

# Welcome to your CDP Forests Questionnaire 2023

## F0. Introduction

### F0.1

#### **(F0.1) Give a general description of and introduction to your organization.**

Hydro is a leading aluminium and energy company that builds businesses and partnerships for a more sustainable future. We develop industries that matter to people and society.

Since 1905, Hydro has turned natural resources into valuable products for people and businesses, creating a safe and secure workplace for our 32,000 employees in more than 140 locations and 40 countries.

Today, we own and operate various businesses and have investments with a base in sustainable industries. Hydro is present in a broad range of market segments for aluminium and metal recycling, and energy and renewables. We offer a unique wealth of knowledge and competence.

Hydro is committed to leading the way towards a more sustainable future, creating more viable societies by developing natural resources into products and solutions in innovative and efficient ways.

Hydro is a resource rich, fully integrated aluminium company with operations in all major activities along the aluminium industry's value chain. Our operations include one of the world's largest bauxite mines and the world's largest alumina refinery, both located in Brazil. We have primary metal production facilities in Europe, Canada, Australia, Brazil and Qatar. We are a leading worldwide supplier of value-added casthouse products, such as extrusion ingots, sheet ingots and foundry alloys.

We are an industry leader as a supplier to a range of downstream markets in particular the packaging, lithographic, building, automotive and transport sectors. We deliver high-quality, energy-saving aluminium products and solutions, and have strong positions in markets that provide opportunities for good financial returns.

With more than 100 years of experience in hydropower, Hydro is the second-largest operator of power production in Norway. We have substantial, self-generated power capacity to support



our production of primary metal, and are engaged in a number of initiatives to secure competitive power supplies for our aluminium operations.

Since 2021, Hydro has the following approach to our CDP related reporting:

- We continue to submit the CDP Climate Change, Water and Supply Chain questionnaires, but will only fill in the information we believe is relevant to our activities (including referring to where such information can be found in our annual reports and other publicly available sources) and that is particularly requested by our main stakeholders – knowing that this will further reduce our CDP scores

- We continue to include information on climate change, biodiversity and water in our annual reports based on the following reporting frameworks:

- o TCFD (Task Force on Climate Related Financial Disclosures)

- o GRI Standards (all applicable)

- o ICMM (International Council on Mining & Metals) Water reporting guidelines

All relevant quantitative information is also available at [www.hydro.com](http://www.hydro.com) in excel

format: <https://www.hydro.com/Document/Doc/2022%20Sustainability%20statements.xlsx?docId=589829>

Please also see <https://www.hydro.com/en-EE/sustainability/sustainability-reporting/hydros-cdp-response/> for more information about Hydro's approach to CDP.

## F0.2

**(F0.2) State the start and end date of the year for which you are reporting data.**

	Start Date	End Date
Reporting year	January 1, 2022	December 31, 2022

## F0.3

**(F0.3) Select the currency used for all financial information disclosed throughout your response.**

NOK

## F-MM0.9/F-CO0.9

**(F-MM0.9/F-CO0.9) Select the option that best describes the reporting boundary for which biodiversity-related issues are being reported?**

Companies, entities or groups over which financial control is exercised

## F-MM0.10/F-CO0.10

**(F-MM0.10/F-CO0.10) Within your reporting boundary, are there any geographical areas, business units or mining projects excluded from your disclosure?**

No

## F9 Current state

### F-MM9.1/F-CO9.1

(F-MM9.1/F-CO9.1) Provide details on the mining projects covered by this disclosure, by specifying your project(s) type, location and mining method(s) used.

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**Mining project ID**

Project 1

**Name**

Hydro Paragominas

**Share (%)**

100

**Country/Area**

Brazil

**Latitude**

-3.246887

**Longitude**

-47.737982

**Project stage**

Production

**Mining method**

Open-cut

**Raw material(s)**

Bauxite

**Year extraction started/is planned to start**

2007

**Year of closure**

**Description of project**

Hydro mines bauxite in its Mineração Paragominas S.A. mine (Paragominas) using stripmining technology. It is sorted and crushed for transportation as a slurry through a 244 kilometer long pipeline, then refined into alumina at Alunorte. To reduce the environmental impact of our operations, Hydro's has developed the Tailings Dry Backfill methodology at the Paragominas mine, which eliminates the need for new permanent tailings storage facilities and permits rehabilitating areas affected by mining operations

