume of cases received, as well as through a satisfaction survey for users.

In 2024, the Canal Direto registered 633 grievances via telephone, online form and email. Of the registrations, 92 percent were identified

and eight percent anonymous. 84 percent were related to requests for information and the most frequently registered topics were sponsorships, job and career opportunities at Hydro, visits to operations, donations, commercial matters, auctions and interest in research, innovation and new technologies. See also [note G1.1](#) for further details about grievances received through Canal Direto in 2024.

Human Rights Impact Assessment
Alunorte, Albras and Paragominas began the implementation of a Human Rights Action Plan to mitigate risks in the operations in 2020. A new Human Rights Impact Assessment of Hydro's operations in the state of Pará is currently underway, conducted by an external consultancy. As part of this process, a baseline study has been conducted, and the findings and recommendations are expected in 2025.

Community dialogue
Alunorte, Albras and Paragominas have implemented a structured approach to effective and inclusive engagement with diverse communities in the region. Hydro engages in dialogue with community groups, traditional groups and civil society organizations which represent women, children, human rights defenders or other underrepresented and at risk groups in the local communities.

Hydro Sustainability Fund initiatives
Since 2018 Hydro has supported, by Hydro Sustainability Fund initiatives, the Sustainable Barcarena Initiative (SBI) to enhance community dialogue. This is an independent forum to support sustainable development in Barcarena. The overall aim is to bring local stakeholders together to discuss challenges and opportunities, strengthen capabilities and decide about the main social investments supported by the Hydro Sustainability Fund (HSF). In 2024, about 178 community leaders participated in meetings, dialogues, or programs organized by the initiative.

SBI also plays an important role coordinating the financing rounds of Hydro Sustainability Fund (HSF) to ensure Hydro's social investments meet the local community's needs. In 2024, HSF supported 36 community based projects.

In November 2024, Hydro launched the Corridor Program with Mercedes-Benz. This is a strategic partnership and initiative to promote the social and economic development in the pipeline area, expanding the collaboration to create positive social and environmental impact in the Amazon. Working together with the Brazilian NGOs IPAM, Imazon, and CEA and other partners, Hydro aims to strengthen territorial development by fostering economic

¹ National Indigenous People Foundation (FUNAI) a Brazilian governmental protection agency for indigenous interests and their culture.

opportunities and biodiversity conservation in the communities where it operates, and promoting human rights. The program is aimed at generating social positive impact in the region along the pipeline. The program is in an initial phase and projects, activities and targets are still to be developed.

In addition, Alunorte, Albras and Paragominas have a volunteering program for employees to increase internal engagement and address community needs. In 2024, over 3,700 employees participated in the volunteer programs in Brazil. The volunteers organized over 290 different actions, including food basket donations, fundraising, seed planting and training for community leaders. The activities reached approximately 27 000 people.

Affected communities in value chain including joint ventures and joint operations

Aluminium production

Based on an assessment of country and regional risk, the industrial processes and affected communities in the surrounding areas, Hydro has not identified significant risks of adverse human rights impacts for affected communities linked to Hydro's joint venture operations outside Brazil. This includes one joint asset, Alouette (Canada), and one joint operation, Tomago (Australia), which are in the vicinity of indigenous or traditional communities.

Potential and actual impacts identified in the external aluminium value chain are covered in the chapter [Workers in the value chain](#).

Energy

This section describes potential and actual adverse impacts on affected communities in Hydro's renewable energy value chain and joint venture operations. The projects mentioned below are the ones where Hydro assesses the inherent risk to affected communities to be the highest.

Solar and wind projects in Brazil

Hydro Rein is a joint venture owned by Hydro and Macquarie Asset Management and an important supplier of renewable energy to Hydro. Hydro Rein has a minority stake in two solar plant complexes in Brazil, Mendubim and Boa Sorte, that started operations during 2024. Hydro Rein also has a minority stake in the wind park Ventos de São Zacarias, which is currently under construction. Alunorte, Albras and Paragominas own 98 percent of the voting rights and 10 percent of the equity in these projects.

In 2024, six families were resettled due to the construction of Ventos de São Zacarias. Two families were resettled due to the construction

of Mendubim. The families were engaged in a participatory consultation process on the resettlement process and the definition of appropriate mitigation measures. A Resettlement Action Plan has been developed in accordance with IFC Performance Standards and mitigation is monitored in line with this. To address the impact on the families' livelihood, a "Livelihood Restoration Plan" has been established and will be monitored. Follow up with some of the resettled families show that they are satisfied, follow up is still to be conducted with some of the families.

There are two self-identified Quilombola communities in the vicinity of the Ventos de São Zacarias project. The project is engaging in FPIC consultations with the communities in accordance with ILO Convention 169 and the IFC Performance Standards.

Compensation actions agreed upon by the stakeholders in FPIC consultation are either ongoing or completed.

