

Norsk Hydro ASA

Pre-Issuance Review – European Green Bond

Key Debt Details

Instrument:	Bond	Type^a:	European green bond
Issuer Legal Name:	Norsk Hydro ASA		
LEI:	549300N1SDN71ZZ8BO45		
Date of Publication of European Green Bond Factsheet	10 June 2025		

^aAs defined by issuer.

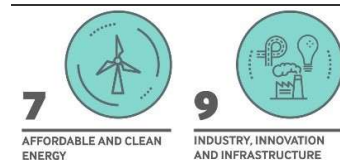
Introductory and Alignment Statements – Summary

Sustainable Fitch has assessed the completed European green bond (EuGB) factsheet laid down in Annex I to Regulation (EU) 2023/2631 of the European Parliament and of the Council.

This review represents an independent opinion of the external reviewer and is to be relied upon only to a limited degree.

We consider transaction(s) under the EuGB factsheet to be aligned with the Regulation (EU) 2023/2631 and the use of proceeds are aligned with Regulation (EU) 2020/852.

Relevant UN Sustainable Development Goals



European Green Bond Assessment



Date assigned	10 June 2025
Framework Type	European green bond
European Green Bond Assessment	✓ Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds ✓ Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment

European Green Bond Methodology

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European Green Bond Assessment Summary

Factsheet sections	Alignment	Key Drivers
General Information		- Norsk Hydro ASA (Hydro) intends to issue EuGBs aligned with Regulation (EU) 2023/2631, with the intention to finance fully taxonomy-aligned projects within seven categories: manufacture of equipment for the production and use of hydrogen; manufacture of aluminium; hydropower; wind; solar; manufacture of hydrogen; and storage (electricity, thermal and hydrogen). - We conducted a pre-issuance external review of Hydro's EuGB factsheet, with a focus on assessing the alignment of the factsheet with Regulation (EU) 2023/2631 and the included economic activities with Regulation (EU) 2020/852 (the EU taxonomy). - We have identified no conflicts of interest related to us providing the external review. No solicited ratings product has been provided by us to Hydro.
Introductory Statement		- We have assessed Hydro's EuGB factsheet, in line with Annex I to Regulation (EU) 2023/2631 of the European Parliament and of the Council. - This review represents an independent opinion from us as an external reviewer and is to be relied upon only to a limited degree.
Statement on the Alignment of UoP with Reg. (EU) 2020/852		We consider the use of proceeds (UoP) categories under this transaction to be aligned with Regulation (EU) 2020/852.
Sources, Assessment Methodologies and Key Assumptions		Norsk Hydro European Green Bond factsheet Norsk Hydro integrated annual report 2024 Norsk Hydro green and sustainability-linked financing framework 2022 EU Taxonomy Compass Sustainable Fitch European Green Bond Assessment and EU Taxonomy – Methodology (13 December 2024)
Assessment and Opinion		- We consider that the quality of information provided by the issuer is sufficient to perform the review. - The issuer demonstrates alignment with Article 4 of Regulation (EU) 2023/2631, as it discloses that the bond proceeds are intended to finance the group's taxonomy-aligned expenditures under the gradual approach. - The issuer's factsheet is intended to be used for multiple issuances in line with Article 10 of Regulation (EU) 2023/2631. - The option to use flexibility permitting partial non-alignment with the technical screening criteria, as set forth in Article 5 of Regulation (EU) 2023/2631, will not be exercised for any issuance under this factsheet. - The provisions of Article 6 of Regulation (EU) 2023/2631 regarding the allocation of proceeds of financial assets will not be applicable for any issuance under this factsheet. - The requirement to publish a capex plan, as referred to in Article 7 of Regulation (EU) 2023/2631, will not be applicable for any issuance under this factsheet. - The issuer demonstrates alignment with Article 8 of Regulation (EU) 2023/2631, as it discloses that the bond proceeds are expected to finance capex, opex and fixed assets, which is aligned with the technical screening criteria applicable at the time of issuance.