faster. Particular regulations apply to our operations in the Paragominas mine, due to its location in the Amazônia region. The Brazilian Forest Code requires that 80 percent of a rural property with native forest in the Amazônia region must be preserved as an Environmental Legal Reserve, implying that a mine cannot be developed without a sustainable forest management plan. However, within states that have an Economic-Ecological Zoning, for the purpose of environmental restoration, the legal reserve requirement is set to 50 percent, applicable for our operations in Paragominas. Due to the nature of strip mining, it is possible to progressively rehabilitate areas impacted by the bauxite mining activity. Hydro has a specific rehabilitation target for Paragominas which promotes this progressive rehabilitation approach. The target requires that mined areas undergo rehabilitation within two hydrological seasons after release from the mining operations. This is what we refer to as our 1:1 rehabilitation target.

## F-MM9.2/F-CO9.2

**(F-MM9.2/F-CO9.2) Can you disclose the mining project area and the area of land disturbed for each of your mining projects?**

Disclosing mining project area and area of land disturbed?		Comment
Row 1	Yes	

## F-MM9.2a/F-CO9.2a

**(F-MM9.2a/F-CO9.2a) Provide details on the mining project area and the area of land disturbed for each of your mining projects.**

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**Mining project ID**

Project 1

**Total area of owned land/lease/concession (hectares)**

18,764

**Total area disturbed to date (hectares)**

7,512

**Area disturbed in the reporting year (hectares)**

507

**Type(s) of habitat disturbed in the reporting year**

Modified habitat

Natural habitat

**Comment**

### F-MM9.3/F-CO9.3

**(F-MM9.3/F-CO9.3) Are any of your mining projects located in or near legally protected and internationally recognized areas?**

	Are any of your projects in or near?	Comment
Legally protected area(s)	Yes	
UNESCO World Heritage sites	No	
UNESCO Biosphere Reserves	No	
Ramsar sites	No	
Key Biodiversity Area(s)	Yes	

### F-MM9.3a/F-CO9.3a

**(F-MM9.3a/F-CO9.3a) Provide details on mining projects that are in or near legally protected and internationally recognized areas.**

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**Mining project ID**

Project 1

**Type of legally protected/ internationally recognized area**

Key Biodiversity Area

**Protected area category (IUCN classification)**

**Name of area**

Rio Capim

**Proximity**

Overlap

**Area of overlap (hectares)**

13,000

**Please explain**

Estimate

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**Mining project ID**

Project 1

**Type of legally protected/ internationally recognized area**

Legally protected area

**Protected area category (IUCN classification)**

Not applicable

**Name of area**

Sarauá

**Proximity**

Up to 50 km

**Area of overlap (hectares)**

**Please explain**

Legally protected in accordance with Brazil law, but not IUCN classified.

**F-MM9.4/F-CO9.4**

**(F-MM9.4/F-CO9.4) Are there artisanal and small-scale mining (ASM) operations active in your mining concessions or in their area of influence?**

No

**F-MM9.5/F-CO9.5**

**(F-MM9.5/F-CO9.5) Have biodiversity-related issues led to detrimental impact(s) on your business in the reporting year?**

Biodiversity-related issues led to detrimental impacts on the business?		Comment
Row 1	No	

**F-MM9.6/F-CO9.6**

**(F-MM9.6/F-CO9.6) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for violation of biodiversity-related regulation?**

Any penalties for violation of biodiversity-related regulation?		Comment
Row 1	No	

**F10 Procedures**

**F-MM10.1/F-CO10.1**

**(F-MM10.1/F-CO10.1) Have biodiversity impacts and risks of your mining projects been assessed before the project development stage?**

Biodiversity impacts and risks assessed before the project development stage?		Please explain
Row 1	Yes, in all cases	Hydro has only one mine in operation, the bauxite mine Hydro Paragominas.

## F-MM10.1a/F-CO10.1a

(F-MM10.1a/F-CO10.1a) Select the options that best describe your procedures for identifying and assessing biodiversity-related impacts and risks.