Wind project in Sweden

Hydro Rein is a joint venture partner of Stor-Skjälsjön, a wind farm in the northern part of Sweden which entered into full operation at the end of 2024. Four nearby Sami communities were initially consulted about their land use, and only Ohredahke sameby reported use of the northern area of the project for occasional reindeer winter grazing. Oherdahke Sami community acts as the focal point for the overall Sami community dialogue.

During development, the project engaged in dialogue with the nearby Sami communities as a part of the regular public consultation process and during the Environmental Impact Assessment (EIA) process. The dialogue was facilitated by a project representative speaking the Sami language, with the objective of gathering input on the use of the project area to minimize the impacts from construction and operation on their livelihoods and cultural practices of reindeer husbandry.

Based on the dialogue, the parties agreed on mitigation measures that were included as permit conditions. The measures include minimizing project activities during winter grazing period, unless otherwise agreed upon by the affected community. The project annually, and as needed during construction and operation, informs the nearby Sámi communities about construction, maintenance, services, repair, and potential ice-related risks at the wind farm to minimize disturbances to reindeer husbandry and support their planning. The support also extends to relocating reindeer if needed. In addition, the project has previously provided support to affected Sámi communities for reindeer infrastructure.

The agreed mitigation measures with the Sami Communities have been followed and the implementation of these permit conditions are reported to the supervisory authority on an annual basis.

Power purchase agreement in Norway

In Norway, Hydro has an offtake agreement with Nordic Wind Power DA for delivery of power from the Fosen wind power installation. Nordic Wind Power is a minority owner of Fosen Vind DA. The projects on the Fosen peninsula are located within Sami reindeer grazing land. Agreements on mitigating measures and compensation for extra costs during the construction phase were previously entered into with the two affected reindeer herding groups.

In October 2021, the Norwegian supreme court determined that the construction of the wind park had not sufficiently taken into account the rights of the Sami population. In December 2023, the Sør-Fosen Sijte reindeer herding district and Fosen Vind entered into an agreement. In March 2024, an agreement was reached between Nord-Fosen Siida and Fosen Vind. Hydro has been and will continue to monitor the situation.

Power purchase agreements in Brazil

Hydro has several offtake agreements in Brazil. In general, Hydro assesses the human rights risks to be high in relation to the construction of hydropower dams in the country. Environmental impacts with a resulting impact on local communities, land issues and gaps in FPIC processes have been assessed as the most significant risks. Please see the chapter [Workers in the value chain](#) for information about Hydro's processes for managing supply chain risks.

Input material for hydropower and clean energy systems

Hydro is procuring a wide range of products and equipment needed for power production. Copper, cobalt, lithium and nickel are key transition minerals and input material for several components needed for energy production and the infrastructure development of clean energy systems.

These minerals are key inputs in electromechanical components for hydropower operations, such as generators, turbines and cables, as well as energy storage systems (BESS), solar and wind. Although these minerals are important enablers of the green transition, their extraction and associated supply chains can cause harm to the environment and may negatively impact the land rights of local community members, including indigenous communities. Hydro will continue to map and assess impacts from mining, processing and refining of materials used in key products and components for power production.

Resilient local communities in a changing world

A key element in Hydro's Just Transition framework is to strengthen the societies and communities where it operates. The way Hydro does this differs from country to country and between communities. The main contribution is generated from the company's operations through production and purchase of goods and services, direct and indirect job creation, and tax payments.

While Hydro's approach to supporting resilience varies depending on the local context, a common factor is the partnership approach, working with local partners with strong knowledge of the local context, as well as strong engagement with local community representatives.

Hydro has a number of social programs aimed at building local community resilience. Some of its community investments and programs are linked to for example mining license requirements in Brazil and regulated watersheds in Norway, while others are voluntary commitments. The programs target education, economic growth, decent work, entrepreneurship, capacity building and the strengthening of institutions.

In 2024, Hydro spent around NOK 300 million in total on community investments, investments through Hydro Sustainability Fund, charitable donations, sponsorships and TerPaz (local community centres). Excluding TerPaz, there is a 30 percent increase compared to the prior year, mainly due to the increased community efforts in Brazil and an increase in the Hydro Sustainability Fund. Please see the [Note S3.1](#) for more information.

In 2024, Hydro piloted a program to increase funding to projects aligned with the company's Just Transition Framework in the communities where it operates. The project invited employees to apply for support for external partners, such as community organizations, to conduct projects supporting a just transition in the local community. 36 projects were selected for support in the pilot phase.

Hydro also supports local communities through the transfer of competence that takes place through the company's cooperation with universities and research institutions. This includes the cooperation with three academic institutions in Pará, Brazil, and the University of Oslo through the Biodiversity Research Consortium Brazil-Norway. In addition, Hydro provides scholarships to selected PhD candidates doing research relevant for its business areas. Hydro is also the sponsor of a professorship in Norway and has several adjunct professors among its own employees. See the section on partnerships in the [Business Conduct](#) chapter for more information.