Green Bond Principles Alignment

Pillar	Alignment	Key Drivers
Alignment with ICMA Green Bond Principles		- We confirm that this programme of EuGB transactions also complies with the four pillars of the ICMA Green Bond Principles (2021 version with the June 2022 appendix), namely UoP, process for project evaluation and selection, management of proceeds and reporting. - The taxonomy-aligned project categories to be funded by Hydro are eligible UoP categories as defined by the ICMA Green Bond Principles. The issuer has robust systems for project evaluation and selection. A multidisciplinary green finance committee evaluates the eligibility of projects for financing and further ensures they are aligned with the taxonomy requirements. - Hydro will manage proceeds raised from issuances through a dedicated register. The issuer's adherence to the EuGB transparency and public reporting requirements means it also demonstrates alignment with the reporting pillar of the ICMA Green Bond Principles.



Use of Proceeds Summary

Green	Description	ICMA category	EU compass sector and activity	NACE code
UoP 1	Manufacture of equipment for the production and use of hydrogen	Renewable energy	3.2 Manufacture of equipment for the production and use of hydrogen	C25, C27, C28
UoP 2	Manufacture of aluminium	Circular economy adapted products, production technologies and processes and/or certified eco-efficient products	3.8 Manufacture of aluminium	C24.42, C24.53
UoP 3	Hydropower	Renewable energy	4.5. Electricity generation from hydropower	D35.11, F42.22
UoP 4	Wind power	Renewable energy	4.3. Electricity generation from wind power	D35.11, F42.22
UoP 5	Solar power	Renewable energy	4.1. Electricity generation using solar photovoltaic technology 4.2. Electricity generation using concentrated solar power (CSP) technology	D35.11, F42.22
UoP 6	Manufacture of hydrogen	Renewable energy	3.10. Manufacture of hydrogen	C20.11
UoP 7	Storage	Energy efficiency	4.10. Storage of electricity 4.11. Storage of thermal energy 4.12. Storage of hydrogen	D35.12, D35.30, C20.11

Source: Sustainable Fitch, EU Taxonomy Compass, Eurostat

Factsheet Highlights

Intended allocation approach:	Gradual approach
UoP intended for activities that are environmentally sustainable ^a	100% of the bond proceeds

^a Under Article 3 of Regulation (EU) 2020/852.

UoP categories	Environmental objectives	EU Taxonomy economic activity	Allocation type
Manufacture of equipment for the production and use of hydrogen	EO1	3.2 Manufacture of equipment for the production and use of hydrogen	Capex/Opex/Fixed assets
Manufacture of aluminium	EO1	3.8 Manufacture of aluminium	Capex/Opex/Fixed assets
Hydropower	EO1	4.5. Electricity generation from hydropower	Capex/Opex/Fixed assets
Wind power	EO1	4.3. Electricity generation from wind power	Capex/Opex/Fixed assets
Solar power	EO1	4.1. Electricity generation using solar photovoltaic technology 4.2. Electricity generation using concentrated solar power (CSP) technology	Capex/Opex/Fixed assets
Manufacture of hydrogen	EO1	3.10. Manufacture of hydrogen	Capex/Opex/Fixed assets
Storage	EO1	4.10. Storage of electricity 4.11. Storage of thermal energy 4.12. Storage of hydrogen	Capex/Opex/Fixed assets

Hydro intends to use its EuGB factsheet to finance investments aligned with its 2030 climate strategy and its long-term goal of achieving net-zero emissions by 2050, as well as to deliver net-zero products to its customers. This underscores Hydro's commitment to aligning its financing strategy with its sustainability objectives.

Hydro developed an entity-level decarbonisation roadmap, targeting a reduction in GHG emissions by 10% by 2025 and 30% by 2030, using 2018 as a baseline. The proceeds from the EuGB will support this roadmap, by enabling a reduction in the carbon footprint of the aluminium manufacturing process and increasing its production of renewable electricity.

Hydro's factsheet outlines seven UoP categories mapped to 10 EU taxonomy-eligible economic activities, and focusing on climate change mitigation. Six of these UoP categories were selected from Hydro's most recent green and sustainability-linked financing framework from July 2022. The EuGB factsheet also introduces an additional category: manufacture of equipment for the production and use of hydrogen.

Hydro's factsheet commits to aligning all financed or refinanced projects through its EuGBs with the EU taxonomy's substantial contribution criteria (SCC), do no significant harm (DNSH) criteria, and minimum safeguard criteria. This integration of the EU taxonomy is also in Hydro's green and sustainability-linked financing framework, aligning all UoP categories with the EU taxonomy's environmental objective of climate change mitigation and incorporating the SCC of relevant EU taxonomy economic activities into the eligibility criteria of the UoP categories.

