

*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
<b>Nature of operations</b>	Environmental and social footprint of each site	Inherent sustainability risk level for the supplier category*
<b>Country</b>	Risks of human rights violations in country of operation**	Risks of human rights violations in country of supplier**
<b>Size of business</b>	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.

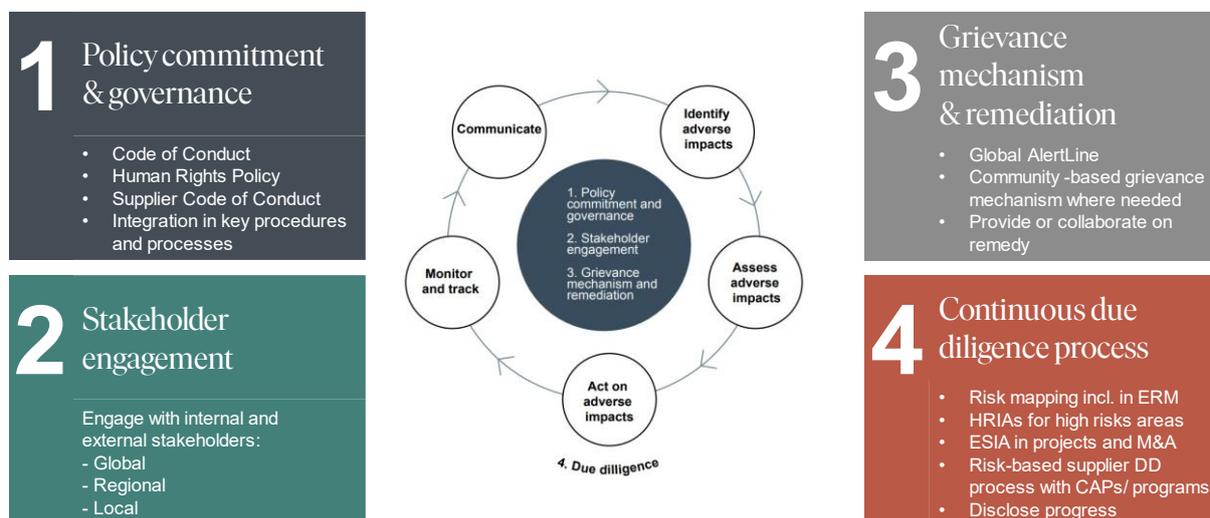
## Human rights commitment

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

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### 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.

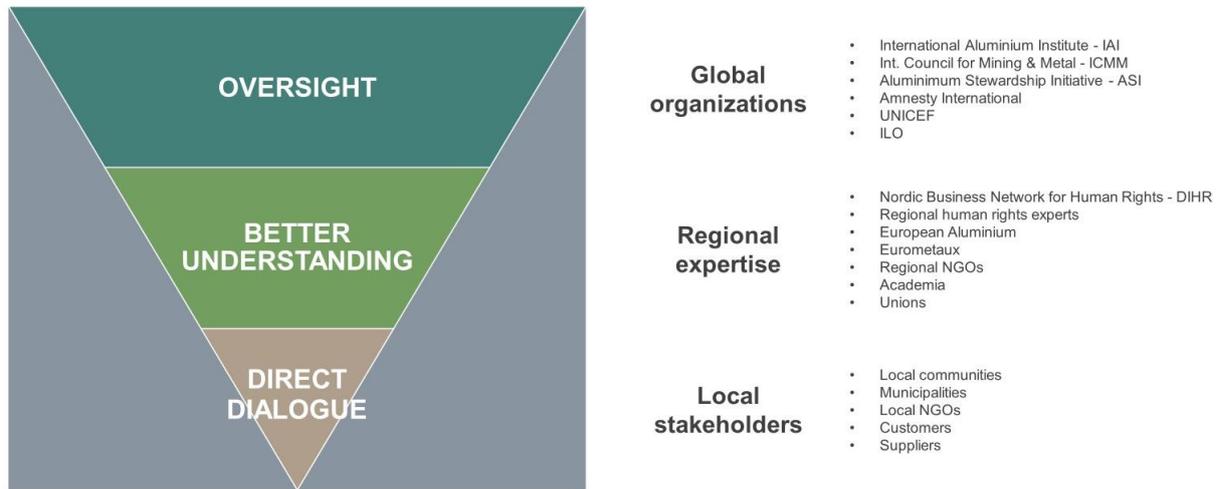
For companies where Hydro holds less than 100 percent of the voting rights, Hydro's Code of Governance sets out that Hydro representatives in the boards of directors shall endeavour to implement the ambitions and principles in Hydro's global governance documents, including our governance documents on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



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.