Skills and jobs for the future low-carbon economy

A risk associated with decarbonization efforts is that social inequalities increase as new technologies introduce the need for a different type of skillset or bring other changes to the labor market. To address this, Hydro's Just Transition framework includes a focus on ensuring that people have the necessary skills and jobs for the future low-carbon economy.

Hydro's ambition is to equip 500,000 people with essential skills for the future economy by 2030. The insight from measuring the people reached and the impact of its initiatives make Hydro better equipped to select and execute future initiatives with a positive impact. In 2024, Hydro reached more than 44,000 people, which makes the total number reached since 2018 to 241,000 people. Hydro is still on track to reach the target of 500,000 by year end 2030. Continuous improvement of current initiatives and the development of new high impact initiatives are important focus areas.



S3 Notes on Affected communities

S3.1 Community investments, donations, and sponsorships

Reporting principles

Community investments include monetary amounts and time spent to benefit the company as well as the communities. Community investments relate to long-term strategic involvement in, and partnership with, community organizations to address a limited range of social issues chosen by Hydro to protect its long-term shareholder and stakeholder interests.

Charitable donations include one-off or occasional support to good causes in response to the needs and appeals of charitable and community organizations, requests from employees or in reaction to external events such as emergency relief situations.

Sponsorships include business related activities in the community to directly support the success of the company, promoting its corporate and brand identities and other policies, in partnership with charities and community-based organizations.

TerPaz (local community centers) include Hydro's contributions to public initiatives in the state of Pará, Brazil, focusing on the social development of the local communities. The initiatives include construction of social centers or peace houses that provide residents with access to services such as medical and legal services, training and professional courses.

All Hydro sites report annually on all community investments, charitable donations, sponsorships, and other related initiatives.

Community investments, charitable donations and sponsorships paid during the year¹⁾

NOK million	2024	2023	2022	2021	2020
Community investments ²⁾	75	48	50	30	42
Charitable donations and Sponsorships ²⁾	50	48	25	25	14
TerPaz (local community centers)	175	27	179		
Total	300	123	254	55	56

1) The values reported are based on the amounts spent associated with projects implemented in the reporting year, and are not directly comparable to the periodization of related costs in the financial statements. The numbers are not directly comparable to historical figures due to different practices in collecting the information.

2) In 2021 we included Hydro Extrusions in the reported numbers for the first time.

The increase in community investments in 2024 is driven by increased investments in Brazil which includes Hydro Sustainability Fund of 15 MNOK in 2024. Hydro also increased the investments to TerPaz, which includes the construction of local community centers. In addition to the numbers above, Hydro spent 317,000 NOK on the technical school in Barcarena in 2024, which was completed in 2022.

In addition to amounts spent in 2024, Hydro made a provision in December 2024 of NOK 300 million to support communities along the pipeline between the Paragominas mine and Alunorte refinery in Brazil. The provisioned funds will support infrastructure like roads, community centers and water systems, as well as production facilities for local farmers and skills development in the upcoming years.

S3.2 Social responsibility target

Reporting principles

Education refers to initiatives within the formal educational system, from elementary school to university. Examples of initiatives include training of teachers and external scholarships.

Capacity, or competence building refer to all training and competence building outside formal educational systems. Examples include trainees and Hydro's supplier development program established in Brazil.

Hydro has developed a framework and methodology for counting people impacted by our programs and initiatives to ensure consistency in how we measure progress across the company. The methodology covers initiatives related to education and capacity building and can be accessed on [our webpage](#).

Social responsibility target

	Accumulated since 2018	2024	2023	2022	2021	2020
1,000 people reached						
Education and capacity building	241	44	40	25	21	60

All business areas are contributing in line with the original ambition setting of reaching 500,000 people with our education and capacity building programs.

Note that the 2020 results were significantly higher due to one particular initiative in India, reaching close to 30,000 people.

Statement from the Board and the CEO of Norsk Hydro ASA

Norsk Hydro ASA (the parent company) had a net income of NOK 12,792 million in 2024 compared to NOK 15,064 million in 2023.

Hydro's Board of Directors proposes to pay a dividend of NOK 2.25 per share, for approval by the Annual General Meeting on May 9, 2025. The proposed payment demonstrates the company's commitment to provide a predictable dividend to shareholders. Hydro's dividend policy reflects our ambitions to lift performance and cash returns to shareholders over the cycle. The dividend policy is to pay out a minimum of 50 percent of adjusted net income over the cycle with a NOK 1.25 per share dividend floor.

According to section 2-2 (8) of the Norwegian Accounting Act, the Board of Directors confirms that the financial statements have been prepared on the assumption of a going concern.