The seven UoP categories in Hydro's factsheet include the manufacture of equipment for the production and use of hydrogen, manufacture of aluminium, hydropower, wind power, solar, manufacture of hydrogen and storage. Hydro anticipates that any EuGB issuances in the near future will likely reflect the current status of the company's EU-taxonomy aligned capex and opex, with the majority of funding being linked to aluminium manufacturing, though this may evolve over time.

We have assessed the UoP categories disclosed in Hydro's factsheet in line with the EU taxonomy requirements. This included verifying alignment with the SCC, DNSH criteria and minimum safeguards.

We used company-provided information and relevant external information (such as from authorities) to assess alignment with the SCC across the categories. The DNSH assessment considered availability of clear metrics on performance, processes and proposed measures to limit harm to environmental objectives, compliance with key international standards and relevant legislation, and absence of controversies related to the activities.

We verified compliance with the minimum safeguards by reviewing company-wide policies and practices for labour rights and governance, as well as its adoption of relevant international guidelines and principles. The assessment did not rely on assumptions, but on company disclosures and other public information to confirm alignment with the SCC, DNSH criteria and minimum safeguards.

Source: Sustainable Fitch, Hydro EuGB factsheet, green and sustainability-linked financing framework 2022, integrated annual report 2024

Entity Highlights

Turnover (2024)	Capital expenditure (2024)	Operating expenditure (2024)
NOK56.9 billion (28%)	NOK4.4 billion (30%)	NOK2.0 billion (20%)
Turnover and proportion of turnover derived from taxonomy-aligned economic activities.	Capex and proportion of capex associated with taxonomy-aligned economic activities.	Opex and proportion of opex associated with taxonomy-aligned economic activities.

Source: Hydro EuGB factsheet, taxonomy disclosure, integrated annual report 2024

Hydro is an aluminium and renewable energy company headquartered in Norway, with operations spanning the entire aluminium value chain, from bauxite extraction to the production of finished aluminium products. The company is also a major renewable energy producer, with a strong emphasis on hydropower, wind and solar energy.

Hydro operates in 42 countries and employs 32,000 people as of 2024. The company has an alumina production capacity of 6.3 million tonnes, a primary aluminium capacity of 2.1 million tonnes and an extrusion production capacity of 1.4 million tonnes annually. It also has a renewable electricity generation capacity of 2.8GW from 40 power plants.

Hydro's 2030 strategy, established in 2023, focuses on four key levers: growth in recycling and extrusions; increasing renewable power generation; executing decarbonisation with a positive contribution to nature; and fostering greener aluminium partnerships with customers. This strategy is supported by several performance targets, including achieving net-zero Scopes 1 and 2 emissions by 2050, ensuring no net loss of biodiversity in new projects and eliminating landfill of recoverable waste by 2040.

The company has additional sustainability targets addressing social dimensions, such as achieving zero fatal accidents and life-changing injuries, and ensuring 25% of employees are women, both in the overall workforce and in leadership positions, by 2025.

Hydro implemented advanced technologies to enhance energy efficiency and reduce emissions in its manufacturing operations, particularly in primary aluminium production, through alumina refining and secondary aluminium recycling.

Hydro is involved in the manufacture of hydrogen and hydrogen-based synthetic fuels. The company is exploring innovative solutions to integrate hydrogen into its energy systems, aiming to use its expertise in industrial gases to develop sustainable hydrogen production methods.

Hydro is also advancing its capabilities in energy storage, focusing on electricity and thermal energy storage solutions, as well as hydrogen storage. These initiatives are part of the company's broader strategy to enhance efficiency and contribute to energy security.

Hydro aligns its business activities with the UN Sustainable Development Goals (SDGs). It reports on the mapping of respective SDGs with its business activities and initiatives, providing

detailed objectives for each goal. This detailed elaboration on SDG contribution ensures transparency and accountability in its sustainability efforts.

Hydro also publishes information on its ESG performance. The information disclosed in its 2024 integrated annual report complies with the European Sustainability Reporting Standards and Global Reporting Initiative standards.