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### Mining project ID

Project 1

### Type of assessment

A limited or focused environmental and social assessment

### Impacts considered

Direct impacts  
Indirect impacts  
Cumulative impacts

### Scope defined by

Governmental agency requirements  
Company own standards and/or policies

### Methods and tools

Desk-based research  
Field surveys  
Landscape-scale field surveys  
Expert consultation  
Stakeholder consultation/analysis  
National specific tools and databases

### Aspects considered

Locational alternatives  
Threatened species  
Endemic species  
Natural habitats  
Ecosystem services

### Baseline biodiversity data available?

Yes

### Is the Environmental Impact Statement publicly available?

Yes

### Please explain

The ESIA is available at the Pará Environmental state agency (SEMAS).

## F-MM10.2/F-CO10.2

(F-MM10.2/F-CO10.2) Does your organization undertake a corporate-level procedure to assess biodiversity-related risks to your business?

	Is there a procedure to assess biodiversity-related risks?	Comment
Row 1		

### F-MM10.3/F-CO10.3

**(F-MM10.3/F-CO10.3) Do you adopt biodiversity action plans to manage your impacts on biodiversity?**

Yes

### F-MM10.3a/F-CO10.3a

**(F-MM10.3a/F-CO10.3a) Describe your criteria for defining which sites are required to produce biodiversity action plans.**

For the scope of CDP Forest: All mining sites (currently Hydro Paragominas only).

## F11 Impacts, risks and opportunities

### F-MM11.1/F-CO11.1

**(F-MM11.1/F-CO11.1) Have any of your projects caused, or have the potential to cause, significant adverse impact(s) on biodiversity?**

	Any projects caused, or have the potential to cause, significant adverse impact(s) on biodiversity?	Comment
Row 1	Yes	

### F-MM11.1a/F-CO11.1a

**(F-MM11.1a/F-CO11.1a) For your disclosed mining projects, provide details of the significant adverse impacts on biodiversity, with the respective response.**

**Mining project ID**

Project 1

**Type of impact**

Direct

**Impact**

Deforestation and/or forest degradation

**Description of the impact**

Hydro's only operated mine, Mineração Paragominas S.A. (Paragominas) is located within the municipality of Paragominas, in the state of Pará, northern Brazil. To access the bauxite deposits, which are located 8 to 12 meters underground, the overlying



vegetation, topsoil and overburden must first be removed (see note E6.1). The municipality of Paragominas is located in an area defined as the deforestation belt around the central Amazon region. Within the municipality, there has been a reduction in forest area of more than 30 percent over a period of almost 20 years, primarily driven by expanding agriculture. The Paragominas property itself, is characterised by areas of altered primary rainforest, secondary rainforest, and land previously used for agriculture.

### Consequence

Extreme

### Likelihood

Almost certain

### Describe response

## F-MM11.2/F-CO11.2

**(F-MM11.2/F-CO11.2) Have you identified any biodiversity risks with the potential to have a substantive financial or strategic impact on your business?**

Yes

## F-MM11.2a/F-CO11.2a

**(F-MM11.2a/F-CO11.2a) How does your organization define substantive impact on your business?**

*Hydro maintains an Enterprise Risk Management Global Directive accessible to all parts of the organization through the Company's intranet. The Directive is updated at least every two years and outlines requirements to ensure that all significant risks have been identified and are managed according to Hydro's appetite. In accordance to the Directive, risk events are evaluated based on their likelihood of occurrence and the potential severity of consequences (defined as 'magnitude' by CRP). Evaluations consider health, safety, environmental, financial, reputational and operational consequences. Additional consequence types are used, when appropriate, to better evaluate specific risks. The likelihood and consequences of events are rated on individual scales, the combination of which reflects their underlying materiality to Hydro (defined as 'substantive' by CRP). In turn, materiality will determine minimum expectations in terms of risk mitigation and management oversight. The outcome of risk evaluations can be visualized in a risk matrix.*

*Evaluations are performed by the line and reviewed at appropriate management levels, with the Corporate Management Board maintaining oversight in terms of the most material topics.*

Please see Hydro's Annual Report 2022 page 40-55, risk factor 1 (Sustainability trends), 7 (Insufficient asset integrity), 8 (Material legal or compliance incident), 14 (Impact on the environment) and 15 (Structural collapse or other major accident).