Oslo, February 13, 2025

			
Rune Bjerke Chair	Kristin F. Kragseth Deputy chair	Margunn Sundve Board member	Arve Baade Board member
			
Marianne Wiinholt Board member	Torleif Sand Board member	Espen Gundersen Board member	Peter Kukielski Board member
			
Bjørn Petter Moxnes Board member	Phillip Graham New Board member	Jane Toogood Board member	Eivind Kallevik President and CEO

The 2024 Modern Slavery Transparency Statement was endorsed and approve by the Borad of Directors of Hydro Aluminium Australia Pty Ltd on the 1st July 2025.



Leanne Pringle-

Director 2nd July 2025

This document has relevance for all employees working for Norsk Hydro ASA and its wholly owned subsidiaries, including all temporary personnel, consultants and others who act on behalf of or represent Hydro. It is also relevant to the employees of partly owned companies if, and to the extent, approved by the governing body of such companies. For legal entities where Hydro holds less than 100 percent of the voting rights, Hydro's representatives in the boards of directors or in other governing bodies will endeavor to follow the principles and standards in this document.

Human Rights Due Diligence in Hydro

The purpose of this Position Statement on Human Rights Due Diligence (HRDD) is to detail out Hydro's process for HRDD based on our obligations in the Hydro Human Rights Policy. Hydro is committed to the key global frameworks that define human rights principles for businesses:

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidelines for Responsible Business Conduct
- The UN Global Compact's Ten Principles

Hydro has identified eight salient human rights risks, which it is the most at risk of impacting through its business activities. They have been prioritized based on the highest severity and likelihood of a potential adverse impact on people. The salient human rights risks are monitored continuously. Hydro maps salient human rights risks across the countries where it operates or are part of its value chain in an annual human rights risk assessment process. There are separate processes for new projects and larger investments. Minimum every third year the Human Rights Policy, including the prioritized salient human rights risks, are evaluated and updated. The evaluation process includes internal and third-party human rights assessments, internal and external expertise, and other relevant sources.

	Salient human rights risk	Hydro employees	Employees working for our suppliers	People in our local communities
	Forced labor, modern slavery and child labor abuse		●	
	Discrimination and harassment	●	●	●
	Freedom of association and collective bargaining		●	
	Decent working conditions		●	
	Health and safety	●	●	●
	Access to information and participation in dialogue		●	●
	Land rights and resettlement			●
	Vulnerable individuals and groups	●	●	●

Risk based approach

In line with the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct and the OECD Due Diligence Guidance for Responsible Business Conduct, we prioritize and weight the due diligence according to the following main criteria:

KEY FACTORS FOR PRIORITIZATION	SPECIFIC FOR OWN OPERATIONS AND JOINT VENTURES (JVs)	SPECIFIC FOR SUPPLIERS AND CONTRACTORS
Nature of operations	Environmental and social footprint of each site	Inherent sustainability risk level for the supplier category*
Country	Risks of human rights violations in country of operation**	Risks of human rights violations in country of supplier**
Size of business	Severity and probability of impacts related to Hydro's salient risks	Hydro's link to and influence on the supplier (e.g., volume)

* In Hydro's procedure for *Sustainability in the supply chain*, each supplier category is identified with a low, medium or high inherent sustainability risk level. The inherent risk level defines the further steps in the due diligence process of each supplier.

** Hydro uses human rights risk levels per country in the countries where Hydro is present to help guide its human rights management. The risk levels are based on a range of independent human rights sources, such as Global Slavery Index, Heidelberg Conflict Barometer and Human Development Index. Hydro uses a more extensive list of country human rights risk levels for its suppliers and for other relevant processes, including investment decisions.

