



## Hydro Extrusions Benelux Sustainability report 2021



## About this report

The main objective of this report is to describe Hydro Extrusions Benelux's approach to environmental and social performance as well as innovation. The report briefly describes Hydro Corporate policies, strategy and main results within environmental and social topics. The report reflects the material topics identified in the Hydro Extrusions Benelux 2021 materiality analysis. The social and environmental indicators in this report relate to the year 2021. Due to the publication date of the report, we have chosen to also include sustainable initiatives of the first half of 2022.

In this report Hydro refers to Norsk Hydro ASA, and Hydro Extrusions Benelux refers to the Hydro Extrusions plants in the Benelux, as well as the recycling units in Ghlin and Drunen and Pole Products.

For a thorough description of Hydro's policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms related to sustainability, see the environmental and social responsibility section in Hydro's annual report. Hydro's annual reports are available at <https://www.hydro.com/en/investors/reports-and-presentations/annual-reports/>.

Hydro reports in accordance with the GRI Standards' "Core" option. Please see our GRI index at [hydro.com/gri](https://www.hydro.com/gri).

## Materiality analysis

The analysis is prepared according to the reporting standard GRI 101 (2016). It is based on our continuous dialogue with key stakeholders as collected and evaluated by relevant specialists and leaders. The materiality analysis reflects internal and external developments, and is approved by Hydro Extrusions Benelux's management.

The green topics in the matrix below represent those that are most material to Hydro Extrusions Benelux, while the topics in the grey quadrant are considered not material. We have chosen to merge and rename certain GRI aspects in the matrix to make the titles more relevant to our operations and thus also more intuitive to our stakeholders.

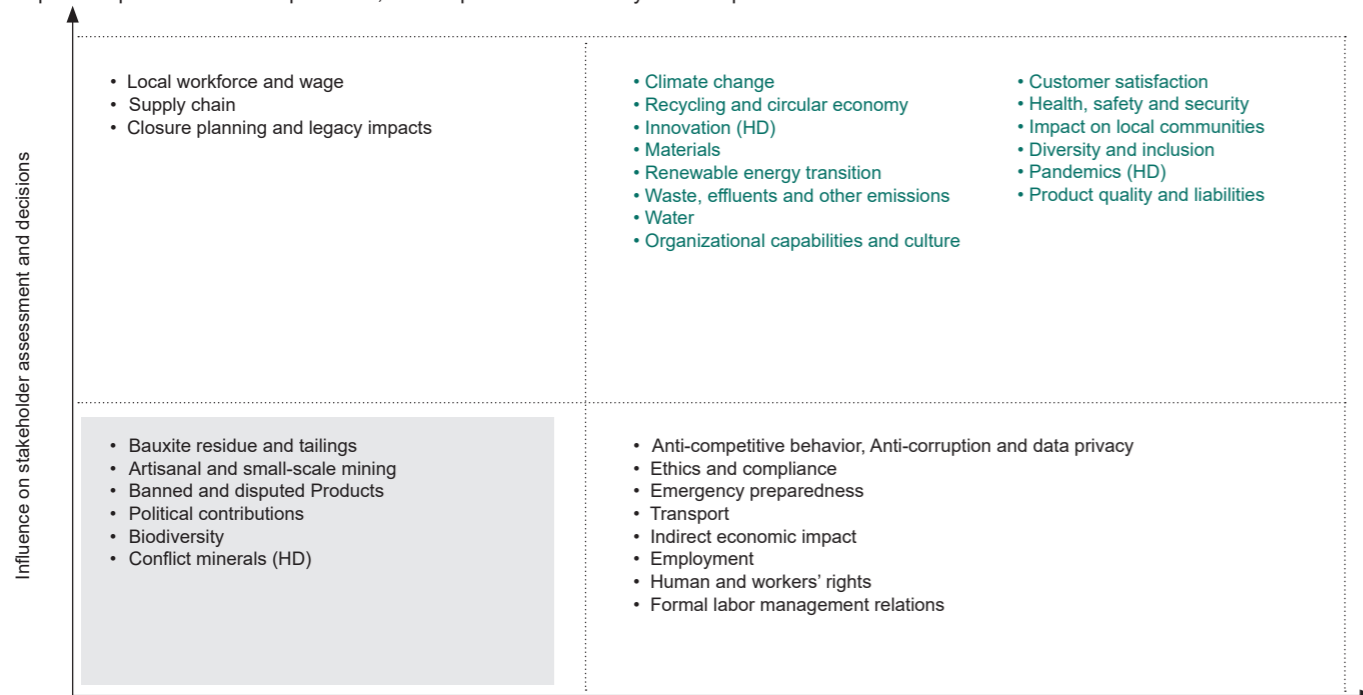
## Hydro and the UN SDGs

The UN Sustainable Development Goals (SDGs) embrace a universal approach to the sustainable development agenda. They explicitly call on business to use creativity and innovation to address development challenges and recognize the need for governments to encourage sustainability reporting. Hydro has an impact on all of the 17 development goals, some more than others. Hydro has chosen eight goals that are the most important to us. Within Hydro Extrusions Benelux, we do what we can to contribute to these goals. They are highlighted throughout the report.



## Materiality analysis 2021 – Hydro Extrusions Benelux

Topics are prioritized in four quadrants, but not prioritized internally in each quadrant



Significance on economic, social and environmental impacts

\*Topics marked (HD) are defined by Hydro in addition to the GRI defined topics

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# Sustainable Growth, The Benelux Way

In industrial context, sustainability is a broad term that encompasses all environmental and social practices of a sector to support long-term viability with minimal negative impact on the environment, people and natural ecosystems. There are three key areas of focus that Hydro prioritizes for sustainability: Climate, Environment and Social Responsibility. These areas address global challenges and include lowering emissions, reducing environmental impact, positively influencing society and developing low-carbon products.

## Sustainable Growth, The Benelux Way

Hydro worldwide and its Benelux organization clearly set the course for sustainability several years ago. In our strategy for 2021 – 2025, named Sustainable Growth, The Benelux Way, our employees are the foundation, and their safety comes first. No piece of aluminum is worth an accident; we have a zero accident policy. In addition, sustainability, customer focus and 'efficiency & innovation' are the building blocks of the strategy. Together we work for the success of our company. Everyone within Hydro, regardless of background, culture or gender, should feel at home at Hydro Extrusions Benelux.

## Safety is our priority

In the area that is most important in our company, we saw in 2020 a strong decrease in the number of accidents with injuries. Unfortunately, last year this number increased again. However, the majority of injuries were relatively minor, with no life-threatening or life-changing injuries reported during the year.

It is our duty to make sure that all our employees go home safely to their families after work. We must and will take the necessary actions to continuously improve a healthy and safe working environment for our people and contractors. We recorded zero fatalities in 2021.

## One Approach

As a leading company in the aluminium sector it is our aim also to lead the industry in sustainability. Our strength is our One Approach. We have the unique position to house recycling facilities, extrusion plants and end products. Meaning that we can influence our value chain and be transparent to our stakeholders and clients.

## Climate strategy

The overall umbrella of our climate strategy 2030 is based on 3 pillars: greener sourcing, greener production and greener products. We have set specific targets when it comes to sustainable purchasing of the metal we source and reducing the energy use for our operations.

We aim to reduce emissions, waste and natural resource consumption, but also increase the recycled content of our material and improve the recyclability of our products.

Finally, we want to help our customers to improve the sustainable offering of their products. We confirm everything we do with labels and certifications that are independently verified.

Our climate strategy is an integral part of our overall business strategy, aiming at lifting profitability and driving sustainability. Consequences to the climate strategy is also a criterion for all significant investment decisions.

## Reducing GHG emissions

In 2021, Hydro Extrusions Benelux's total greenhouse gas (GHG) emissions decreased compared to our climate strategy's baseline. All sites contributed to this. Our target is to reduce the total GHG emission of 15 percent by 2025. We recycled over 115,000 tonnes of aluminium scrap in 2021. To increase the percentage of post-consumer scrap, we have introduced a Closing the Loop system. The system enables us, together with our customers, to keep valuable raw materials in the cycle.

## Transparency

We transparently communicate relevant data (e.g. environmental footprint, shares of pre- and post-consumer scrap) and information, focusing on validity and certifications, etc. We have had a life cycle assessment (LCA) performed by an external consulting firm verified by a third party. The LCA is intended to optimize our (production) processes, as well as to be transparent and give our customers accurate and individual information about the CO2 emissions of our products.

## Diversity, inclusion and belonging

A new diversity and inclusion strategy was established last year. We want all employees to feel a sense of belonging where their voices are heard. If we look at our 2021 gender targets for employees, we are behind target, although we saw a small increase in the share of female employees compared to 2020.

## Our sustainability journey

This sustainability report focuses specifically on the policies, strategy and main results within environmental and social topics in Hydro Extrusions Benelux.

It gives you more insight into how we, together with our customers and other stakeholders, take sustainability to a higher level, in which every step matters.

Sustainability is a journey. I am proud to share this journey with you.

Jacques Podszun,  
VP Hydro Extrusions Benelux



# About Hydro

Hydro is a leading aluminium and energy company committed to a sustainable future. Our purpose is to create more viable societies by developing natural resources into products and solutions in innovative and efficient ways.


Hydro is present throughout the aluminium value chain, from energy to bauxite mining and alumina refining, primary aluminium, aluminium extrusions and aluminium recycling.

Hydro Energy is a major renewables producer, market operator and developer of businesses for the energy transition. Hydro Bauxite & Alumina represents the first two links of the aluminium value chain through bauxite and alumina refining. Hydro Aluminium Metal is a leading supplier of extrusion ingots, sheet ingots, foundry alloys, wire rods and high-purity aluminium with a global production network. Hydro Extrusions delivers tailored aluminium components and solutions to more than 30,000 customers around the world.

During 2021, Hydro continued to deliver on its 2025 strategy, including further strengthening its low-carbon aluminium position as well as maturing business opportunities within new energy solutions. Hydro has long been recognized as a leader in sustainability, and the new sustainability ambitions on climate, environment and social responsibility launched in December 2021 will be a key driver for Hydro's competitive positioning going forward.

Hydro has the ambition of achieving net-zero carbon emissions by 2050 or earlier and is pursuing three decarbonization paths to reduce the carbon footprint of aluminium to net zero. Hydro will have the first commercial volumes of near-zero carbon product (defined as less than 0.5kg CO<sub>2</sub> per kg aluminium) available in 2022 based on using 100 percent post-consumer scrap.

We have more than a century of experience and expertise, and we want to continue to lead the way in creating industries that matter.



“With a continued search for new ideas and solutions and a century of knowledge and expertise, we want to continue to lead the way in creating industries that matter for people and the planet.”

# Sustainability in Hydro

Hydro is committed to a sustainable future and to creating industries that matter. Hydro continues to grow stronger in terms of profitability and sustainability, thereby increasing long-term value for our stakeholders and improving lives and livelihoods where we operate. Our main priority remains providing a healthy and safe work environment for our workers.

Climate, environment and social responsibility are deeply interconnected. Responsible business is a prerequisite for long-term value creation through access to new markets, lower cost of capital and access to best talent. Sustainability is also about creating value to society by improving lives and livelihoods where we operate.

## Hydro's decarbonization path

In 2021, Hydro launched a new climate ambition, reaffirming the target of cutting our own carbon emissions by 30 percent by 2030 and setting new ambitions of becoming net zero in terms of direct and indirect emissions from power generation (Scope 1 and 2) by 2050 or earlier.

Hydro's roadmap to net-zero emissions by 2050 for the upstream aluminium business includes planned activities to replace fuel oil with natural gas and electrify boilers at the Alunorte alumina refinery in Brazil, where we also plan to pilot using hydrogen for calcination. Hydro made a final build decision to invest BRL 1.3 billion in the project to replace fuel oil with natural gas at Alunorte.

Achieving near-zero emissions throughout the value chain also requires that our portfolio of primary aluminium plants has access to a higher share of renewable energy and that renewable hydrogen, electricity, or biogas is available for use in the casthouses and recyclers.