[www.hydro.com/reporting2022](http://www.hydro.com/reporting2022)

## F-MM11.2b/F-CO11.2b

**(F-MM11.2b/F-CO11.2b) For your disclosed mining projects, provide details of risks identified with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

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**Type of risk**

Reputational and markets

**Primary risk driver**

Increased stakeholder concern or negative stakeholder feedback

**Primary potential impact**

Other, please specify

Greater market and other stakeholders' concerns over loss of biodiversity

**Magnitude of the potential impact**

Medium-low

**Likelihood**

Likely

**Where does the risk driver occur?**

Company-wide

**Mining project ID**

**Company-specific description**

Global awareness and attention toward sustainability continues to trend upwards. To a large degree, this is positive for Hydro compared to peers mainly due to Hydro's renewable power and recycling portfolio. In addition to current climate change targets, the attention towards biodiversity and social aspects is expected to increase as decarbonization roadmaps become more mature. Customers' expectations increasingly reflect this across all aspects of sustainability and along the entire value chain. Regulations are tightening, especially in Europe. Investments in research and development toward greener solutions are growing, which increases the drive to deliver sustainable materials. In general, all geographies, industries and companies are expected to come under increased scrutiny.

Alongside decarbonization, progress is made on other environmental areas such as biodiversity, waste and water as well as stronger community relationships, particularly in Brazil. Initiatives to improve our social and environmental impact are monitored,

communicated, and reported on a regular basis. This is in line with our Just Transition framework, focusing on three key societal outcomes: protecting human rights and providing access to equal opportunities, contributing to resilient local communities, and supporting people to gain the necessary skills and jobs for the future low-carbon economy

**Timeframe**

Unknown

**Primary response to risk**

Other, please specify

Hydro uses a multitude of responses including implementation of environmental best practices in direct operations as well as multistakeholder engagement from local communities to customers.

**Description of response**

Hydro uses a multitude of responses including implementation of environmental best practices in direct operations as well as multi-stakeholder engagement from local communities to customers. Please see Hydro's Annual Report 2022 page 93-96.

**F-MM11.3/F-CO11.3**

**(F-MM11.3/F-CO11.3) Have you identified any biodiversity-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes

**F-MM11.3a/F-CO11.3a**

**(F-MM11.3a/F-CO11.3a) For your disclosed mining projects, provide details of the identified opportunities with the potential to have a substantive financial or strategic impact on your business.**

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**Type of opportunity**

Efficiency

**Primary biodiversity-related opportunity**

Increased efficiency of production and/or distribution process

**Where does the opportunity occur?**

Selected mines, business units or geographies only

**Mining project ID**

Project 1

**Estimated timeframe for realization**

Current - up to 1 year

**Company specific description & strategy to realize opportunity**

Hydro’s Tailings Dry Backfill technology at the Paragominas mine allows tailings to dry in shallow areas before being excavated and returned to the mined strip from where they originated. The mined strip is then reshaped and rehabilitated with the ambition of returning it to original conditions. By continuously backfilling the dry tailings, the methodology eliminates the need for new permanent tailings storage facilities, including the need to raise existing facilities further. The operating license for this technology was received in 2020, and it has now been fully adopted into operations at the mine.

**F12 Governance**

**F-MM12.1/F-CO12.1**

**(F-MM12.1/F-CO12.1) Is there board-level oversight of biodiversity-related issues within your organization?**

Yes

**F-MM12.1a/F-CO12.1a**

**(F-MM12.1a/F-CO12.1a) Identify the position(s) of the individual(s) (do not include any names) on the board with responsibility for biodiversity-related issues.**

Position of individual	Please explain
Chief Sustainability Officer (CSO)	Executive Vice President & Head of Corporate Development (including Technology, Sustainability and Portfolio & Strategy) has the oversight responsibility of biodiversity related issues.

**F-MM12.1b/F-CO12.1b**

**(F-MM12.1b/F-CO12.1b) Provide further details on the board’s oversight of biodiversity-related issues.**

	Frequency that biodiversity-related issues are a scheduled agenda item	Governance mechanisms into which biodiversity-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	Monitoring implementation and performance Overseeing acquisitions and divestiture Overseeing major capital expenditures Providing employee incentives	Biodiversity is discussed in the board of directors related to enterprise risk management, strategy plans, M&A (as applicable), executive remuneration etc.