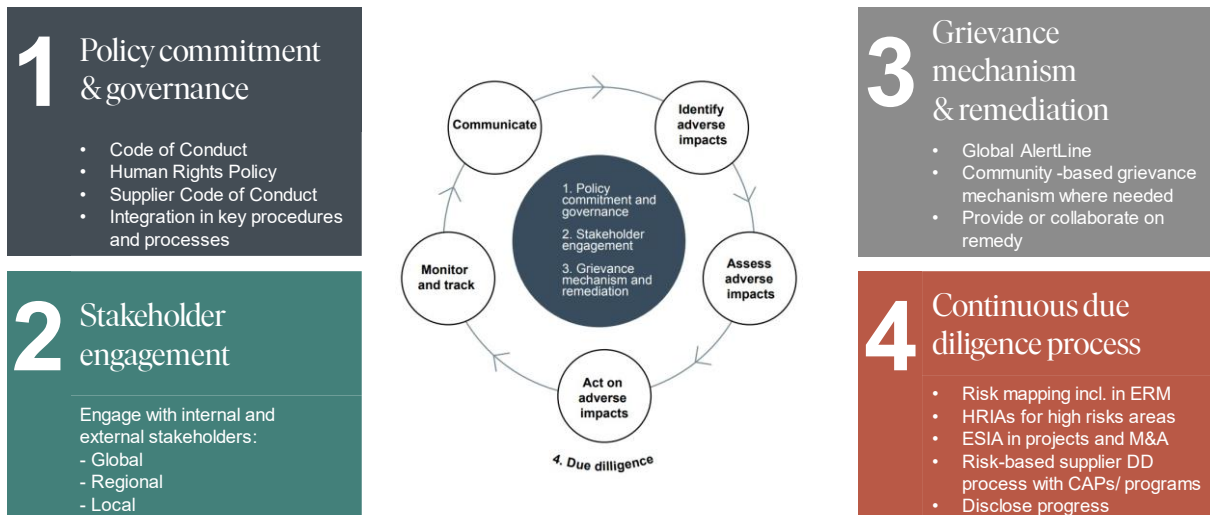
Human rights commitment

Hydro's commitment to respecting human rights is set out in the company's Human Rights Policy. Hydro respects the human rights of all individuals and groups that may be affected by its operations. This includes, but is not limited to, employees, contractors, suppliers, employees working for its suppliers (including contracted and agency workers and sub-suppliers), agencies, partners, communities, children and future generations, and those affected by the use and disposal of its products.

As an employer, owner and purchaser, an important way to respect human rights is to secure decent working conditions in the company's organization, in minority-owned companies and with suppliers. Hydro's commitment to respect human rights is guided by internationally recognized human rights and labor standards, including those contained in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work (Core Labor Standards). Hydro is a member of the International Council on Mining and Metals (ICMM) and are committed to following their principles and position statements.

Hydro's human rights management

Hydro's human rights management is a four-step approach based on the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct:



Based on: UN Guiding Principles on Business and Human Rights
+ OECD Due Diligence Guidance for Responsible Business

6

1. Policy commitment and governance

Hydro's Human Rights Policy outlines the company's commitment to respect and promote human rights. The commitment is integrated in key procedures, including supply chain management, new projects, portfolio management, and risk management. The policy is approved by the Executive Leadership Team and is available at Hydro.com. The Human Rights Policy is reviewed biannually, in consultation with internal and external stakeholders, including human rights expert organizations.

Information pertaining to Hydro's human rights policies and compliance is regularly discussed with the Board of Directors, the Executive Leadership Team, business area management teams, and relevant parties, such as union representatives.

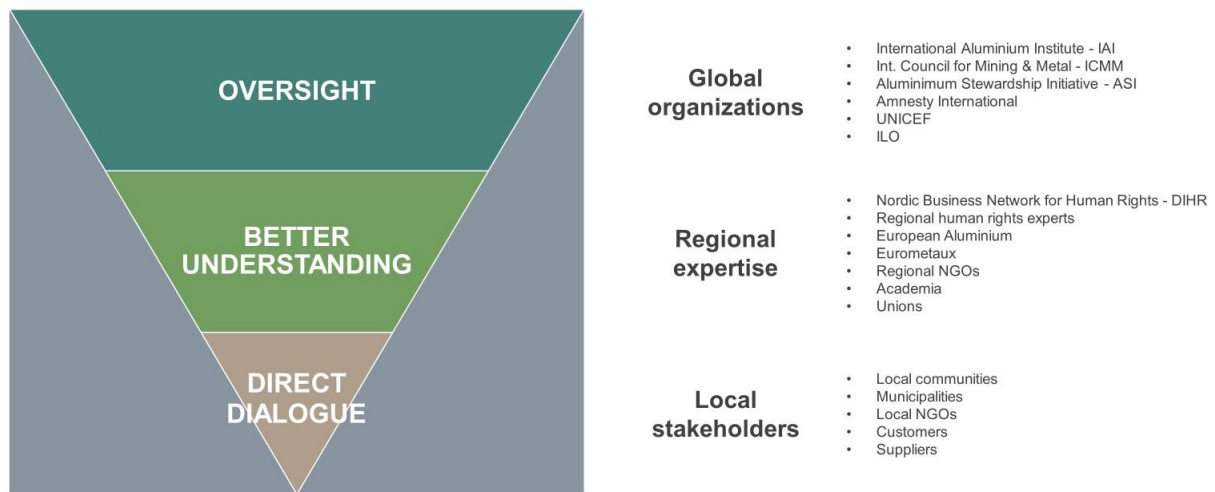
For companies where Hydro holds less than 100 percent of the voting rights, Hydro's Code of Governance sets out that Hydro representatives in the boards of directors shall endeavour to implement the ambitions and principles in Hydro's global governance documents, including our governance documents on human rights.

2. Rightsholder and stakeholder engagement

Hydro actively engages and collaborates with stakeholders internally and externally to understand and evaluate the effectiveness of the company's human rights management. This includes NGOs, unions, local associations, authorities, and other relevant stakeholders.