Hydro is pursuing three technology pathways toward near-zero aluminium. To secure the value of existing primary aluminium plants, Hydro is developing carbon capture and storage (CCS) solutions that can be retrofitted into the existing plants. Hydro has evaluated more than 50 CCS technologies and is planning to test and pilot the most promising, up to industrial scale by 2030. The most likely outcome will be a combination of off-gas capture and direct air capture.

Another pathway more suited for greenfield aluminium plants is Hydro's proprietary HalZero technology. This technology converts alumina to aluminium chloride prior to electrolysis in a process where chlorine and carbon are kept in closed loops, resulting in a fully decarbonized process. Hydro has been working on lab-scale development of this technology for five years and has now developed a roadmap to bring this to an industrial scale before 2030.

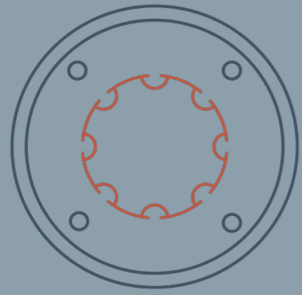
A third and faster pathway to zero-carbon aluminium is by recycling more post-consumer scrap. Using only post-consumer scrap, we will be able to produce a near-zero carbon product at a competitive cost. This will be made possible by Hydro's patented aluminium sorting technology and alloying expertise, in combination with replacing natural gas with renewable hydrogen or electrical heating at recyclers and casthouses. Near-zero carbon aluminium should be commercially available in small volumes during 2022.

## Environment and social ambitions

Hydro is setting new ambitions in the areas of environment and social responsibility. Within environment, this includes protecting biodiversity and reducing the environmental footprint. For biodiversity, Hydro has set an ambition to achieve no net loss of biodiversity for all new projects, in addition to the existing 1:1 rehabilitation target for our mining operations. With regard to waste, we will continue to follow our existing 2030 targets for increased utilization of bauxite residue and reduced landfilling of spent pot lining. We will also aim to eliminate the need for new permanent bauxite residue storage by 2050 and to eliminate landfilling of all other recoverable waste by 2040.

Hydro's social ambition is to improve the lives and livelihoods of people wherever we operate. We have supplemented the existing target of empowering 500,000 people with education and skills development by 2030 with business-specific targets to support a just transition, and to ensure responsible business practices throughout Hydro's supply chain, providing traceability and transparency of key sustainability data for our products.

For a description of Hydro's values, purpose, policies, commitments, goals and targets, responsibilities, resources, grievance mechanisms related to sustainability, see Hydro's latest Annual Report, especially the chapter Environment and social responsibility in Hydro's Annual Report. Hydro at the group level reports according to GRI. Learn more at [Hydro.com/reporting 2021](https://www.hydro.com/reporting-2021).



# Hydro Extrusions Benelux

In the Benelux, Hydro has been active in the production of extruded aluminium profiles since the 1960s. The production facilities where we extrude small and medium as well as big and wide aluminium profiles are located throughout the Benelux, ensuring local presence.

We are active in a broad range of market segments. Most of the aluminium profiles extruded in the Benelux are delivered to the transport, machinery and building & construction sector across Europe. Our profiles meet the highest quality and environmental standards. Our Benelux locations are certified according to ISO 9001, ISO 14001, ISO 45001\*, ASI Performance Standard and ASI Chain of Custody Standard.

We have five Hydro extrusion plants in the Benelux: Raeren (BE), Lichtervelde (BE), Drunen (NL), Harderwijk (NL) and Hoogezand (NL), offering die manufacturing, standard and customized profiles, mechanical treatment/FSW and surface treatment (anodizing and painting). We also have two recycling units in the Benelux: one in Drunen (NL) and one in Ghlin (BE). Here we recycle pre-consumer and post-consumer scrap into billets.

The Hydro Drunen location also houses Pole Products, which offers innovative, intelligent and more sustainable aluminium solutions to our international client base. Using aluminium extruded profiles they produce light poles, flagpoles and complete systems for mounting traffic lights for public infrastructure projects. To ensure their safety and quality, the (light)poles from Hydro comply with the European standards EN 40-6, EN 12899-1, EN 12767 and EN 1090-3 and are CE certified.

### Committed to a sustainable future

Hydro Extrusions Benelux is committed to a sustainable future. We optimize the circularity of aluminum and stimulate reuse. Together with customers we design and deliver more sustainable aluminium solutions to create a fair society and circular economy. By purchasing and producing locally, using renewable energy and increase and improve recycling capacity and technology at our own locations, we aim for net zero in our products by 2050 or earlier.

### Sustainable Growth, The Benelux Way

Sustainability has become an important part of our business today. It is not an ad hoc side activity, but an integral part of the regular business operations and strategy. The sustainability strategy for Hydro Extrusions Benelux for the coming years has been brought together under the heading 'Sustainable Growth, The Benelux Way'. The strategy includes four important themes: safety, sustainability, customer orientation and efficiency & innovation. Our people are the key to success.

In order to achieve our sustainability missions, we have a clear strategy how we want to lift profitability and drive sustainability in the market. Our purpose is to create a viable society by developing natural resources in products and services in an innovative and efficient way. This goes along with a clear strategic direction to grow in recycling and lower the footprint of our aluminium solutions.



\*Raeren, Lichtervelde, Ghlin, Drunen, Hoogezand



## Material topics (link) covered in this topic

Climate change

Renewable Energy  
TransitionProduct quality and  
liabilities

## Climate change

The European Green Deal sets out a clear path towards realising the EU's ambitious target of a 55 percent reduction in carbon emissions compared to 1990 levels by 2030, and to become a climate-neutral continent by 2050. Crucial elements in a low carbon, circular economy are high quality recycling and the way materials are produced and designed.



Aluminium is a key building block for a more climate-friendly circular economy. Nevertheless, we are also aware of the challenges involved in making the entire value chain of the light metal more sustainable. And we need to be aware of these challenges, because the continu-

ous reduction of the footprint of aluminium production and aluminium products is an ethical responsibility.

Aluminium is desirable due its recyclability and low-impact on the environment over its product-use lifespan. But it matters where and how aluminium is produced. Production of primary aluminium through the Hall Heroult electrolysis process is energy intensive. The carbon footprint of primary aluminium is thus highly dependent on the source of electricity used. As a result, the carbon footprint of primary aluminium varies between less than 4 tons CO<sub>2</sub>-equivalents per ton aluminium in hydropower-based regions to more than 20 tons CO<sub>2</sub>-equivalents per ton aluminium in coal power-based regions. The recycling process of aluminium, however, requires a lot less energy than primary aluminium production, and thus emits less CO<sub>2</sub> - approximately 0.5 tons CO<sub>2</sub>-equivalents per ton aluminium.

### Our approach

Hydro Extrusions Benelux's ambition toward 2050 is to reduce our climate impact through **Greener sourcing**, **Greener production** and **Greener products**.

Our climate strategy is an integral part of our overall business strategy, aiming at driving improvements and development within the company. Impact on the climate strategy is also a criterion for all significant investment decisions. The strategy includes reducing the climate impact of our operations as well as taking advantage of business opportunities by enabling our customers to do the same.

We have the ambition to reduce 30 percent of our GHG emissions in 2030 and 50 percent in 2050, based on a 2018 baseline, and to help our customers to reduce their emissions. We have established a roadmap with short, mid and long terms actions to achieve the climate targets.

### Greener production

Energy efficiency is an important part of Hydro Extrusions Benelux ongoing efforts to reduce costs and air emissions. Our sites are working on different initiatives to lower their GHG emissions associated with energy and electricity consumption.

- In Ghlin we generate 85 percent of the electricity needed onsite by the onsite renewable power generation through a windmill, with a capacity of 2.2 MW and solar panels with a capacity of 1.7 MW (1MW on the ground and 0.7MW on the roof). A permit application for a second windmill in Ghlin has been submitted. The construction phase is expected to start in 2024. The surplus electricity that the windmill generates, can be fed back to the grid. It is also being investigated whether the surplus energy generated in Ghlin can be used for the energy needs at the Hydro location in Lichtervelde.
- In Raeren, the location is equipped with solar panels on the roof with a capacity of 250 kW. A significant expansion of the renewable energy capacity is foreseen by installing solar panels on the ground, with a capacity of 1 MW.
- Other plants are also working with partners and governments to evaluate the possibilities for on-site renewables.
- As an alternative to purchasing the standard electricity mix from the grid, we are looking for the possibilities to enter into collective power purchase agreements (PPAs) with renewable power producers.
- A new pile oven in Hoogezand offers energy savings. The new furnace offers a more efficient gas recirculation and better insulation, which both ensure more favorable energy consumption.
- The relocation of Pole Products (more information on page 15) provides advantages in terms of heating, transport, electricity and production efficiency.
- We are also working to improve energy efficiency through benchmarking, process improvements and when investing in new equipment.

### Reducing process waste

Even the most modern aluminium production generates scrap. Pre-consumer scrap is a natural consequence of the production process. Hydro is continuously working to reduce the generation of scrap by optimising production processes and working closely with customers to develop applications that generate less scrap. However, a certain amount of pre-consumer scrap will be unavoidable.

We strive for reduction of unnecessary operations by performing quality checks at every step in the production process, to avoid an adverse product to run throughout the whole process chain and save energy.

### Increasing recycling of aluminium

The inherent properties of aluminium make recycling attractive. It can be recycled infinitely without degradation in quality, and recycling requires 95 percent less energy

than primary aluminium production. We recycle process scrap from our own production and from other companies, as well as post-consumer scrap from the market. Due to contamination and alloy identification, it can be challenging to maintain aluminium's high-quality properties when recycling post-consumer scrap.

Our long-term ambition is to use more than 75 percent post-consumer scrap for the manufacturing of our solutions. To achieve this, we make use of the billets produced at the recycling units at our own location. Moreover, we have an efficient system for recycling internal scrap from our production.

In Hydro Extrusions Benelux we have a recycling unit in Drunen (NL) and in Ghlin (BE) with advanced remelting technology. In Ghlin we are able to process aluminium scrap containing contamination (e.g. powder coating, small amounts of plastic) due to an advanced filter installation and multi-chamber oven. In Drunen investment in a new filter installation are planned which also allows the recycling of shredded aluminium scrap.

### Greener sourcing

The greener sourcing element in the climate strategy refers to our position as a purchaser of raw materials and energy. We aim to source less carbon-intensive electricity and aluminium metal with a lower carbon footprint. Aluminium produced by coal power comes with a much higher carbon footprint than process scrap from hydropower-based aluminium. We also aim to increase the use of post-consumer scrap in our metal production.

### Post-consumer scrap

Post-consumer scrap is defined as aluminium scrap that comes from products which have fulfilled the purpose for which they were produced. This scrap might range from aluminium cans with a lifetime of about 60 days to buildings with a lifetime of more than 50 years. When this scrap is recycled, it starts its second life as a recycled product, with no carbon footprint attached to it except from the remelting. As a result, post-consumer scrap has a carbon footprint of about 0.5 or less tonnes of CO<sub>2</sub> per tonne aluminium. This footprint results from scrap collection, transportation, sorting and remelting.

### Process scrap (pre-consumer scrap)

Process scrap arises during processing of aluminium products, such as extruded profiles or rolled foil. During processing of aluminium, typically between 20 and 30 percent of the metal ends up as process scrap. This process scrap has high value, and its recycling rate is close to 100 percent. However, the process scrap has never fulfilled its purpose as a product, and thus carries the carbon footprint of the original primary aluminium from which it is produced. This means that the carbon footprint of recycled process scrap is equal to the metal origin plus direct emissions from the remelting process itself.



**Carbon footprint of recycled aluminium**

Not all recycled aluminium is the same. There are differences in the aluminium used for recycling with regard to carbon footprint. While post-consumer scrap is always considered burden-free (with a carbon footprint equal to zero), the carbon footprint of recycled pre-consumer scrap (or process scrap) is dependent on its metal origin according to the Mass-based allocation approach in Life Cycle Assessment (LCA) calculations. The Cut-off approach does not make a distinction between pre and post-consumer scrap.