		Reviewing and guiding corporate responsibility strategy Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation / R&D priorities Setting performance objectives	
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### F-MM12.2/F-CO12.2

**(F-MM12.2/F-CO12.2) Provide the highest management-level position(s) or committee(s) with responsibility for biodiversity-related issues (do not include the names of individuals)**

**Name of the position(s) and/or committee(s)**

Chief Sustainability Officer (CSO)

**Responsibility**

Assessing biodiversity-related risks and opportunities

**Frequency of reporting to the board on biodiversity-related issues**

Half-yearly

**Please explain**

Biodiversity risks and opportunities are as a minimum discussed in connection with the Enterprise Risk Management process as well as related to the annual reporting process.

### F-MM12.3/F-CO12.3

**(F-MM12.3/F-CO12.3) Do you provide incentives to C-suite employees or board members for the management of biodiversity-related issues?**

	Are there incentives to C-suite employees or board members?	Comment
Row 1	Yes	

### F-MM12.3a/F-CO12.3a

**(F-MM12.3a/F-CO12.3a) What incentives are provided to C-Suite employees or board members for the management of biodiversity-related issues (do not include the names of individuals)?**

	Role entitled to incentive	Indicator for incentivized performance	Please explain
Monetary reward	Chief Executive Officer (CEO) Chief Operating Officer (COO)	Achievement of commitments and targets	No net loss of biodiversity in new projects 1:1 rehabilitation of available mined areas withing two hydrological cycles.
Non-monetary reward			

### F-MM12.4/F-CO12.4

**(F-MM12.4/F-CO12.4) Does your organization have a policy that includes biodiversity-related issues?**

Yes, we have a documented biodiversity policy that is publicly available

### F-MM12.4a/F-CO12.4a

**(F-MM12.4a/F-CO12.4a) Select the options that best describe the scope and content of your policy.**

	Format	Content	Please explain
Row 1	Part of company-wide environmental/sustainability policy	Recognition of potential business impact on natural habitats Description of timebound commitments and targets Description of biodiversity-related performance standards Commitments beyond regulatory compliance Commitment to transparency Commitment to stakeholder awareness and capacity-building Reference to international standards and widely-recognized biodiversity-related initiatives	Hydro's global procedure on Biodiversity and ecosystem services should be understood and read in context with Hydro's global procedure on human rights.

		Commitment to protect rights and livelihoods of local communities	
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### F-MM12.5/F-CO12.5

**(F-MM12.5/F-CO12.5) Has your organization made any public commitment(s) to reduce or avoid impacts on biodiversity?**

Yes

### F-MM12.5a/F-CO12.5a

**(F-MM12.5a/F-CO12.5a) Provide details on your public commitment(s), including the description of specific criteria, coverage, and timeframe.**

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**Commitment**

Adoption of the mitigation hierarchy approach

**Coverage**

Company-wide

**% of total production covered by commitment**

100%

**Commitment timeframe**

<2017

**Please explain**

As a fundamental basis of biodiversity risk management, the biodiversity mitigation hierarchy is anchored as the core framework for managing risks and prioritizing actions.

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**Commitment**

No Net Loss

**Coverage**

Company-wide

**% of total production covered by commitment**

100%

**Commitment timeframe**

>2030

**Please explain**

Hydro's ambition of No Net Loss of biodiversity in new projects is a company-wide commitment. Timeline will depend on each individual project.

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**Commitment**

No conversion of High Conservation Value areas

**Coverage**

Company-wide

**% of total production covered by commitment**

100%

**Commitment timeframe**

2021-2025

**Please explain**

This commitment applies to any new project in Hydro for IUCN protected areas I-IV.

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**Commitment**

Free, Prior and Informed Consent of Indigenous Peoples

**Coverage**

Company-wide

**% of total production covered by commitment**

100%

**Commitment timeframe**

<2017

**Please explain**

FPIC has been a main principle in Hydro's engagement with indigenous and traditional peoples for many years. Currently, Hydro has no majority-owned operations nearby indigenous peoples' territories. For more information, please see Hydro's Annual Report 2022 page 105.

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**Commitment**

Not to explore or develop mines in World Heritage sites

**Coverage**

Company-wide

**% of total production covered by commitment**

100%



**Commitment timeframe**

<2017

**Please explain**

This commitment applies to any new project in Hydro.