Engagement with stakeholders who may be affected by Hydro's activities are a particularly important part of Hydro's human rights work. The type of dialogue conducted with affected stakeholders depends on the human rights risks identified and the needs and expectations of those potentially affected. Hydro is committed to the principles of non-discrimination and to respecting the rights of vulnerable individuals and groups.

Three levels of stakeholder dialogue with some examples of stakeholders we engage with on a regular basis



7

Employee representatives are involved in dialogue at an early stage in all major processes affecting employees. Hydro has a tradition for open and successful collaboration between management and unions.

Hydro engages workers in the value chain through diverse channels. Participation in global organizations and initiatives provides insights at regional and sectoral levels, fostering knowledge exchange with peers. Supplier audits and visits offer direct feedback via worker interviews, complemented by training and capacity-building programs addressing key human rights issues for selected suppliers. Broader impact assessments may incorporate surveys to reach a wider set of rights-holders. Hydro's Alert Line ensures accessible, confidential grievance mechanisms for all workers, including those of subcontractors and suppliers, with feedback driving continuous improvement in our practices.

Where relevant, and in line with Hydro's risk-based approach, Hydro has regular dialogue with communities, and more frequent and structured dialogue in communities with higher risk of facing adverse human rights impacts. Hydro develops and plans community dialogues in collaboration with affected communities, based on their needs and expectations. Community members close to Hydro's major sites are invited to visit plants on a regular basis.

3. Grievance mechanisms and remediation

Grievance, or complaint, mechanisms are important tools to inform Hydro of its impact on individuals and groups. Grievances may be of any kind, including social and environmental issues.

To support affected stakeholders or others in raising concerns related to Hydro's operations, the company establish or facilitate access to grievance mechanisms. Hydro has several grievance mechanisms depending on stakeholder groups. The whistle-blower channel AlertLine can be publicly accessed through Hydro.com to report concerns involving illegal, unethical, or unwanted behaviour.

Grievance mechanisms for community members have different approaches depending on local needs. At many of Hydro's sites, the company collects information and complaints through community dialogue. In Brazil, Hydro uses several channels, including Canal Direto (toll-free phone number and email) and dedicated, trained field workers.

In situations where Hydro identifies adverse human rights impact that the company has caused or contributed to, Hydro works to cooperate in, promote access to and/or provide remediation.

4. Continuous human rights due diligence: Identifying, assessing, acting on, monitoring, and communicating risks and impacts

Hydro's ongoing human rights due diligence is integrated in relevant business processes, including the enterprise risk management (ERM) process. Representatives from all Business Areas and consolidated entities in Hydro are involved in an annual human rights risk assessment process where we assess potential adverse human rights risks.

If the annual human rights risk assessment identifies new risks, mitigating action plans are developed and included in the business plans in the business areas where relevant. If there is an identified need to adjust an existing corrective action plan, the business area updates this accordingly. Business plans are monitored, followed up and evaluated throughout the year in regular board meetings.

The annual human rights risk assessment is conducted in Q1 each year as part of the ERM process. Hydro also has a review of the risks and processes in Q3 to identify any major changes. Further, if significant changes occur throughout the year, for instance Hydro commencing operations in a new high-risk country or region, the company will identify and assess any new risks that may result.

In line with Hydro's risk-based approach, the company conducts more thorough human rights impact assessments (HRIA) or reviews with mitigating action plans where there is a higher risk of adverse impacts.

Before new projects, major developments or large expansions are undertaken, Hydro conducts risk-based environmental and social impact assessments (ESIAs) when relevant, which include evaluating the risk of adverse human rights impacts. Hydro is guided by The IFC Performance Standards on Environmental and Social Sustainability in doing so.

Human rights training and capacity building

Internal capacity building on human rights, such as through training and tools, is important to ensure the effectiveness of our human rights management system. Human rights responsibilities are part of Hydro's Code of Conduct, which is translated into 19 languages. Code of Conduct trainings are provided to all employees. In addition, more specific training on relevant human rights topics is provided to relevant functions and locations. E-learning on Hydro's social responsibility, including human rights, is available to all employees.

Implementation of the principles set forth in this document are supported by the following Hydro Governance Documents:

- *Hydro's Code of Conduct*
- *Hydro's Supplier Code of Conduct*
- *Hydro's Social Responsibility Directive*
- *Data Protection in Hydro Procedure*
- *Hydro's People Directive*
- *Health, Security, Safety and Environment Global Directive*
- *Sustainability in the Supply Chain Procedure*
- *Integrity Risk Management of Hydro's Business Partners, incl. Agents and Consultants Procedure*
- *Sustainability in New Projects and Major Investments*
- *Enterprise Risk Management Directive*
- *Deployment of Capital Directive*

This document will be reviewed by Group Sustainability periodically, including as needed to address any significant changes in our human rights impact, although not less than every two years.