- *Cut-off approach.* In this approach, the footprint follows the (main) product. It regards process scrap as waste and carries only the carbon footprint of the recycling process. This approach equalizes hydropower-based aluminium scrap and coal-based aluminium scrap as soon as the metal is processed.
- *Mass-based allocation approach (Avoided Burden approach)* With this approach, the carbon footprint follows the material. This approach assumes that the process scrap has never fulfilled its purpose as a product, and that the material thus carries the carbon footprint of the original primary aluminium from which it is produced in addition to the carbon footprint of the recycling process.

We believe that we need to focus on what drives real change toward the green transition and we need to exercise our role as a responsible supplier and customer to influence the right development. Therefore, Hydro supports the Avoided Burden approach. In our opinion, the Cut-off approach is inaccurate, as it accounts for process scrap being carbon-neutral, when in reality the process scrap has the same inherent carbon footprint as its metal origin. Nevertheless, in Hydro Extrusions Benelux we disclose environmental footprint values calculated according to both approaches to provide transparency, as long as there is no overarching and binding LCA calculation method that is applicable for our industry.

We will always be transparent about the composition of our products and their environmental footprint. The underlying LCAs/EPDs are performed by external consultants according to international standards and verified by independent third parties.

**Greener products**

Aluminum is all around us. Transport, packaging, buildings and structures, infrastructure and applications and products for end users. An increasing number of industries are becoming aware of how aluminum can solve challenges and benefit different applications, and new areas of application are still being discovered. In other words, aluminum really is the material of today – and tomorrow.

Aluminium has significant carbon footprint benefits in its use phase, especially due to its lightweight properties. In Hydro we can offer a range of certified recycled and low-carbon aluminium products, minimizing the carbon footprint of our products and maximizing opportunities for our customers.

**Hydro RESTORE**

The aluminum produced in the Hydro Extrusion Benelux recycling units is called Hydro RESTORE: aluminum made from recycled pre-consumer scrap, recycled post-consumer scrap and some primary aluminium. By collecting and recycling the scrap directly at the source, our customers receive the best service and flexibility and contribute to the local and circular economy.

With the Closing the Loop system we aim, together with our customers, to collect as much aluminum as possible to process at Hydro's own recycling units. This enables us to maintain the high share of recycled content in Hydro RESTORE. In addition, by increasing the share of post-consumer scrap, we can reduce the footprint.



[Hydro RESTORE](#)

**Hydro REDUXA**

Hydro REDUXA is our range of low-carbon aluminium. Using renewable energy from water (hydro power), wind and solar, we can produce cleaner aluminium, reducing the carbon footprint per kg of aluminium to 4.0 which is less than a quarter of the global average.

Hydro REDUXA is verified according to ISO 14064 by DNV GL, covering all carbon emissions from bauxite mining and alumina refining to the production of aluminium in electrolysis and casting.



[Hydro REDUXA low-carbon aluminium](#)

**Light poles and TRI solutions  
Cradle to Cradle Certified® Silver**

Cradle to Cradle® (C2C) is an innovation platform for the integration of beneficial Environment, Social and Governance (ESG) features into products.

Pole Products' aluminium light poles and TRI solutions are certified at Silver level, according the Cradle to Cradle Certified® Products Standard Version 3.1.



[C2C Certified® poles](#)

**Reduce CO2 emissions**

Energy efficiency is an important part of Hydro Extrusions Benelux's ongoing efforts to reduce CO2 emissions. Our ambition is to work with energy efficiency in a systematic way. The AMR project (see chapter Innovation) will help us to optimize the monitoring of energy consumption and notice directly any deviations.

Hydro Extrusions Benelux's CO2 emissions include direct CO2 emissions (from burning fossil fuels at sites) together with indirect emissions (from purchased energy at the point of electricity generation).

Ongoing measures to reduce our CO2 emissions are:

- Making conscious choices in replacing machines and electrical equipment to reduce our electric consumption
- Transition to LED lighting in the factories
- Stimulate use of bicycles to come to work
- Promote carpooling
- Encourage the lease of electric company cars
- Commissioning of electric forklifts

The concept is to determine the intended benefits of the product rather than minimizing negative environmental impacts. By having C2C certified products, Hydro demonstrates it has a long-term sustainability in mind for products and is working hard to improve products and their sub-components as well as their manufacturing processes.

The C2C Certified® program covers five quality categories:

- Material Health
- Product Circularity
- Clean Air & Climate Protection
- Water & Soil Stewardship
- Social Fairness

**Aluminium contributes to a circular economy**

The demand for aluminium is growing. The metal has unique properties, limitless applications and design possibilities. Indeed, it is infinitely recyclable while retaining its unique properties – a "permanent" material that fits the concept of a circular economy.

Almost 75 percent of the 1.5 billion tonnes of aluminium ever produced is still in use today (source: International Aluminium Institute (IAI)). With its durability, as well as the anti-corrosion properties of the metal, aluminium products have a long lifespan. Moreover, aluminium is easy to maintain. No measures are required to protect against mold or corrosion. Nor is the metal scarce. The metallic element aluminium is the third-most plentiful element in the earth's crust, and global bauxite reserves are projected to last for centuries.

Consequently, aluminium is considered a key building block for a more climate-friendly circular economy. It is desirable due to its recyclability and low-impact on the environment over its product-use lifespan.



The Hydro plant in Raeren is located nearby the forest. It is surrounded by green and not causing any direct noise pollution for the habitats of the city. The plant uses green energy, thanks to the solar panels that have been installed on the plant's roof.

## Applying the Cradle to Cradle® principles

Pole Products has embraced the Cradle to Cradle® philosophy 'waste equals food'. Applying the Cradle to Cradle® principles supports a focus on sustainability in our company and ensures continuous improvement of our products and our processes.

We design our products so that they can be reused entirely at the end of their lifespan. Developing solutions according to the Cradle to Cradle® design facilitates the disassembly of our light poles and helps our customers adjust to a circular economy.

In 2011 Pole Products became the first manufacturer, worldwide, of Cradle to Cradle Certified® light poles. Since 2019, the Traffic Regulation Installation (TRI) solutions have been added to the certification.



## Returning aluminium poles for eternal life

Pole Products is supporting the municipal sustainability goals in Dutch cities by collecting their old aluminium light poles and turning them into new ones. The Take Back / Closing the Loop program closes the loop with regard to past-their-prime aluminium light poles and their subsequent replacement.

Used light poles are collected and stripped, then all parts are returned and brought back into the cycle. Hydro remelts the poles, extrudes the billets into tubes and produces new light poles. The residues that we cannot process are brought back into the chain by a waste specialist



## Closing the Loop together

Hapert Trailers is actively working on reducing its CO2 footprint. One of the company's actions – a closing the loop agreement for used aluminium – will also support the circular economy.



Hapert has participated in a study together with employers' association VNO-NCW to better weigh and separate the residual flows from its own business operations. This resulted in the new Closing the Loop system they set up together with Hydro Extrusions Benelux, who supplies the aluminium extrusions that are used in the trailers.

With the system, Hapert collects the aluminium residue produced during the production of its trailers and places the scrap in special recycling bins. Hydro takes this scrap and remelts the metal so that it can be processed again into new profiles for Hapert Trailer.

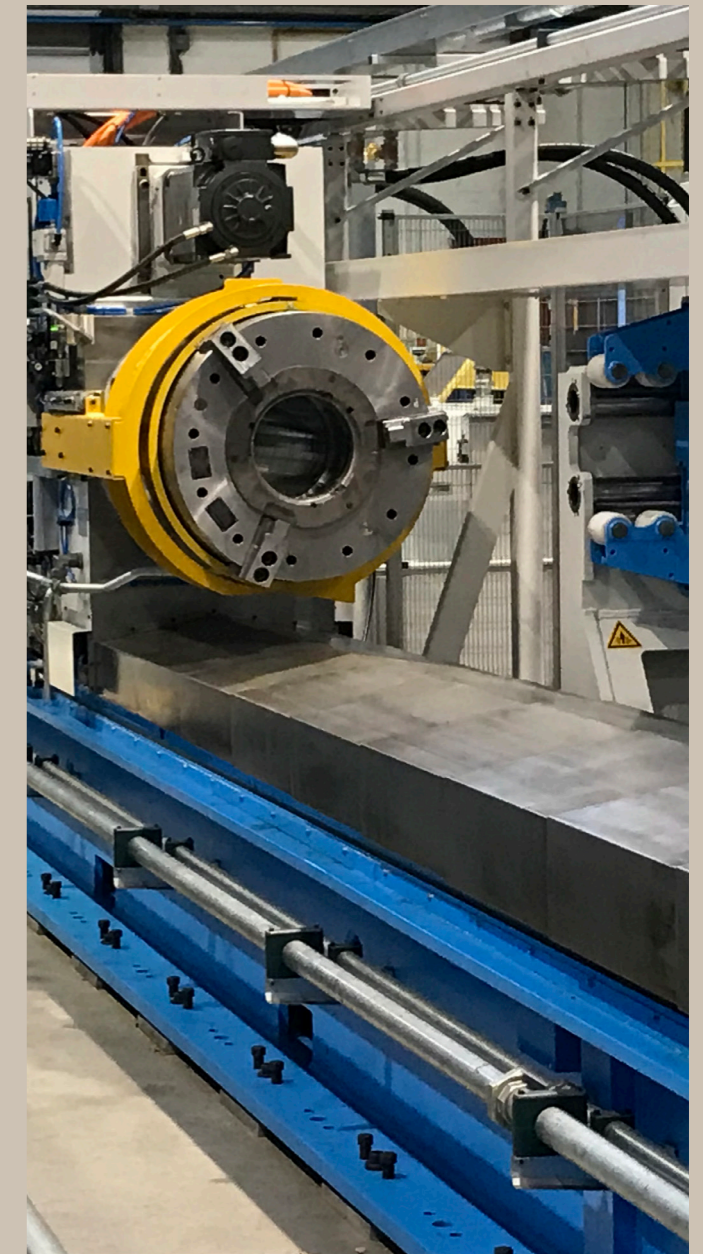
The next step is to collect used trailers at the end of their life and set up the infrastructure for a Closing the Loop system, to further reduce the waste stream.

## Always in charge with our charging stations

At Hydro, we not only implement sustainability in our production and products, but also at our locations themselves. In this way we prepare our entire company for a sustainable future.

What started out with the idea of encouraging electric driving, has grown into two complete solutions. One of the solutions in the form of an electric charging station for which Hydro delivered the aluminium parts. The other in the form of solar poles. Together they show the possibilities Hydro offers and the solid collaborations that are established. Collaborations with partners who, just like Hydro, value sustainability.

At present the charging stations and solar poles can be found at the Hydro Extrusion location in Drunen. The ambition is to implement these solutions at all Hydro locations in the Benelux.

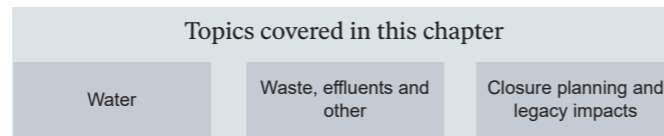


## Relocation Pole Products as part of masterplan Hydro Drunen location

The production of Pole Products has recently been moved to the halls next to Hydro Extrusions Drunen, the supplier of the extruded tubes for Pole Products. The relocation will lead to logistical and production-technical benefits, as well as other business benefits that will strengthen the overall competitive position of Hydro in Drunen.

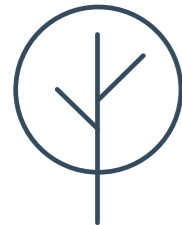
With the relocation, a new conifying machine has been ordered, developed and put into use, enabling more effective and efficient pole manufacturing.





# Environmental impact management

All industrial activity has the potential to impact the environment at local, regional and global scales. If not correctly managed, emissions of pollutants, and disposal of hazardous waste all have the potential to cause long-term, irreversible impacts to nature and human health.



### Our approach

By continuously improving water and waste management, we strive to minimize the impact our activities have on the environment.