## F13 Business strategy

### F-MM13.1/F-CO13.1

**(F-MM13.1/F-CO13.1) Are biodiversity issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are biodiversity-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, biodiversity-related issues are integrated	5-10	
Strategy for long-term objectives	Yes, biodiversity-related issues are integrated	5-10	
Financial planning	Yes, biodiversity-related issues are integrated	5-10	

## F14 Implementation

### F-MM14.1/F-CO14.1

**(F-MM14.1/F-CO14.1) Have you specified any measurable and time-bound targets related to your commitment(s) to reduce or avoid impacts on biodiversity?**

Yes

### F-MM14.1a/F-CO14.1a

**(F-MM14.1a/F-CO14.1a) Provide details of your target(s) related to your commitment(s) to reduce or avoid impacts on biodiversity, and progress made.**

**Target reference number**

Target 1

**Target label**

Not Net Loss of biodiversity in new projects

**Base year**

2021

**Target year**

2050

**% of target achieved**

Data not available

**Please explain**

This target does not fit to a base year methodology as it applies to all new projects starting from 2021 and into the future. Target year will also depend on each project. Due to the nature of the target, % of target achieved is not applicable as it cannot be aggregated for all projects it applies to and will apply to in the future.

**Target reference number**

Target 2

**Target label**

1:1 rehabilitation of available mined areas within two hydrological cycles

**Base year**

2020

**Target year**

2022

**% of target achieved**

100%

**Please explain**

This is a continuous target. The achievement relates to what was achieved in 2022.

**F-MM14.2/F-CO14.2**

**(F-MM14.2/F-CO14.2) Provide details on mining projects that are required to produce Biodiversity Action Plans.**

**Row 1**

**Number of mining projects required to produce a biodiversity action plan**

1

**% of mining projects required to produce a biodiversity action plan that have one in place**

100

**Format**

Stand-alone document

**Frequency biodiversity action plans are reviewed**

Eventually

**Please explain**

The plan was established in 2021 and has not yet been reviewed. The BAP will be reviewed as part of an ongoing no net loss strategy.

**F-MM14.3/F-CO14.3**

**(F-MM14.3/F-CO14.3) Has your organization adopted avoidance and/or minimization as strategies to prevent or mitigate significant adverse impacts on biodiversity?**

Yes

**F-MM14.3a/F-CO14.3a**

**(F-MM14.3a/F-CO14.3a) Provide relevant company-specific examples of your implementation of avoidance and minimization actions to manage adverse impacts on biodiversity.**

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**Mining project ID**

Project 1

**Approach**

Avoidance

**Type of measure**

Other avoidance measure, please specify  
Tailings Dry Backfill

**Description**

Avoid new areas for tailings infrastructures

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**Mining project ID**

Project 1

**Approach**

Minimization

**Type of measure**

Other minimization measure, please specify  
Tailings Dry Backfill - height of current installations

**Description**

Minimizes the height of the existing tailings installations as rising the height will not be necessary.

## F-MM14.4/F-CO14.4

**(F-MM14.4/F-CO14.4) Have significant impacts on biodiversity been mitigated through restoration?**

	Have significant impacts on biodiversity been mitigated through restoration?	Comment
Row 1	Yes	Due to the nature of strip mining, it is possible to progressively rehabilitate areas impacted by the bauxite mining activity. Hydro has a specific rehabilitation target for Paragominas which promotes this progressive rehabilitation approach. The target requires that mined areas undergo rehabilitation within two hydrological seasons after release from the mining operations. This is what we refer to as our 1:1 rehabilitation target.

## F-MM14.4a/ F-CO14.4a

**(F-MM14.4a/ F-CO14.4a) Provide details on restoration actions you have in place in your sites.**

**Mining project ID**

Project 1

**Description of the impact being mitigated by restoration**

Due to the nature of strip mining, it is possible to progressively rehabilitate areas impacted by the bauxite mining activity. This measure mitigates impacts as loss of habitat, loss of flora, landscape alteration, and alternation of fauna dynamics.

**Type of ecosystem restored**

Forest ecosystems

**Total area restored to date (hectares)**

2,905

**Total area to be restored (hectares)**

4,606

**Target year**

2050

**Describe restoration actions**

Total area restored includes areas under rehabilitation. Total area to be restored includes total affected area so far, within the mining property.

Due to the nature of strip mining, it is possible to progressively rehabilitate areas impacted by the bauxite mining activity. Hydro has a specific rehabilitation target for Paragominas which promotes this progressive rehabilitation approach. The target requires that mined areas undergo rehabilitation within two hydrological seasons after release from the mining operations. This is what we refer to as our 1:1 rehabilitation target.