This document has relevance for all employees working for Norsk Hydro ASA and its wholly owned subsidiaries, including all temporary personnel, consultants and others who act on behalf of or represent Hydro. It is also relevant to the employees of partly owned companies if, and to the extent, approved by the governing body of such companies. For legal entities where Hydro holds less than 100 percent of the voting rights, Hydro's representatives in the boards of directors or in other governing bodies will endeavor to follow the principles and standards in this document.

Hydro's Human Rights Policy

The purpose of this document is to explain Hydro's commitment to respecting human rights. The commitments set out in this document are integrated into Hydro's Governance Documents.

Our ambition is to improve lives and livelihoods where we operate. As a global aluminium and energy company with mining interests, we must consider our impact on society and human rights.

We have a responsibility to respect human rights throughout our value chain, from construction to closure of sites, in own operations, in local communities, in the supply chain and downstream in our value chain. Seeking to address relevant adverse impacts on human rights along our value chain is important for achieving our ambition.

We can only improve lives and livelihoods if we first understand and address our actual and potential adverse effects.

Managing and improving our human rights impact is an ongoing process.

Our principles

Hydro respects the human rights of all individuals and groups that may be affected by our operations. This includes, but is not limited to, employees, contractors, suppliers, employees working for our suppliers (including contracted and agency workers and sub-suppliers), agencies, partners, communities, children and future generations, and those affected by the use and disposal of our products.

Our commitment to respect human rights is guided by internationally recognized human rights and labor standards, including those contained in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work (Core Labor Standards).

We comply with applicable laws where we operate. If local laws conflict with the principles or standards included or otherwise referenced in this document, we comply with local laws, while seeking ways to uphold the principles or standards in this document.

We carry out impact- and risk-based due diligence¹ throughout our operations and supply chain to identify actual or potential adverse impacts on human rights that we may cause, contribute or be linked to. This due diligence enables us to assess, prevent and address identified risks.

Our approach is based on key frameworks that define human rights principles for businesses:

- UN Guiding Principles on Business and Human Rights
- OECD Guidelines for Multinational Enterprises
- OECD Due Diligence Guidelines for Responsible Business Conduct
- The UN Global Compact's Ten Principles

We regularly identify the most salient² human rights risks linked to our operations. Per our latest review in 2023 these are:

- **Forced labor, modern slavery and child labor abuse**
Identify and address all forms of forced labor, modern slavery and child labor abuse in our direct workforce, contractors, and suppliers.
- **Discrimination and harassment**
Uphold freedom from discrimination and harassment, including but not limited to gender, race, color, religion, political views, union affiliation, ethnic background, disability, sexual orientation, or marital status.
- **Freedom of association and collective bargaining**
Safeguard rights to freedom of association and

¹ As defined by OECD Due Diligence Guidelines for Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights, principle 17.

² As defined by the UNGP Reporting Framework.

collective bargaining, including respect for each employee's right to make an informed decision, free of coercion, about membership in associations or labor unions.

▪ **Decent working conditions**

Uphold decent working conditions at a minimum according to the requirements set out in international labour standards, applicable national and local laws and industry standards, including for working hours, terms of employment, leave of absence and compensation. We aim to uphold wages and benefits to cover basic needs and some discretionary income, as well as a family-friendly workplace. We seek comparable standards in our contracted workforce.

▪ **Health and safety**

Uphold the right to health and safety for our employees and suppliers³ employees, at a minimum according to applicable legal workplace safety and industrial hygiene standards, and for communities, including environmental and security impacts relating to human rights.

▪ **Access to information and participation in dialogue**

Provide relevant information, dialogue and participation for those actually or potentially impacted by our operations. This include conducting engagement in a timely manner that enables feedback to contribute to project designs and operation decisions where appropriate. We uphold the right to privacy of those who entrust us with their personal information.

▪ **Land rights and resettlement**

Uphold lawful, rightful, and respectful repossession, relocation and resettlement processes to avoid or minimize impact on those economically or physically displaced by our operations.

▪ **Vulnerable individuals and groups**

Uphold our responsibility to be particularly attentive to the rights above as they relate to vulnerable individuals and groups. Vulnerability varies by context and is assessed at the site level to identify vulnerable populations and sub-populations. These include:

- Indigenous and tribal peoples, as well as traditional communities, and their rights to self-determination, to lands which they traditionally occupy, to their customs, traditions and institutions, and to their free, prior and informed consent (FPIC).
- Women
- Children and young people

- Migrant workers
- Minorities
- Human rights, worker rights and environment defenders and their rights to freedom of expression, association, and peaceful assembly and protest against our business and operations.