The goal of our 2050 environment strategy is to minimize our impact by improving water management and reducing waste to landfill from our operations.

All of Hydro Extrusions Benelux's sites follow the Hydro internal policies and procedures, related to environmental management, supported by comprehensive health, safety and environment (HSE) management systems, audit programs, training and awareness initiatives. In addition, our sites are ISO 14001 and ISO 45001\* certified and have received certification to ASI's Performance and Chain of Custody standards.

### Local sustainability teams

Sustainability is embedded as one of the five building blocks in the overall production and supply chain process. To stimulate innovation and improvement, local sustainability teams are in place on each Hydro Extrusions Benelux site, to allow easy communication and sharing of sustainability related best practices. The teams consist of employees from all layers of the organization to get everyone involved in the thinking process about sustainability. Each multidisciplinary team have lined up a roadmap for their location with the aim of:

- Bundling ideas and initiatives related to the reduction of energy consumption, waste and water.
- Strategic planning of mandatory improvements as a result of the Energy Efficiency Directive.
- Joint coordination of strategic EE projects.

### Water management

Our main impact on water bodies is caused by the discharge of wastewater and the manufacturing and cooling processes at the recycling units and extrusion processes. These discharges are regulated by relevant permits.

At Pole Products water is mainly used during the brushing process of the poles, to avoid the release of dust particles into the air. The filter process prevents aluminium particles in the drain water after the filtration step. It is within the discharge permit, nevertheless the concentration of aluminium in the process water is slightly elevated. To realize a closed water circuit, an investment proposal was prepared, but has been postponed. Priority has been given to the investment program of the relocation of Pole Products.

### Water stewardship

Water stewardship is the use of water that is socially and culturally equitable, environmentally sustainable and economically beneficial, achieved through a stakeholder-inclusive process that involves site- and catchment-based actions.

Hydro Extrusions Benelux handles water in an economical way and has strict guidelines for water consumption. The strategy regarding water consumption is to maintain the water quality and minimize water consumption.

### Waste and efficient resource use

We strive for the reduction of waste of raw materials. We have implemented an effective waste management system that targets metal scrap, hazardous waste and other general waste and it enhances waste collection, the sorting process, storage and treatment of waste. Our goal is to first minimize the amount of waste produced in our operations, and then reuse or recycle it. When this is not possible, we shall deposit it in a secure way to minimize adverse effects to people and the environment.

Because we are aware of the scarcity of raw materials we are trying to reduce the use of resources on multiple fronts as much as possible:

- Standardize packing methods and materials.
- Reduce amount of aluminium in profiles and cast pieces.
- Focus on reduction of complaints, internal rejects and the return of products because of those complaints.
- Specific measurements to reduce waste.

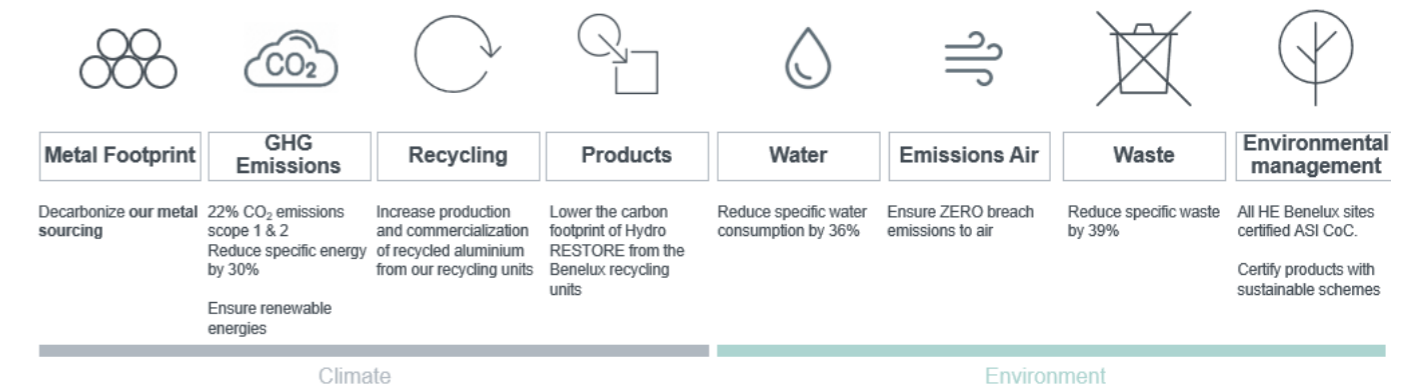
### Other waste and by-products

Hydro's recycling units in Drunen and Ghlin have treatment facilities to recover as much aluminium as possible from hot dross. Dross is a mixture of metallic aluminium, alloy components and metal oxides that is formed on the surface of liquid aluminium. Residual dross is sent to third parties for further treatment.

### Other emissions to air

Non-GHG emissions to air are minimal and remain within the legal requirements regarding greenhouse emissions.

## Reduction targets Hydro Extrusions Benelux 2030



### Shredding of plastic straps

We have invested in a shredder machine for the plastic straps of the packaging. By shredding the straps, we reduce the waste volume with 90 percent, which results in more efficient transport to the recycling company and thus cutting CO<sub>2</sub> emissions. In addition, the shredded material offers benefits for the recycling process.



### Generate waste in production

In the recycling unit in Drunen, another cylinder has been placed under the casting table to be able to lower it deeper and thus cast longer billets. The result is less waste of cutting-off edges.



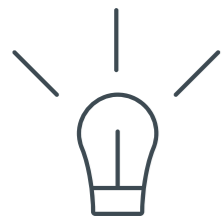
\*Raeren, Lichtervelde, Ghlin, Drunen, Hoogezand



Topics covered in this chapter	
Innovation	Climate change

# Innovation

Innovation is what allows us to improve our aluminium products and processes, cut climate emissions and help our customers meet their commercial and sustainability goals. Beside technical aspects, we explicitly involve safety, ecological, economic and social aspects in the design and try to find the right balance.



### Our approach

We innovate, design and collaborate to meet today's demands and to anticipate future needs. We believe in sharing knowledge, learning from each other and joining forces. We are continuously developing new solutions with our

customers. More and more, this collaboration reflects design thinking, with sustainability in mind.

### Research and development (R&D) efforts

Our R&D efforts are centered around:

- Reducing energy consumption, waste, emissions and carbon footprint in line with our sustainability agenda.
- Making products and solutions that promote the use of aluminium and sustainable development. Improve productivity, energy consumption and emissions by implementing technology elements in our processes.
- Ensuring optimal operations in existing assets, including cost and HSE (Health, Safety and Environment).
- Investing in recycling technology and set up systems to increase post-consumer scrap intake.
- Increasing the share of value-added products and tailored solutions in collaboration with the customer.
- Designing with end-of-life scenario in mind to improve the recyclability of our products and the products of our customers, to contribute to a circular economy (Eco-Design).

Innovation and development initiatives are carried out in close collaboration between our production units, R&D department and customers.

### Product stewardship

All products have an impact on the environment, starting with the extraction of the material, through production, transport, use, disposal and recycling. Hydro is an active member of the Aluminium Stewardship Initiative (ASI). Read more about ASI in the chapter 'responsible supply chain'.

We also engage in dialogue with customers and other stakeholders regarding the environmental impact of our processes and products. We perform life cycle assessments (LCAs) to identify improvement potential.

### Life cycle assessment

Life Cycle Analysis or Life Cycle Assessment (LCA) is often used to determine the figures and calculations behind sustainability. LCA is a powerful way to quantify the environmental impact of products during their manufacture and use. In this



way, companies gain insight into the environmental performance of their products and raw materials throughout the entire value chain.

Hydro Extrusions Benelux recently performed an LCA for all recycling and extrusion facilities. The LCA study includes the impact of material extraction, production and the disposal/recycling of the product.

Pole Products conducted an LCA in 2020 and has currently performed a revision/extension of the LCA study. The study includes the impact of material extraction, production, use phase and the disposal/recycling of the product.

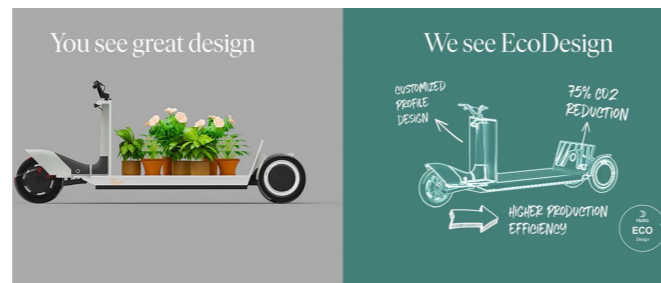
The LCAs are performed by a certified consultant agency and validated by an independent third party in accordance with ISO 14040, ISO 14044 and EN 15804 + A2. Results are available on request.

### Environmental Product Declarations

Third party verified EPDs (Environmental Product Declarations) of profiles manufactured in Hydro Extrusions Benelux and light poles manufactured by Pole Products provide customized and validated information. The EPDs have been prepared by an external consultant in accordance with ISO 14040, ISO 14044 and EN 15804 + A2.



The MKI (Environmental Cost Indicator) values of the light poles are included as category 1 data in the Dutch National Environmental Database (NMD).



### Focus on sustainability - Hydro EcoDesign

Hydro EcoDesign is a structured method that supports customers in the development of a product. The aim of this method is to make products with more functionality and a smaller ecological footprint.

The design method was developed by Hydro together with innovation partner EPEA. Hydro EcoDesign is based on:

- thinking about improved functionalities
- selecting recyclable good alloys
- optimizing the shape for lighter weight
- care for ease of fabrication
- smart assembly methods
- design for disassembly
- checking materials compatibility
- focus on safety and health
- striving to reduce waste & scrap
- optimizing packaging
- footprint and LCA communication
- selecting the right partners

### Hydro EcoDesign

### AMR project

One of the key initiatives to have better data and hence a fact based insight in what is driving our environmental impact is the Automated Meter Reading (AMR) project. Better measuring will be our foundation for both transparency, reporting and triggering improvements.

AMR offers advantages in the areas of real time visualization, peak shaving, loss reduction and prevention, detailed (sustainable) data reporting and consumption forecasting.

AMR can provide an in-house innovative platform to reshape the way energy data is used to mitigate cost and lead to energy savings and carbon footprint reporting. It is a technical connection between the PLC of the equipment and gateways that allows automatic metering of energy consumption on a defined timestamp – e.g. minutes, hours, production cycles etc.

### Collaboration with other parties

Represented in the DAA / ACB Aluminium Center Belgium  
Hydro Extrusions Benelux is a member of the DAA and the ABC and is represented in both Board of Directors.

The Dutch Aluminium Association (DAA) is an umbrella organization for the aluminum producing, processing and application industry and functions as a knowledge and information center. The DAA replaces the Aluminium Center foundation. The association is a sector group that operates under the banner of the Royal Metal Union and aims to promote the application of aluminum in the Netherlands. A special working group has been set up within the DAA for topics related to sustainability.

The Aluminium Center Belgium (ACB) is the Knowledge Center for the Aluminum Industry in Belgium. The Center functions as an exchange platform between the various disciplines to promote the use and processing of aluminum in a sustainable way. The ACB organizes numerous activities to support the aluminum processing and processing industry by encouraging knowledge transfer on the one hand and innovation stimulation on the other.

### Sustainability charter VOKA

Hydro Extrusions Lichtervelde has joined the sustainability charter of VOKA (Voka Charter Duurzaam Ondernemen),

an organization in Flanders. Part of the program is the formulation of at least ten sustainability actions per year that are in line with the United Nations' Sustainable Development Goals. External auditors check whether the objectives have been achieved. The network of companies that participate in this initiative provides many new insights every year.

### Transferring knowledge via "Aluminium Chair"

We are committed to transferring knowledge about the possibilities of aluminium. Therefore, we are sponsor of the 'aluminium chair' at the University of Technology in Eindhoven, the Netherlands. The aluminium section of the Unit of Structural Design focuses on the general aspects as well as the integration of aluminium design with other related building aspects like architecture, building physics, design of technical services, construction technology, sustainability, flexibility and adaptability.