Since parts of the total area to be restored are occupied by facilities that will be used throughout the operations, the final year for restoration is closure year.

### F-MM14.5/F-CO14.5

**(F-MM14.5/F-CO14.5) Have significant residual impacts of your projects been compensated through biodiversity offsets?**

	Have residual impacts been compensated through biodiversity offsets?	Comment
Row 1	No	

### F-MM14.6/F-CO14.6

**(F-MM14.6/F-CO14.6) Is your organization implementing or supporting additional conservation actions?**

	Implementing or supporting additional conservation actions?	Comment
Row 1	Yes	Biodiversity Research Consortium (BRC), please see Hydro's Annual Report 2022 page 94.

### F-MM14.6a/F-CO14.6a

**(F-MM14.6a/F-CO14.6a) Provide details on the main additional conservation actions you are implementing or supporting.**

### F-MM14.7/F-CO14.7

**(F-MM14.7/F-CO14.7) Do your mining projects have closure plans in place?**

	Are there closure plans in place?	Comment
Row 1	Yes	Hydro's only mine, Paragominas, started its operations in 2007. Due to the nature of strip mining, it is possible to progressively rehabilitate areas impacted by the bauxite mining activity, except for long-term infrastructure and facilities. Hydro has a specific rehabilitation target for Paragominas which promotes this progressive rehabilitation approach. The target requires that mined areas undergo rehabilitation within two hydrological seasons after release from the

		mining operations. This is what we refer to as our 1:1 rehabilitation target. Other programs will take place when the mine starts its final closure process.
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## F-MM14.7a/F-CO14.7a

(F-MM14.7a/F-CO14.7a) Please provide details on mines with closure plans.

### Row 1

**Percentage of mines with closure plans**

100

**Percentage of closure plans that take biodiversity aspects into consideration**

100

**Is there a financial provision for mine closure expenditure?**

Yes, for all mines

**Frequency closure plans are reviewed**

Regularly (all projects)

**Please explain**

The mine closure plan is reviewed every five year or earlier if any significant information changes, such as changes in legislation.

## F-MM14.8/F-CO14.8

(F-MM14.8/F-CO14.8) Can you disclose the area rehabilitated (in total and in the reporting year) for each of your mining projects?

	Disclosing area rehabilitated (in total and in the reporting year)?	Comment
Row 1	Yes	

## F-MM14.8a/F-CO14.8a

(F-MM14.8a/F-CO14.8a) Provide details on the area rehabilitated (total/reporting year) for each of your mining projects, including post-mining land use.

**Mining project ID**

Project 1

**Total area rehabilitated (hectares)**

2,905

**Area rehabilitated in the reporting year (hectares)**

259

**Describe post-mining land use**

Mined areas within our property will be rehabilitated according to the Degraded Areas Rehabilitation Program (PRAD). However, in case of mining on productive areas of neighboring properties, the commitment is to return the landscape according to previous use existing before mining. Therefore, if the mining areas fall into the forested areas of neighboring owners, the areas must be recovered to rehabilitate the areas for gradual return of forest. Hydro is currently not mining in neighboring properties.

## F15 Engagement

### F-MM15.1/F-CO15.1

**(F-MM15.1/F-CO15.1) Do you participate in or endorse any of the following global initiatives?**

	Participate or endorse?	Comment
Extractive Industries Transparency Initiative	Yes	Hydro has reported on voluntary basis according to EITI since 2005. Brazil, where Hydro has its only mining operation, is not yet an EITI implementing country.
UN Global Compact	Yes	Hydro was among the founding fathers of the UN Global Compact in 2000.
Natural Capital Coalition	No	
Business and Biodiversity Pledge	No	
New York Declaration on Forests	No	

### F-MM15.2/F-CO15.2

**(F-MM15.2/F-CO15.2) Do you participate in or support industry-led and/or standards-setting initiatives and organizations promoting sustainability in the mining sector?**

	Participating or supporting industry-led and/or standards-setting initiatives?	Comment
Row 1	Yes	Hydro is an active member of the International Council on Mining & Metals (ICMM) and Aluminium Stewardship Initiative (ASI).

