

**Global Procedure**

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**Internal**

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**Environment and product stewardship**

**Changes since last revision:**

**1. Intent**

This standard describes necessary activities and actions to be initiated by Hydro's line management in order to:

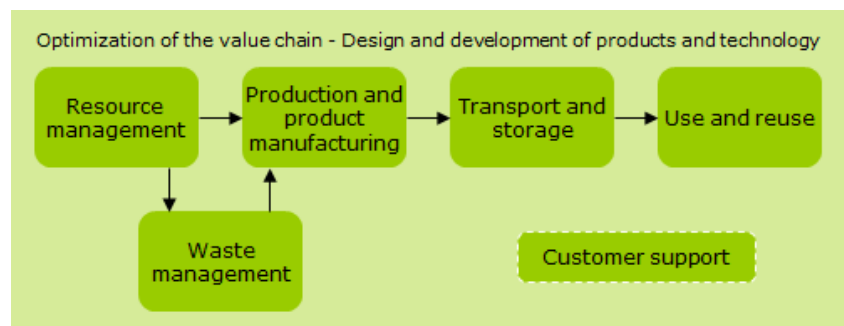
- Develop our business and products where we make efficient use of resources, minimize environmental footprint and reduce waste generation
- Prevent injury to human health and damage to the environment
- Improve processes and product design, risk assessment practices, advice, information, and customer support
- Meet consumer goods related legal requirements, and customer and stakeholder expectations relevant for market success

**2. Validity**

See Directive NHC-GD03 Health, Security, Safety and Environment (HSE).

**3. Scope**

An overview of business processes covered in this standard is seen in picture 1.



Picture 1 – Process overview environmental and product stewardship

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### **4. Responsibility**

The Company's management shall ensure that local systems and procedures are in place to mitigate risk for non-compliance with legal requirements and objectives set in this corporate standard.

### **5. Requirements**

This chapter outlines the requirements to the different steps of the value chain

#### **5.1 General**

The Line Management shall:

- For operations/activities maintain updated information on environmental performance and impacts, community health risks and impacts, functional aspects.
- For products maintain updated information on environmental and health risks, functional aspects, performance and customer satisfaction.
- Maintain updated information showing their main activities according to the annual action plan.
- Maintain records on long term legacy issues.
- Identify and address main environmental aspects for each production site.
- For operations and activities establish targets and strategies for short and long term improvements based on a risk assessed list of significant environmental and health aspects. An annual action plan shall describe how to achieve these targets.
- Ensure that production and products are in compliance with the regulatory framework in the territory where produced and/or used, including any required registration or authorization of products before they are placed on the market.
- For planned and manufactured products establish targets and strategies where need for improvements are identified based on a risk assessed list of significant environmental and health aspects. Annual action plan shall describe how to achieve these targets.
- Secure sufficient information to assess environmental aspects, legal requirements, customer -and other interested parties expectations. This information shall form the basis for a regular product value chain risk assessment by BA/Corporate identifying hazards to humans and environmental challenges in a lifecycle perspective.

This information shall enable that possible non-conformance and undesirable trends are detected and serve as basis for deciding on improvements.

#### **5.2 Resource and material management**

The Line Management shall ensure:

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That resource development is done according to Hydro's own policies on climate and biodiversity and internationally accepted standards such as International Finance Corporations performance standards.

That risk assessments are made and acceptance criteria set for all resources, including raw materials water and energy, when involved in resource development, extraction, purchasing, transport, storage, handling, use and waste management of resources.

The assessment shall be documented prior to:

- Exploration and extraction
- Development of energy resources
- Purchasing new raw materials and energy
- Entering into new frame agreements with suppliers of raw materials and energy
- Substitution of raw materials and energy

### **5.3 Production and product manufacturing**

For production / activities the line management shall:

- Carry out benchmarking studies against the Best Available Technique (BAT) where available, as a basis for technology and process improvements.
- Set longer term improvement targets and strategies for technologies and processes on order to minimize environmental footprint.
- Regularly review and update the knowledge both emissions/discharge and waste have on environment and health.
- Establish a long term land management strategy with the objective of maintaining the land avoiding legacies to be created.
- Apply Hydro's Climate and Biodiversity Policies.

The line management shall for product development systematically seek to:

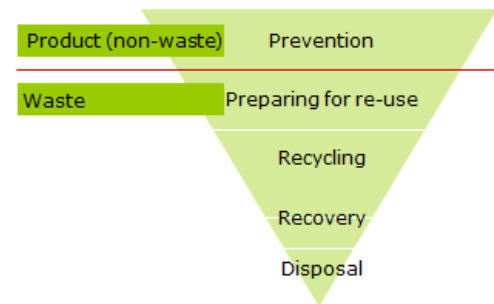
- Map customers' needs enabling design/development of products with a minimum adverse health and environmental effect.
- Minimise material and energy use while at the same time maximise material and energy recovery throughout the entire life-cycle of products.
- Minimize waste and ensure satisfactory waste disposal.

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### 5.4 Waste management

The Line Management shall:

- Strive to minimize waste and to apply methods minimising future long term liability
- Address waste management, waste disposal, material and energy recovery (reuse and recycling) occurring at all stages of the value chain of a product in a life cycle perspective.
- In resource extraction apply Best Available Technology with regard to safe disposal of materials including rehabilitation, monitoring and robust long term walk away solutions



Pic 2 - Waste hierarchy as defined by EU Directive 2008/98/EC

### 5.5 Transport and storage

The Line management shall:

- Evaluate risk associated with transport and storage of resources and products.
- Based on the risk assessment ensure safe handling, storage and transport of resources, products and wastes providing relevant information relevant aspects in a suitable form to the parties involved.

### 5.6 Use and disposal of products

The Line Management shall prior to placing any product on the market:

- Have sufficient knowledge about the health and environmental properties of all products to determine if they are subjected to classification and labelling in accordance with relevant regulations. All product knowledge shall be maintained in written documents;
- Evaluate risks resulting from manufacturing, storage, transport, handling, intended use and foreseeable misuse, and disposal of products;
- Establish systems to ensure that products are in compliance with the regulatory framework in the territory, including any required registration or authorization of products before they are placed on the market. In case of non-existing regulations in the territory, comparable practice to EU standards shall be used.
- Establish standards and systems for product specifications and product quality, and ensure that all deliveries are in compliance with these standards and legislation.
- For the relevant products, establish relevant information to customers about safe handling of post-consumer waste and ensure that it is provided in a format suitable for all customers.
- Have systems for how to control and minimize product risks throughout the entire life cycle.

### 5.7 Customer expectations and support

The Line Management shall:

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- Identify and evaluate customer, public and community expectations and concern on the foreseeable risks and potential adverse impact of products;
- Systematically work to foster safe, handling, use, disposal of products, and handling of post-consumer waste, and ensure that relevant information on these aspects is provided in a format suitable for all customers;
- Promote correct and appropriate application and use of products for customers to minimize pollution and risks. Written information on proper application and use of products should be made available to end-users;
- Seek feedback on customer use and misuses of products, learn from their experience, and revise product design, information and advice as appropriate
- Establish a support system for emergency personnel and general public as well as a product recall system. The basis for this system is a complete listing of our products and customers and the distribution of a product shall be discontinued whenever new information reveals unacceptable risks associated with the product.