### Sharing knowledge in IGOV

Pole Products is an active participant in the 'knowledge cafes' organized by IGOV (Inter Municipal Consultation Public Lighting). IGOV is a knowledge platform established by various Dutch municipalities to stimulate the exchange of knowledge and experience to give concrete meaning to circularity in public lighting.

### Educating young minds in aluminium properties

We have developed projects with primary and secondary schools and universities to stimulate the next generation to make their contribution to a better environment.

Drunen:	Raeren:	Lichtervelde:
Plant tour students Hogeschool Rotterdam	Presentation Technical school RSI	Workshop innovation at Howest Hogeschool in Kortrijk





**Recycling unit Ghlin**  
 The process to further improve the quality of our aluminum billets starts with a good control of the inputs in the ovens. That is why we have invested in our Ghlin recycling unit to better control the waste entering the site. For example, we now have a new, portable spectrometer with which we can directly test the material we receive with great precision and speed. We have also set up a small laboratory furnace, which enables us to melt and analyze small amounts of scrap. With these innovations, we can provide valuable information to production, to be more precise in the compositions of our alloys, and to our customers.

## Passive safe poles make our roads safer

The development of passive safe light poles has been ongoing for more than 40 years, which is hardly surprising given the amount of traffic on the roads. Passive safety in public spaces refers to the use of light poles, signposts, CCTV columns and other street furniture, which prevents people from being killed or seriously injured in road accidents.

Despite preventive measures, it happens that vehicles, for whatever reason, fall off course and end up on the roadside. The most promising measure for a significant reduction in the number of fatal accidents on national roads is aimed at an obstacle-free roadside. Passive safe poles, as part of a “forgiving verge”, can make a contribution to minimize the risk of (serious) injury.

In Europe, light poles must comply with the EN 40 standard. In addition, a crash test must have been conducted in accordance with the EN 12767 standard. In 2019 the European standard for passively safe support structures for permanent road equipment has been revised. Pole Products plays an active role in informing the public about the changes in the new standard EN 12767:2019.

## Expertise in passive safety

We want to contribute to make our roads safer. The extensive knowledge of Pole Products in the area of passive safety is built through years of experience with crash tests and active participation in the Dutch norm committee EN 40 (the European standard for light poles) and the WG10 (the European working group that is responsible for writing and revising the EN 12767 norm). This has resulted in a range of certified passive safe poles in all performance classes.





Topics covered in this chapter		
Supply chain	Human and workers' rights	Local workforce and wage

## Responsible supply chain

Our suppliers are important contributors to the success of our business, and transparent dialogue with customers is vital to succeed. We also believe businesses have an important role in supporting and promoting responsible social and environmental behavior. We engage, influence and work with our suppliers for continuous improvement and to mitigate potential negative impacts to people and the environment in our supply chain.



### Our approach

We want to support our customers in their sustainability journey. We will do this by certified, responsible sourcing, ensuring that certain ESG (Environment, Social and Government) aspects are met also

in the supply chain, and reduce our own environmental footprint. A responsible supply chain is part of our sustainability ambitions. We will ensure transparency and traceability of key sustainability data for our products.

### Hydro's supply chain management

We can only perform well if we have the full support of our business partners. We build our relationship with our suppliers on mutual trust and development and work to strengthen and improve our suppliers' sustainability performance through dialogue and sharing of knowledge.

In 2021, we finalized a new procedure on sustainability in the supply chain to ensure a company-wide implementation and follow-up on the sustainability principles set out in the new Supplier Code of Conduct. The documents are available on [www.hydro.com/principles](http://www.hydro.com/principles).

### Hydro's Supplier Code of Conduct

Hydro's Supplier Code of Conduct sets out the minimum sustainability requirements for all our suppliers. The code is based on international recognized standards such as the Universal Declaration of Human Rights, UN Global Compact and the ILO Core Conventions, among others, to our suppliers.

Hydro's supplier requirements regarding corporate responsibility cover issues related to environment, human rights, anti-corruption and working conditions including work environment.

We expect that our business partners will comply with the principles set out in Hydro's Supplier Code of Conduct and will actively promote such principles with their own supply chain business partners.

### Aluminium Stewardship Initiative

Traceability and transparency are key enablers to build more-responsible supply and value chains. Hydro is an active member of the Aluminium Stewardship Initiative (ASI).

The Aluminium Stewardship Initiative is a global, multi-

stakeholder, non-profit standards setting and certification organisation. It works towards responsible production, sourcing and stewardship of aluminium following an entire value chain approach.

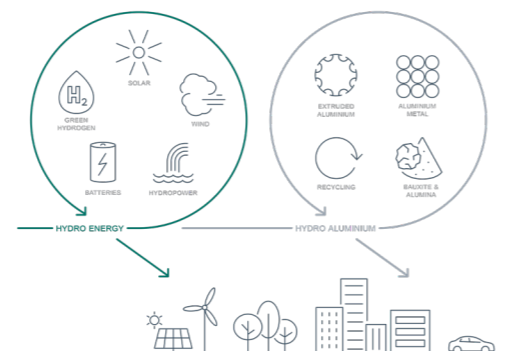
ASI's 220+ members include leading civil society organisations; companies with activities in bauxite mining, alumina refining, aluminium smelting, semi-fabrication, product and component manufacturing, as well as consumer and commercial goods, including the automotive, construction and packaging industries; industry associations and other supporters.

### Aluminium Stewardship Initiative (ASI)

ASI has developed an independent certification system for responsible aluminium production to ensure that sustainability and human rights are increasingly taken into account in the production, use and recycling of aluminium.

All Hydro Extrusions Benelux locations are certified against the ASI Performance Standard. This certificate defines environmental, social and governance principles and criteria, with the aim to address sustainability issues in the value chain.

In July 2022 we achieved for all our plants the ASI Chain of Custody (CoC) Standard. This standard sets out requirements for the creation of CoC material, which is produced and processed through the entire value chain. In this way we contribute to environmental and social objectives within the entire aluminum industry.



### Fulfill the needs of our customers

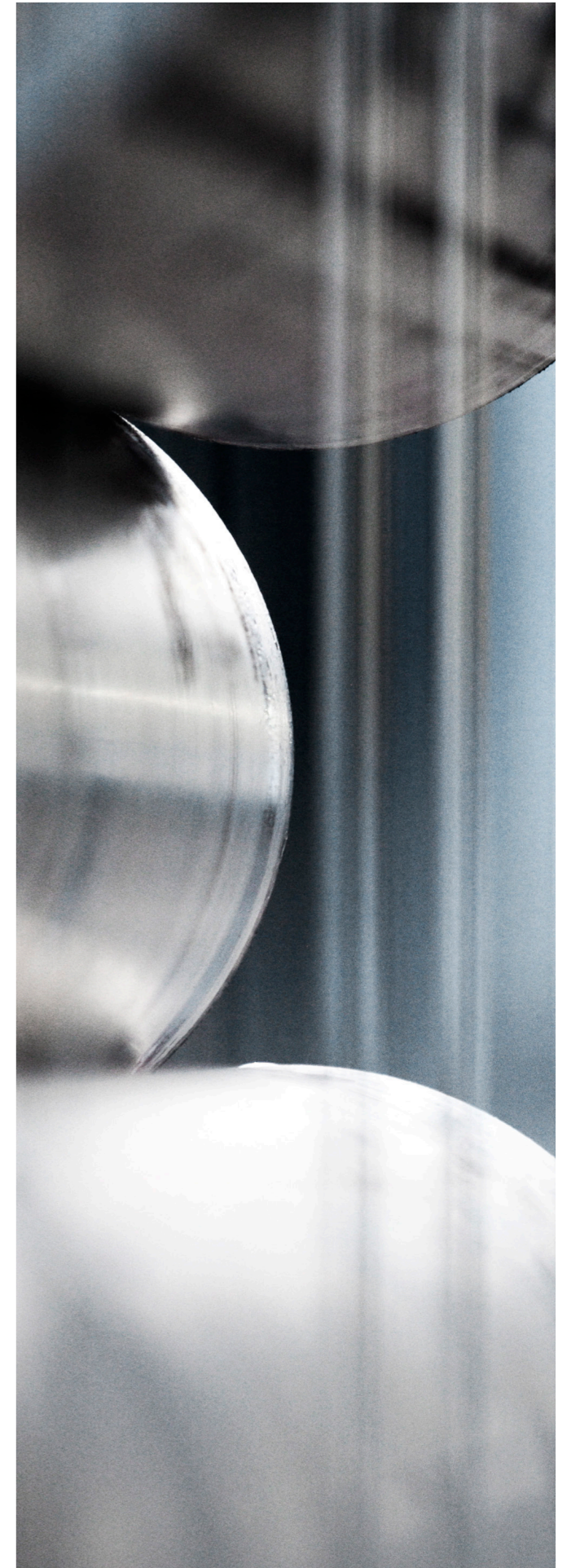
To know if we meet our customers' needs and to measure how our customers assess our performance, we conduct a comprehensive customer satisfaction survey on a regular basis. The survey contains a question list that ranges from services in design up to packaging and delivery of the order, and all processes in between. The survey gives us concrete angles from which to maximize the harmonisation of our products and services with our clients' wishes and needs

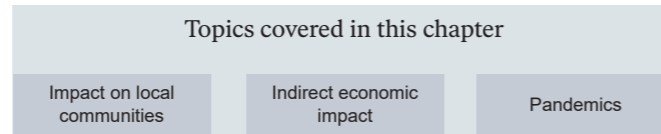
In 2021 we have conducted a customer satisfaction survey. The response rate was 17 percent. Overall, we saw an improvement in scores compared to previous years. Improvement potential was found in complaint handling, delivery time and communication.

### Net Promoter Score

We also measure customer satisfaction through Net Promoter Score (NPS) surveys. Each location in Hydro Extrusions Benelux has a dedicated person for sending the NPS surveys to customers after an order is delivered or randomly to customers where we would like to get feedback from.

In 2021, 813 questionnaires were sent with a response rate of 12 percent.





# Local community value creation

Hydro Extrusions Benelux aims to contribute to the development of local communities because it is right, and because we can only succeed as a company if the communities around us also succeed. We constantly strive to make a positive difference in these communities. This is integrated into our purpose, values and business strategy.



### Our approach

A key element in Hydro Extrusions Benelux' approach to local community value creation is to strengthen the societies and communities where we operate. The main contribution is generated from our operations

through creating job opportunities, local sourcing and tax payments. Besides Hydro Extrusions Benelux provides resources to support charities and volunteer initiatives.

### CSR work groups

Each location within Hydro Extrusions Benelux has a CSR work group in place, consisting of employees of different departments to increase internal engagement and address community needs. These work groups initiate and organize CSR activities in compliance with the company strategy and requirements on community investments, charitable donations and sponsorships.

### Sponsorship and donations

Hydro Extrusions Benelux has a broad range of sponsorships and charitable donations based on local community needs and customs. Another important contribution in the field of social responsibility is the transfer of competence that takes place through our cooperation with universities and other educational institutes.

We sponsor only for programs or activities that are consistent with our mission and vision. We do not have relationships with organizations or industries whose principles, policies or conduct obviously conflict with our values. We encourage our employees to initiate sponsor actions that meet the guidelines of our sponsor policy.

Sponsorship applications are evaluated against several criteria. Sponsorship proposals must clearly have a natural link with one or more of our strategic pillars: shareholder value, customer experience, social responsibility and high performing workforce.

By sponsoring and participating in sport events we stimulate a healthy and active lifestyle to obtain a vital workforce because it is a combined effort of employers, employees and society to enhance the health and well-being of people at work.

### Education is the future

Education is important to continue to develop, it is the future. Hydro Extrusions Benelux works closely with various training institutes. For example, we sponsor the "Aluminium Chair" at the TU in Eindhoven. At TU Delft we work together with the faculties of Industrial Design and Naval Architecture. In addition, Hydro actively collaborates in the field of sustainable design with the Amsterdam and The Hague universities of applied sciences. We are a regular guest speaker at regional secondary education courses. And we offer internships at different levels.