### F-MM15.2a/F-CO15.2a

**(F-MM15.2a/F-CO15.2a) Indicate the initiatives and/or organizations you took part in or supported during the reporting year.**

Activities	Initiatives	Comment
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Industry-led mining sustainability initiative/organization	ICMM	
Standard-setting initiative/organization	Aluminium Stewardship Initiative (ASI)	

### F-MM15.3/F-CO15.3

**(F-MM15.3/F-CO15.3) Do you collaborate or engage in partnerships with non-governmental organizations to promote the implementation of your biodiversity-related goals and commitments?**

	Collaborating or partnering with non-governmental organizations?	Comment
Row 1	Yes	To increase our knowledge and secure a science-based approach to rehabilitation, the Biodiversity Research Consortium Brazil-Norway (BRC) was established in 2013. BRC consists of the University of Oslo and its Brazilian partners Museu Paraense Emílio Goeldi, Federal University of Pará and Federal Rural University of the Amazon, in addition to Hydro. The scope of the consortium is to create an environmental research program connected to our mining operations. The aim is to strengthen Hydro's ability to preserve natural biodiversity and to better rehabilitate the areas where we mine bauxite. Twenty-six research projects are ongoing with additional projects to be funded in the future.

### F-MM15.3a/F-CO15.3a

**(F-MM15.3a/F-CO15.3a) Provide details on main collaborations and/or partnerships with non-governmental organizations that were active during the reporting year.**

**Organization**

Biodiversity Research Consortium Brazil-Norway

**Scope of collaboration**

Specific mining project(s)

**Mining project ID**

Project 1

**Areas of collaborations**

Deforestation and /or forest degradation  
 Endangered species  
 Restoration



**Describe the nature of the collaboration**

To increase our knowledge and secure a science-based approach to rehabilitation, the Biodiversity Research Consortium Brazil-Norway (BRC) was established in 2013. BRC consists of the University of Oslo and its Brazilian partners Museu Paraense Emílio Goeldi, Federal University of Pará and Federal Rural University of the Amazon, in addition to Hydro. The scope of the consortium is to create an environmental research program connected to our mining operations. The aim is to strengthen Hydro's ability to preserve natural biodiversity and to better rehabilitate the areas where we mine bauxite. Twenty-six research projects are ongoing with additional projects to be funded in the future.

**Duration (until)**

No specified timeframe

**F-MM15.5/F-CO15.5**

**(F-MM15.5/F-CO15.5) Do you engage with other stakeholders to further the implementation of your policies concerning biodiversity?**

Yes

**F-MM15.5a/F-CO15.5a**

**(F-MM15.5a/F-CO15.5a) Provide relevant examples of other biodiversity-related engagement activities that happened during the reporting year.**

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**Activities**

Engaging with local communities

**Mining project ID**

Project 1

**Please explain**

Through the Biodiversity Research Consortium Brazil-Norway (BRC) we discuss conservation of wildlife with local farmers.

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**Activities**

Funding research organizations

**Mining project ID**

**Please explain**

Hydro is funding the Biodiversity Research Consortium Brazil-Norway (BRC).

## F16 Verification

### F-MM16.1/F-CO16.1

**(F-MM16.1/F-CO16.1) Do you verify any biodiversity-related information reported in your CDP disclosure?**

Yes

### F-MM16.1a/F-CO16.1a

**(F-MM16.1a/F-CO16.1a) Which data points within your CDP disclosure have been verified, and which standards were used?**

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**Disclosure module**

Other, please specify

**Data points verified**

The content in the CDP Forest questionnaire is extracted from Hydro's Annual report 2022 (especially pages 93-94 and 221-223 Note E 6) and is part of the externally assurance provided by our auditor KPMG (see page 252 assurance letter for scope of the limited assurance).

**Verification standard**

ISAE 3000

**Please explain**

The content in the CDP Forest questionnaire is extracted from Hydro's Annual report 2022 (especially pages 93-94 and 221-223 Note E 6) and is part of the externally assurance provided by our auditor KPMG (see page 252 assurance letter for scope of the limited assurance).

## F17 Signoff

### F-FI

**(F-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.**

## F17.1

**(F17.1) Provide the following information for the person that has signed off (approved) your CDP forests response.**

	Job Title	Corresponding job category
Row 1	VP & ESG Adviser to the CFO	Other, please specify VP & ESG Adviser to the CFO

## Submit your response

**In which language are you submitting your response?**

**Please confirm how your response should be handled by CDP**

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options		Public

**Please confirm below**