Industry commitment

We recognize the importance of working collaboratively across our industry to promote the respect for, and fulfilment of, human rights. We are members of the International Council on Mining and Metals and the Aluminium Stewardship Initiative.

Our commitment to human rights extends beyond legal requirements in host countries, particularly in the protection of vulnerable populations. These heightened commitments are referenced below.

Our approach to human rights management and due diligence

Governance

- Respecting human rights is part of Hydro's Code of Conduct, with which we expect all of our employees to comply.
- Hydro's Code of Conduct is approved and owned by Hydro's Board of Directors. Hydro's Governance Documents concerning human rights are approved by the relevant Executive Vice Presidents.
- Group Sustainability has a governance and advisory responsibility to ensure that necessary global governing documents, processes and procedures are in place.
- Implementation of governing documents, processes and procedures developed by Group Sustainability that concern the respect for human rights is a line management responsibility. Line management is also responsible for developing and implementing local processes and procedures where relevant.
- Information pertaining to Hydro's most salient human rights risks are communicated to the board of directors, the Corporate Management Board, business area management teams, and relevant parties such as union representatives.
- Training on the Code of Conduct is provided to employees. In addition, more specific training on relevant human rights topics is provided to relevant functions and locations.

³ Hereafter, suppliers also include sub-suppliers, contractors and agencies.

- We have set minimum requirements relating to human rights to our suppliers. These are stated in Hydro's Supplier Code of Conduct. We expect our suppliers to comply with and promote the same principles in their own supply chain.

Due diligence

- Human rights risk assessments and mitigating action plans are integrated in Hydro's enterprise risk management process.
- In line with our risk-based approach, we conduct more thorough stand-alone human rights impact assessments with mitigating action plans where there is a higher risk for adverse human rights impact.
- Before new projects, major developments or large expansions are undertaken, we conduct risk-based environmental and social impact assessments, when relevant, which include evaluating risks for adverse human rights impacts. We are guided by The IFC Performance Standards on Environmental and Social Sustainability in doing so.
- We have procedures to assess new suppliers against human rights criteria. Where relevant, we conduct risk-based audits and reviews of the supply chain, and work to improve supplier performance through corrective action plans or supplier development programs.

Stakeholder engagement

- Where relevant, we consult parties we may impact through cause, contribution or linkage in the identification, assessment and management of significant human rights impacts associated with our activities.
- We engage and collaborate with stakeholders both internally and externally where relevant to help inform us about, and evaluate the effectiveness of, our human rights management. This may include civic organizations, NGOs, unions, local associations, authorities, etc.
- We engage in dialogue where relevant with employees' representatives, employee forums or unions. Hydro has a Global Framework Agreement with international and national unions.
- Where relevant and in line with our risk-based approach, we have regular dialogue with communities, and more frequent and structured dialogue in communities with higher risk of facing adverse human rights impacts.
- We aim to contribute to the economic and social development of our employees, our partners and the communities in which we operate, and promote principles of good governance in doing so.

Grievance mechanisms and remediation

- To help facilitate informed and effective participation by people who are potentially affected by our operations, we establish or facilitate access to effective grievance mechanisms where relevant.
- We encourage, and will not retaliate against, individuals who in good faith raise concerns regarding Hydro's respect for human rights.
- A companywide alert line for reporting concerns involving illegal, unethical, or unwanted behavior is available, on an identified or anonymous basis, for employees and on-site contractors. In countries with higher risks for adverse human rights impact to communities according to our risk-based approach, we aim to have local community-based grievance mechanisms.
- If we identify that we have caused or contributed to actual adverse human rights impacts, we aim to cooperate in, promote access to or provide appropriate remediation.
- Hydro is committed to not interfere, retaliate or hinder access to judicial or non-judicial mechanisms.

The principles set forth in this document are generally derived from the following Hydro Governance Documents:

- *Hydro's Code of Conduct*
- *Hydro's Supplier Code of Conduct*
- *Hydro's Social Responsibility Directive*
- *Data Protection in Hydro Procedure*
- *Hydro's People Directive*
- *Health, Security, Safety and Environment Global Directive*
- *Sustainability in the Supply Chain Procedure*
- *Integrity Risk Management of Hydro's Business Partners, incl. Agents and Consultants Procedure*
- *Sustainability in New Projects and Major Investments*
- *Enterprise Risk Management Directive*
- *Deployment of Capital Directive*

Reference list:

- Children's Rights and Business Principles
- Voluntary Principles on Security and Human Rights
- The UN Declaration on the Rights of Indigenous Peoples

- The Indigenous and Tribal Peoples Convention (ILO Convention 169)
- Convention on the Rights of the Child
- Convention on the Elimination of All Forms of Discrimination against Women
- Workers with Family Responsibilities Convention (ILO Convention 156)

This document will be reviewed by Group Sustainability periodically, including as needed to address any significant changes in our human rights impact, although not less than every two years.