### Covid-19 and social responsibility

Social responsibility is a core part of our sustainability agenda. While the health and safety of our employees are crucial, Hydro Extrusions Benelux also plays a role when it comes to COVID-19 in the local communities where we operate and in the global effort to stop the pandemic and its effects.

For all the support against COVID-19 the Hydro Group has offered, we refer you to the Hydro's Annual Report 2021.

### Sponsor activities

Each location of Hydro Extrusions Benelux sponsors several events every year. Due to COVID 19, the latest editions have been cancelled. Some examples of the sponsor activities are mentioned in the table below.

	Drunen	Harderwijk	Hoogezand	Raeren	Lichtervelde
	<ul style="list-style-type: none"> <li>Drunense Duinloop</li> <li>Relay for Life</li> <li>Survivalrun Eindhoven</li> <li>Hockey club Donkeyshoot</li> </ul>	<ul style="list-style-type: none"> <li>Business run Harderwijk</li> </ul>	<ul style="list-style-type: none"> <li>VV Omlandia</li> </ul>	<ul style="list-style-type: none"> <li>KAS Eupen football club</li> <li>Lions Club</li> <li>Local youth sports teams</li> </ul>	<ul style="list-style-type: none"> <li>Lichtervelde Loopt</li> <li>Local football club</li> <li>Nacht van Vlaanderen</li> <li>Omloop van het Houtland</li> </ul>
	<ul style="list-style-type: none"> <li>Art Museum in Amsterdam.</li> </ul>	<ul style="list-style-type: none"> <li>Aaltjesdagen Harderwijk</li> </ul>		<ul style="list-style-type: none"> <li>Musik Hilft</li> <li>Töpfereimuseum Raeren</li> </ul>	
	<ul style="list-style-type: none"> <li>Hosting exercises for local fire brigade</li> </ul>	<ul style="list-style-type: none"> <li>Hosting exercises for local fire brigade</li> </ul>	<ul style="list-style-type: none"> <li>Company day</li> <li>JINC Groningen</li> </ul>	<ul style="list-style-type: none"> <li>Junior Chamber of Commerce (JCI)</li> </ul>	
	<ul style="list-style-type: none"> <li>AED community service</li> </ul>		<ul style="list-style-type: none"> <li>Flowers to nursing homes &amp; fruits to local food bank</li> </ul>		
	<ul style="list-style-type: none"> <li>Sante Claus gifts for charity</li> </ul>		<ul style="list-style-type: none"> <li>Flowers/Bees project</li> <li>Landscape management with the local forester</li> </ul>		

Table 1: Sponsor activities





## Supporting the local Food Bank

Hydro Hoogezand supports the food bank in the form of food donations.

The number of people using the Food Bank continues to rise. At the location 'Midden-Groningen', no fewer than four hundred families depend on the food packages. It is therefore extremely important that the Food Bank is there and that it is supported.



## Hydro Extrusions Benelux gold sponsor Eco-Runner team Delft

Hydro Extrusions Drunen is sponsor of the Eco-Runner Team Delft; a Delft University of Technology student team, aiming to promote a sustainable future by building the world's most efficient hydrogen-powered car. The team participated in the Shell Eco-marathon virtual competition against other innovative vehicles to assess the efficiency of their Eco-Runner XI.



Topics covered in this chapter	
Health, safety and security	Emergency preparedness

# Safe working environment

We value human life above all other considerations and will not compromise the health and safety of those working for us or affected by our activities. We want every employee, contractor and visitor to return home healthy and safe every day.



### Our approach

We have a responsibility to provide a safe work environment and believe that this also promotes efficiency and lower operating costs. We drive 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 our sites. Learnings are visible, accessible, and easier to follow up for leaders and employees.

### Health, Safety and Environment Management

Health, Safety and Environment (HSE) is a fundamental part of our business. Hydro Extrusions Benelux has long-term objectives to avoid all types of injuries. We believe in HSE excellence for the benefit of all our stakeholders and are committed to continuous improvement within this area.

Hydro Extrusions Benelux's HSE Management System includes comprehensive Health, Safety and Environment programs that are implemented across all our Benelux plants. The system complies with ISO 14001, the international standard that specifies requirements for an effective environmental management system (EMS).

We work according to ISO 45001 (Raeren, Lichtervelde, Ghlin, Drunen, Hoogezand), providing a framework for managing the prevention of death, work-related injury and illness, with the intended outcome of improving and providing a safe and healthy workplace for workers and persons under an organization's control.

We embrace digital tools where possible and have developed an advanced incident management system, self-assessment tools, risk management processes, e-learning training modules, etc., all easily accessible to employees. In addition, we have strengthened our behavioral tools using human performance techniques and the consistent use of peer-to-peer job observations.

We are committed to active involvement of all our employees in the improvement process of all HSE related risks and solutions and in the initiatives related to sustainable employability.

### Audits

Hydro's corporate HSE team conducts HSE audits at the Hydro Extrusions Benelux locations to verify compliance

with legal and corporate standards and to identify good practices and opportunities for improvement. These audits are managed by the HSE group team and supported by our local HSE staff and line management.

### Trainings

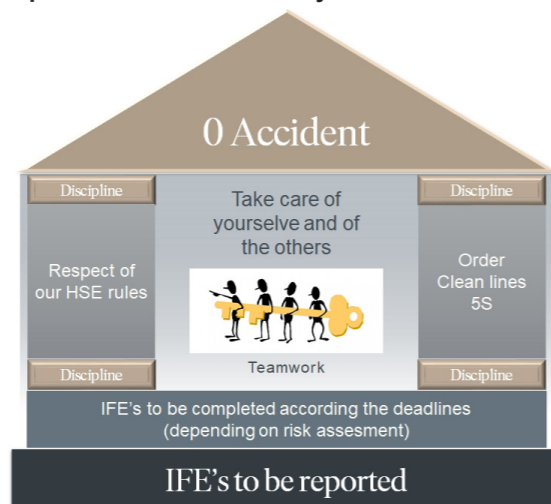
By offering internal and external HSE related trainings for its employees, Hydro Extrusions Benelux also invests in a safe working environment by creating awareness and encouraging safe behavior. These trainings focus on required knowledge in health, security, safety and environment. The training program consist of on-the-job trainings, as well as more in-depth courses. Some examples of these trainings are:

- HSE induction program for new employees
- Onboarding & Specialized training program
- Extrusion Business System (EBS) training
- Forklift- and crane training
- Emergency response training
- Security awareness course
- Fatality prevention training
- Hydro Fundamentals, to leaders and specialists

### Onboarding & Specialized training program

An extensive Onboarding & Specialized training program is in place as a general introduction and training plan for production employees, with the aim to educate on safety and all relevant production processes. The program also gives new employees clear focus on their development within our company. Each step of the training program is described in detail and evaluated carefully. Curricula have been described for all the specific production processes at a basic and advanced level. A mentor is assigned for all skills.

### Occupational Health and Safety



We want to offer all our employees a safe workplace, and roll out comprehensive Occupational, Health and Safety (OHS) programs. Our ambition is no injuries.

Hydro shall be a leading company in our 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 us.

Some of the initiatives to promote safe behavior among employees and improving a safe working environment are described in the next paragraphs.

### Work Environment Risk Assessments

Our 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 is a tool to facilitate a more unified way of performing risk assessment, easier identification of improvement areas and sharing between similar processes. WERA takes into account the long-term effects on health. The main objective is to establish action plans to preserve our employees from these effects throughout their career at Hydro.

### Walk Observe Communicate

Every location of Hydro Extrusions Benelux undertakes a so called Walk, Observe, Communicate (WOC) program on a regular basis. A WOC observation involves the line manager observing an area or a process based on a plan. In addition, the employee who performs the work is invited to a discussion focusing on safety at the work unit. One of the intentions is to identify areas for improvement that might otherwise be overlooked, as it is easy to have a blind spot when it comes to safety in your own area. Another intention is to compliment and emphasize safe behavior and work methods to the team members.

### Journey towards world-class safety performance

To provide the idea of safety culture and management we use the Bradley Curve: a proven, proprietary system, designed to help understand the journey towards world-class safety performance. The Bradley Curve makes it simple for everyone to understand the shifts in mind-set and actions that need to occur over time to develop a mature safety culture.

Hydro Extrusions Benelux's aim is to reach the Interdependent Stage, the ultimate stage in the Bradley curve. In this stage employees feel ownership for safety and take responsibility for themselves and others. They do not accept low standards and risk-taking. Employees actively converse with others to understand their point of view. They believe true improvement can only be achieved as a group, and that zero injuries is an attainable goal.

### Lean 6S is implemented in our daily routine

Housekeeping is part of our daily work routine. The Lean 6S Visual Workplace Organization is a workplace organization

methodology to improve safety, quality and productivity. The methodology also facilitates a structured dialogue about standardization which builds a clear understanding, between employees, of how work should be done. The 6S's stand for Sort, Set-in-Order or Simplify Access, Shine, Standardize, Sustain and Safety. Employees receive a two-day training to learn the basics of 6S. These principles are implemented in the daily routine and are supervised by a daily management round.

### Extrusion Business System

EBS (Extrusion Business System), is a 'lean' working method developed by Hydro, to improve safety and efficiency, among other things. With EBS as a philosophy, we work on continuously improving and innovating our flow and production processes and thus on maximum added value for the customer. The system is based on the 6S: principles (see paragraph above). Everyone in the organization contributes to EBS.

### Work safely campaign

To keep safe behavior alive, Hydro Extrusions Benelux participates in the Hydro "I Work Safely" campaign. The campaign helps to create a positive impact on HSE performance. The campaign consists of employees letters with safety information and tips. But also of posters and calendars, containing photos of our employees in their working environment with a safety statement.

### The Critical 7

The most important accidents are related to 7 topics. An ongoing campaign focuses on these 7 protocols, also called the Critical 7:

- Mobile equipment
- Overhead Cranes
- Energy isolation
- Confined space entry
- Fall prevention
- Contractor management
- Molten metal



### Safety 'stand down' meetings

Statistics show that the number of accidents is higher after a the Christmas period and summer holidays. Therefor, after each break down, a safety meeting is organized at each plant with all production employees to emphasize on safety and avoid accidents.

*Safety calls*

Health, safety, security and environment digital meetings, mandatory for all employees with particular responsibilities for HSE and open to all employees interested of Hydro Extrusions Benelux, are held on a weekly basis to discuss findings and actions taken from high-risk incidents, and to share best practice and innovative solutions.

*Reporting unsafe situations is rewarded*

Rewards and recognition for HSE excellence are a core part of the Hydro Extrusions Benelux culture. By encouraging employees to report unsafe situations, called Injury Free Events (IFE), we involve our people directly in creating a safe working environment. Each reported unsafe situation is registered in the Incident Management System (IMS) and followed up.

Each selected IFE of the month is rewarded and communicated internally. Updates on safety improvements are also communicated to the employees. Every year the IFE of the year is selected among the 12 monthly IFE winners. Reported IFEs are included in the safety KPIs (Key Performance Indicators) and connected to our result-oriented bonus system.

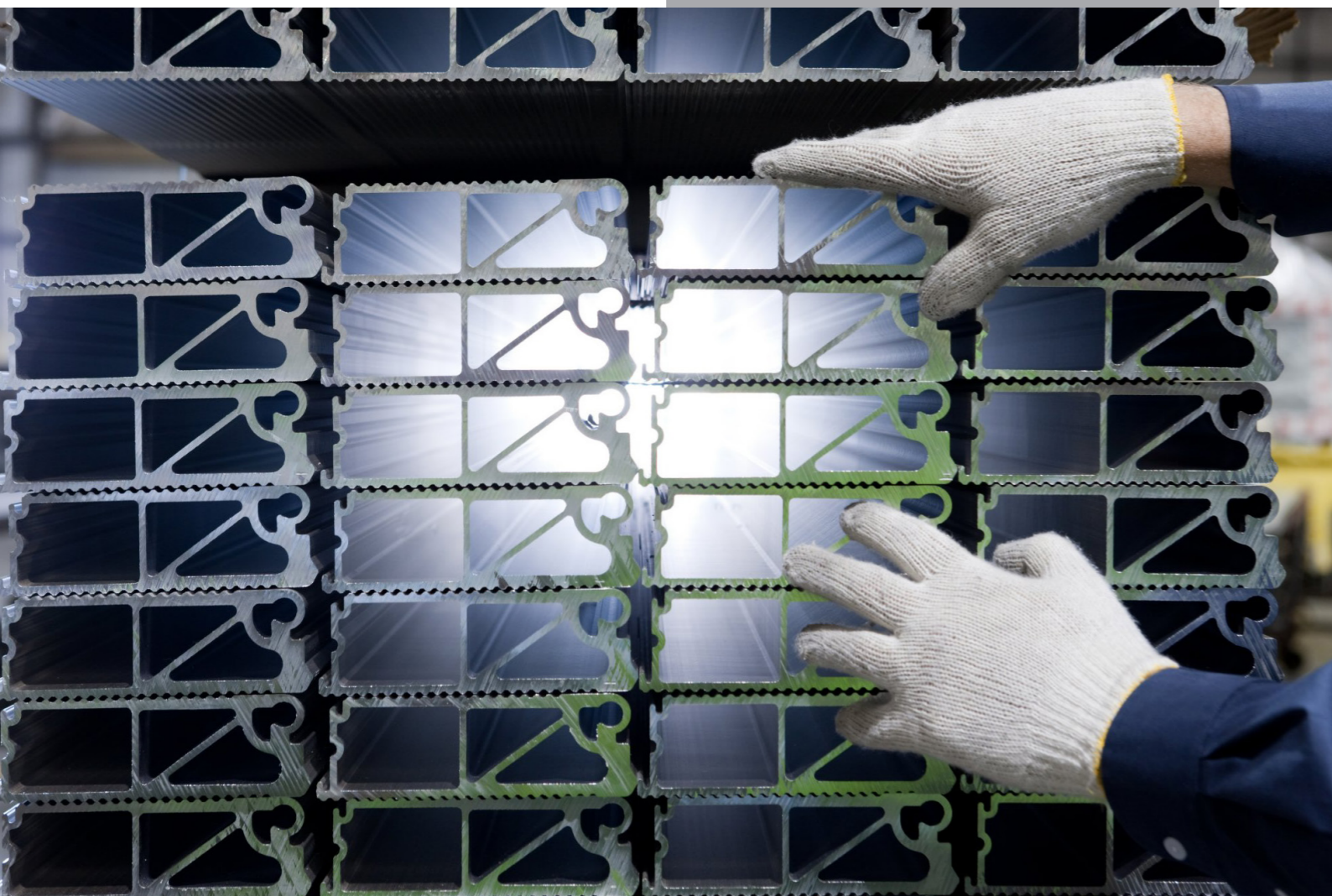
*Team up to clean up*

Pole Products organizes yearly a ‘Team up to clean up’ day. Selected workplaces in production, warehouse and offices are organized in a structured way through the 6S method, with the aim to reduce the chance of incidents, improve machines maintenance, creating pleasant and organized workplaces and reduce losses. Due to COVID-19, the events in 2020 and 2021 has been rescheduled to 2022. All other Hydro Extrusions Benelux locations will join the initiative.

**Continuously improving working conditions**

Improvements in the field of health and safety are part of our HSE policy. By improving our machines and workplaces and train our employees, we optimize the daily operations. Many investments and activities are based on safer, healthier and more ergonomic working conditions. Some examples for the year 2021 are summarized in table 2 on the next page.

We focus in particular on preventing hand injuries. Research shows that 70 percent of the total number of injuries concerns the hands, of which 80 percent occurs when we leave the standard.



Drunen	Harderwijk	Hoogezand	Ghlin	Raeren	Lichtervelde
Installation of scissor-lifting tables in the packing area of the extrusion department to improve ergonomics.	Installation of strips on the cart for saw-blades to prevent the use of oversized saw-blades, with the risk of injuries.	Implementation of new working method for logistics between dies and press to shorten lead time, reduce handling and avoid internal rejects, to improve efficiency and ergonomics, and save energy and raw materials.	Change of all O2 probes and installation of extra probes to have more information about O2 level inside the charging hood, to prevent the risk of an explosion.	New bump test station – NH3/H2/O2/CO2 put into operation.	Safety improvement at the nitrogen installation on the extrusion press line.
Second fall prevention system installed in the bay where long length profiles are loaded.	Improved safety of the lathe by implementing chip shields that stop the lathe if being opened. Shielding for the feed shaft.	Installation of a barrier between the die and bolster, to prevent the bolster of falling down.	Installation of a new fan with double capacity (5700 m3/h) to increase flow of fresh air in the casting pit during maintenance.	Installation of new ventilation system in nitriding area,	Installation of a signaling system to prevent a possible collision between incoming truck traffic and internal transport.
Redesign of the hook used to open and close trailer roofs in a safer way.	Installation of a chamber for hydraulic pumps for safety and health benefits; noise, heat and fire-compartment.	Start testing diamond saw blade without lubrication (Metsaw).	Conduction of a seat test for the new forklift trucks at the casthouse, to improve ergonomics.	New slings put into operation after having a common risk assessment with the supplier. Slings with specific anti cut resistance and adapted and customized to our purposes.	New forklift ordered with safety camera.
Replacement of the forklift seats for more ergonomic variants.	Installation of maintenance-free switchgears in the new electrical switch station. Insulating system is filled with an environmental friendly gas, that can be reused.	Installation of a new double overhead crane with a rotating carousel.	Replacement of all plastic bins for polish cloth used for the oily surface by fireproof bins, to improve house-keeping / safety.	Adaptation of the fixation system of the Movexx to use this system to move heavy trolley through the production area.	Installation of a new crosscut saw machine in the packaging department. Saw speed button is locked to increase safety.
	Commissioning of an electric wireless blower to clean saw chips in a more effective way.	New asphalt in the area outside at press 3, to improve ergonomics of the forklift driver.	Replacement of degreasing fountain in maintenance workshop by a new one completely closed, to reduce the risk of slipping.	Installation of a portable painting cab with exhaust system and filter.	Installation of a new balustrade and walkway that is used to replace the servo motors of robot 1 and 2.
		New cleaning place outside for the technical service, including the right drainage.	Installation of a pedestrian detection camera to improve safety around forklifts.		

Table 2: Safer, healthier and more ergonomic working conditions



**Emergency response team**

Each Benelux location has an emergency response team in place composed of employees from various departments. The emergency response team members are trained for their duties through internal and external training in which both theory and practice are part of the program.

**Personal protective equipment**

To optimally protect our employees during the performance of their duties, work clothing, footwear and personal protective equipment (PPE) are available. All employees working in production, all other employees and visitors entering the production department are obliged to wear the personal protection equipment.

**Operational impact Covid-19**

The Covid-19 pandemic that started in 2020 created significant social, operational and market challenges. In response, we focused on providing a healthy and safe work environment.

Hydro continues to closely monitor the development of Covid-19 and has implemented control measures to help prevent the risk of infection and spread and its impact on employees and operations.

Hydro Benelux operations were affected by the pandemic throughout this challenging period. Shifts have been scaled down at the various locations due to absenteeism due to illness and a high degree of COVID-19 infection among workers.

**Prevent absenteeism**

To reduce absenteeism and due to increasing retirement age, we focus on Sustainable Employability. Every month, a review on the shop floor is done together with a physiotherapist. Together with the employee a production area is evaluated and advice is given on how to work in the most ergonomically way.

**Security and emergency preparedness**

Hydro is committed to the protection of people, environment, physical assets, data and information. We anticipate and prepare 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, we adapt and initiate security measures depending on the evolving risk picture. Our emergency preparedness plans enable effective response to high-risk incidents and crises to prevent any business disruption.

**Cyber-risk assessment**

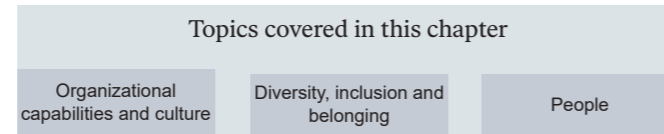
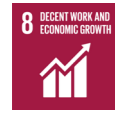
Cyber-risk assessment is an integrated part of Hydro's enterprise risk management system. This is to facilitate the business areas' awareness of how cyber risks relate to their critical assets and operations.

Secure information handling is important to ensure Hydro's business continuity and reputation. Crucial computer systems are subject to surveillance and regulations. All personnel with access to sensitive information are bound to secrecy and required to handle information according to corporate guidelines and requirements.

Our enterprise IT platform is a critical element in all parts of our operations, covering areas such as digital collaboration, enterprise resource planning, central personnel databases and systems for external reporting. Cybercrime is increasing globally, and Hydro is exposed to threats to the integrity, availability and confidentiality of our information and systems.

Hydro has launched several initiatives to increase the robustness of the enterprise IT platform against malicious attacks by improving system infrastructure and by educating employees to develop and improve secure work processes and routines, and to understand how these threats can be prevented. Additional protection is also implemented for the process control systems at Hydro's plants.





# Organization and people

We want to be the preferred employer, able to attract talent by offering good career prospects, by acting in a transparent manner and by running our company in an open management style. People are the key to our success. Motivated, proud and well-trained employees advance our organization in a demanding environment.



### Our approach

Our people are the fundament for success. Our culture is based on trust and honesty, with an open way of communication and dialogue. We offer every opportunity for personal development. Teamwork and collegiality play

an important role in our organization. We take good care of our people, so that they take good care of our customers. In addition, we want everyone to feel at home at Hydro, regardless of background, culture or gender.

### Strategy Human Resource plan 2020 - 2025

Within the framework of Hydro Group goals, Hydro Extrusions Benelux is initiating, developing and implementing a strong HRM chapter to support our business reaching its goals for now and the near future. Main focus points are:

- Engagement; continue to work internally on a positive environment with an external effect towards preferred employership (employer of choice)
- People & organization development in order to continuously meet social and market developments
- Working on sustainable employability to assure a vital & healthy organization
- Eye on organizational continuity through succession planning and filling our pipeline with new talents
- Keeping focus on cost and compliance

### People processes

Through our people processes, we ensure the right competence, capabilities, and organizational culture to be able to deliver on our overall strategic agenda. Hydro Extrusions Benelux's process for people performance and development includes an appraisal dialogue, individual development plan and follow-up, as well as talent planning and succession management.

Our goal is to have a culture of continuous learning and competence development to ensure current and future workforce readiness. We believe that learning and competence development is best achieved through a combination of on-the-job training, social learning (i.e. networking, mentoring and peer-to-peer), and formal learning initiatives (both digital and in the classroom). A new people platform supports these learning and competence development processes.

### People performance & development

We focus on individual development plans. The goal is to

give every employee the opportunity to make a meaningful contribution towards our company purpose and enrich their own personal development on the journey. In ONE, a digital HR tool, the individual performance process and the personal development plan of each individual employee is monitored.

### Succession planning & talent management

Succession planning is one of the essential components of broader human resource planning. It is a systematic approach for identifying, developing and retaining productive employees to perform in our projected business objectives.

Succession planning & talent management ensure that we proactively drive the development of the company's talent (including organizational needs assessments), inclusion and diversity programs, skills inventories and management succession plans to meet present and future organizational needs and correspond to the strategy and objectives of the company. It is a process that consists of testing & assessments to identify development opportunities, professional coaching and training & education to maximize the development and the final success of the talent process.

### "Ready To"

"Ready To" is an internal training program for (young) talent in Hydro Extrusions Benelux in which personal development is central. Points of attention are success factors, motives, improvement methods and innovation technology. The course consists of a mix of applicable theory & energetic meetings and practical assignments with the aim of applying models in the work environment, influencing one's own behavior and that of others and enjoying one's own development.

In 2021, the program started for the first time with a total of 13 participants, coming from the locations Hoogezand, Drunen and Lichtervelde.

### Diversity, Inclusion & Belonging

Hydro Extrusions Benelux is committed to the principles of non-discrimination and does not tolerate any form of harassment or bullying in the workplace. We believe that diverse and inclusive teams lead to higher levels of innovation, a learning culture, better customer understanding and cultural awareness, as well as greater financial results. This is crucial for our business and directly linked to our profitability and sustainability agenda.

In order to advance in diversity, inclusion and belonging (DIB), we continuously work to improve the approach, asso-

ciated processes and governance. Our ambition is to have a high-performing and sustainable work environment, based on inclusion of our differences.

Our aim is to foster an inclusive culture, strengthen inclusive leadership, lift underrepresented groups, improve team diversity, increase gender balance, and ensure a diverse talent pool.

With the overall opportunity of utilizing our diverse workforce for increased value creation, we aim to mature in diversity, inclusion and belonging across three pillars:

- **Inclusion:** Fostering inclusive leadership and an inclusive culture for all employees to contribute with their full potential
- **Equity:** Promoting opportunities for everyone to contribute and succeed, adjusting for the fact that different individuals have different starting points
- **Diversity:** Seeking multiple perspectives and competencies when solving tasks and meeting customer needs. This includes increasing diversity across seniority levels

### Reporting undesirable behavior

If an employee is confronted with undesirable behavior (bullying, discrimination, intimidation, etc.) or is in any other way troubled by the behavior of a colleague, the employee can report this to the manager in line, the Works Council, HR or the company doctor.

Hydro also offers the option of reporting the incident to an external confidential adviser. The external confidential

adviser does not act as a rebuttal, does not mediate, does not investigate complaints, but mainly acts as a sounding board. All contacts with the external confidential counselor are anonymous and confidential.

In addition the AlertLine is available, a tool for our employees for reporting suspected violations of the Code of Conduct, raising concerns, or assisting with potentially illegal, unethical, or undesirable conduct.

Our three core values – care, courage, and collaboration – guide inclusive behaviors in our workplace.

### Care

Care about others. Respect other employees and their differences. Care about and respect your own values and the values of others. Try to understand the needs and perspectives of others.

### Courage

Have the courage to learn about your own identity, viewpoints, and biases. Have the courage to learn about other, diverse perspectives. Have the courage to step out of your comfort zone

### Collaboration

Collaborate with diverse others. Try to understand differences in communication and how others might perceive information. Work together with others to create unique opportunities for Hydro and all of Hydro's employees.



True to Hydro's core values of Care, Courage and Collaboration, the location in Harderwijk has made a permanent statement to propagate Diversity, Belonging and Inclusion in the form of a rainbow walkway.

### Identifying and managing risks

We use our annual employee engagement survey, Hydro Monitor, to understand the current state of inclusion in our organization. Based on this, we form hypotheses on how to improve diversity, inclusion and belonging, and pilot projects to create sustainable change.

We use Hydro Monitor and the AlertLine as tools to assess the risk level of discrimination in the organization. Cases of alleged and/or confirmed discrimination and harassment are relevant indicators from AlertLine, while in Hydro Monitor we use combinations of gender, role and age differences in the employee engagement index and the psychosocial risk indicator as important indicators.

To mature in diversity, inclusion and belonging, we are implementing actions at all levels in the organization. Mandatory introduction training to diversity, inclusion and belonging was implemented in 2021 in ONE, and recommended follow-up training provided. It is embedded in all people processes (e.g. recruitment, onboarding, succession) and part of our leadership framework and included in all our employee and leadership development programs.

### Gender diversity

We work systematically to increase gender diversity in Hydro Extrusions Benelux' operations. Challenges remain for operator positions. Our goal for the share of women in Hydro Extrusions Benelux is 30 percent by 2025, including permanent and temporary employees. In 2021, we achieved 11 percent. We work actively to reach the 2025 target.

### Sustainable employability – “Hydro Vital”

There is a growing social necessity: it is becoming increasingly important for manufacturing companies in particular, to keep employees healthy. Rising retirement age brings as a result in general more physical and mental discomfort among employees. One of the key points of sustainable employability lies in improving the work capacity of employees. Hydro can lay a foundation for sustainable employability, but individual responsibility of employees is of course equally important (healthy lifestyle, exercise, not smoking, work life balance).

Sustainable employability is a long-term process with many angles, perspectives and initiatives. We are convinced that attention to and investment in employees must be a spearhead. “Hydro Vital” is our program to better embed the theme of sustainable employability in the organization and to help employees think about this theme, the existing initiatives and possible other and additional solutions.

Some initiatives of “Hydro Vital”:

- Workshops on healthy food
- Facilitate and invest in ergonomically improvements: lifting tables, cranes, forklift seats, airco, proper work cloths (warm, cold, uniformity), adequate tools, sanitary equipment and good furniture in the offices
- Stimulate sport activities and stop smoking programs
- Change shift rosters

- Facilitate a professional ‘ergo coach onsite and involve company doctor for health tests
- Provide education and training: not only to keep up with the current and future requirements but in some cases also to continue in other work or other employer
- Provide information and guidance on how to improve employability
- Enable focused workplace research
- Introduce micro breaks
- Sufficient rotation within activities, alternately sitting and walking
- Facilitating employees with reduced working capacity
- Clearly map out people with problems and difficult working circumstances
- Ensure that a healthy lifestyle is embedded in the values and standards of the company and that they are known and supported by all layers.

### Mental health and wellbeing

The importance of mental health and wellbeing continued with numerous initiatives completed during the year to raise awareness, ranging from mental health webinars, stress management and sleep hygiene, to healthy eating and exercise. To ensure a similar systematic approach to the psychosocial work environment, we have established a new psychosocial risk indicator (PRI) as part of our employee engagement survey Hydro Monitor.



Employee engagement survey – Hydro Monitor  
Our road to excellence would be impossible without motivated employees who are given the opportunity to utilize their skills to the maximum. To help us better understand the progress we are making toward becoming a safer and more collaborative, stimulating and creative workplace, Hydro's global employee engagement survey Hydro Monitor runs every second year.

Hydro Extrusions Benelux participated in the engagement survey conducted from 23 September - 14 October 2020.

The response rate was 88 percent (918 employees), the same participant rate as the previous survey. A large number of our employees have therefore expressed their views, which makes this survey very reliable and useful for us.

We can say that the outcome of our entire Hydro Extrusions Benelux organization is generally satisfactory. With an overall engagement rate of 81 percent, we are well above the average for the rest of the company at 72 percent. We score very well in the field of CSR, integrity and involvement. Areas for improvement according to the participants are ‘personal development & career development opportunities’ and ‘role of the manager’.

### Labor market activities

The labor market is currently very challenging. Now, but certainly also for the future. Therefore, Hydro Extrusions Benelux, in collaboration with a specialized recruitment marketing company, has started a targeted labor market approach, based on thorough preparation and analysis in the context of strategic personnel planning. The emphasis lays on activities in the context of employer branding and approaching so-called lateral entrants (potential applicants from other sectors) under the adage ‘hire character and train the skills’. The campaign, in which our own employees - our local heroes - are deployed as ambassadors, takes place through both outdoor activities and social media.

Also local initiatives are initiated to attract new colleagues. Employees from Hydro Extrusions Raeren visited the Robert Schumann Institute (RSI) in Eupen to launch a series of local employer branding campaigns to inspire young technical school graduates about career opportunities at Hydro.

### Social employment

We want to offer people with a distance to the labor market the opportunity, as a full member of our society, to be part of the workforce. Therefor we collaborate with various local companies for social employment to achieve social and societal goals:

- Hydro Extrusions Drunen has set up a partnership with Baanbrekers, a local public company for social employment for the municipalities Heusden, Loon op Zand and Waalwijk.
- Part of the production work for Pole Products is entrusted to people with a distance to the labor market. The door locks of the poles are assembled by ‘UW Productie’, a social workplace for disabled. The assembly of the mounting rails is outsourced to Prisma in Waalwijk, an organization that offers employment to people with disabilities.
- Hydro Extrusions Raeren works together with the ‘Beschutte Werkplaats’ (BW) in Eupen, a company that offers suitable work to people with disabilities. Seven BW colleagues work at Hydro Raeren. Beschützende Werkstätte also takes care of the distribution of the Hydro Employee Letters.

### Trainees / apprentices

To give the future generation of employees the opportunity to gain experience in business, to apply their theoretical knowledge and to discover where their interests and competencies are, we offer students internships and graduation assignments at several departments, e.g. Marketing & Communication, Product Engineering, Maintenance & Engineering, Human Resource, Sales, Production and Mechanical Engineering.

### Works council

Hydro Extrusions Benelux has a strong and constructive cooperation with the Works Council and unions. The Works Council consists of Hydro Extrusions Benelux employees with a fixed contract. Periodically elections take place. Several times a year the Works Council has a meeting with the local management. The minutes of meetings are communicated by email and on bulletin boards to all employees.

Members of the Works Council and its committees are given the opportunity by Hydro Extrusions Benelux to perform, for the benefit of their members, activities during working hours in addition to their business function.

Dialogue with employee representatives includes involvement at an early stage in all major processes affecting employees.

### Suggestion system

Within Hydro Extrusions Benelux we stimulate employees to generate ideas related to their work or to our products and services. Every location has an idea committee, composed of colleagues from different departments. On a regular basis the committees meet and judge all new ideas and the status of pending ideas. An idea is rewarded, rejected, or receives an encouragement award.

## Environmental and social indicators

	Hydro Extrusions Benelux	Hydro	GRI Standards reference
Hydro Extrusions Benelux	2021	2021	
<b>Environment<sup>1</sup></b>			
Direct GHG emissions (kton CO <sub>2</sub> e)	47.3	7 340	305-1
Indirect GHG emissions (kton CO <sub>2</sub> e)	22.5	1 600	305-2
Energy consumption (GWh)	279	50 300	302-1
Electricity consumption (GWh)	90.9	28 222	
Electricity consumed per net processed ton of product (MWh/t)	0.34	N/A	302-4
Gas consumption (thousand Nm <sup>3</sup> )	20 103		
Renewable electricity produced from wind and solar (MWh)	8 724		
Water for industrial use (thousand m <sup>3</sup> )	270		
Water input per net processed ton of product (m <sup>3</sup> )	1.07		
Hazardous waste (thousand tons)	9.5	274	306-4
Non-hazardous waste (thousand tons)	7.8	406	306-2
Total post-consumer scrap recycling (tons)	20 349	195 000	301-2
Total pre-consumer scrap recycling (tons)	94 817	1 262 000	301-2
<b>Health and safety</b>			
TRI	19	224	403-2
TRI rate	10.46	2.70	403-2
LTI	9	119	403-2
LTI rate	4.95	1.40	403-2
HRI	5	140	403-2
WOC	1 929	N/A	403-2
Injury free incident reports	6 461	N/A	403-2
Sick leave	6.1 %	4 %	403-2
Fatal accidents	0	0	403-2
<b>Social</b>			
Total number of permanent employees	973	34 250	102-7
Total number of temporary employees	50	1 929	102-8
Share of women	11 %	18 %	102-7
Share of women in management positions	11 %	32 %	

Table 3: Environmental and social indicators

The section "Environmental and social indicators" has been prepared mainly based on information provided in Hydro Extrusions Benelux's registration system HERE and Hydro's Annual Report 2021, specifically the "Environmental and Social Statements" section, which has been subject to limited assurance by Hydro's external auditor KPMG. Business unit safety data are retrieved from IMS or Synergi and labor data from ONE.



*Industries that matter*

Hydro Extrusions Benelux

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

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Hydro is a fully integrated aluminium company with 36,000 employees in 40 countries on all continents, combining local expertise, worldwide reach and unmatched capabilities in R&D. In addition to production of primary aluminium, rolled and extruded products and recycling, Hydro also extracts bauxite, refines alumina and generates energy to be the only 360° company of the global aluminium industry. Hydro is present within all market segments for aluminium, with sales and trading activities throughout the value chain serving more than 30,000 customers. Based in Norway and rooted in more than a century of experience in renewable energy, technology and innovation, Hydro is committed to strengthening the viability of its customers and communities, shaping a sustainable future through innovative aluminium solutions.