Source: Sustainable Fitch, Hydro integrated annual report 2024

Relevant UN Sustainable Development Goals

- **7.1:** By 2030, ensure universal access to affordable, reliable and modern energy services.
- **7.2:** By 2030, increase substantially the share of renewable energy in the global energy mix.
- **7.3:** By 2030, double the global rate of improvement in energy efficiency.



- **9.4:** By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.



Source: Sustainable Fitch, UN

European Green Bond Assessment – Pre-Issuance Review

Introductory Statements | European Green Bond Assessment - Pre-Issuance Review

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Alignment Statement

Sustainable Fitch considers transaction(s) under the European Green Bond factsheet to be aligned with Regulation (EU) 2023/2631 and the use of proceeds are aligned with Regulation (EU) 2020/852.

Summary Table

Alignment with EU Taxonomy - Summary of criteria applied within the EU

UoP	E/T	Technical Screening Criteria												MS	Full Alignment
		SCC						DNSH							
		EO1	EO2	EO3	EO4	EO5	EO6	EO1	EO2	EO3	EO4	EO5	EO6		
3.2 Manufacture of equipment for the production and use of hydrogen	E	✓	—	—	—	—	—	—	✓	✓	✓	✓	✓	✓	✓
3.8 Manufacture of aluminium	T	✓	—	—	—	—	—	—	✓	✓	—	✓	✓	✓	✓
4.5. Electricity generation from hydropower		✓	—	—	—	—	—	—	✓	✓	—	—	✓	✓	✓
4.3. Electricity generation from wind power		✓	—	—	—	—	—	—	✓	✓	✓	—	✓	✓	✓
4.1. Electricity generation using solar photovoltaic technology															
4.2. Electricity generation using concentrated solar power (CSP) technology		✓	—	—	—	—	—	—	✓	✓	✓	—	✓	✓	✓
3.10. Manufacture of hydrogen		✓	—	—	—	—	—	—	✓	✓	—	✓	✓	✓	✓
4.10. Storage of electricity	E														
4.11. Storage of thermal energy		✓	—	—	—	—	—	—	—	✓	✓	✓	✓	✓	✓
4.12. Storage of hydrogen															
Overall factsheet alignment														✓	
EU Taxonomy Aligned Amount (%)														100%	

Key

- ✓ Fully aligned with the requirements
- ✗ Not aligned with the requirements
- Not applicable

- UoP** Use of proceeds
- Alloc** Allocation
- E** Enabling, as per EU Taxonomy
- T** Transitional, as per EU Taxonomy
- SCC** Substantial Contribution Criteria
- DNSH** Do No Significant Harm Criteria
- MS** Minimum Safeguard

Source: Sustainable Fitch



Use of Proceeds	Manufacture of equipment for the production and use of hydrogen	
Contribution to EU Environmental Objectives (EOs)	EO1	
Applicable Economic Activity	3.2 Manufacture of equipment for the production and use of hydrogen	
Substantial Contribution Criteria (SCC)	Yes. Hydro's manufacture of equipment for the production and use of hydrogen UoP demonstrates alignment with the SCC for EO1. The equipment used for hydrogen production is eligible under the economic activity of manufacturing equipment for the production and use of hydrogen (3.2). Such equipment substantially contributes to climate change mitigation if it is for hydrogen that meets the SCC for the manufacture of hydrogen (3.10). This in turn requires the equipment to be used for hydrogen that achieves a life-cycle GHG emissions saving threshold of 73.4%, resulting in life-cycle GHG emissions lower than 3tCO₂e per tonne of hydrogen, relative to a fossil fuel comparator of 94gCO₂e/MJ. Hydro is investing in hydrogen manufacturing for use in its aluminium recycling operations. The hydrogen manufacturing will produce hydrogen through electrolysis using electricity from solar, wind or hydropower. The company demonstrated compliance with the emissions threshold for its produced hydrogen under two scenarios. It provided a third-party estimation for manufactured hydrogen using hydropower in its 2024 annual report, showing life-cycle GHG emissions of 22kgCO₂e per tonne of hydrogen. The other uses the Norwegian electricity grid intensity, reaching 653kgCO₂e per tonne of hydrogen. Additionally, Hydro requires that future projects financed or invested under this economic activity be only for equipment producing hydrogen that meets the SCC for the manufacture of hydrogen (3.10). Therefore, we consider this UoP to be aligned with the SCC for EO1.	
Do No Significant Harm (DNSH)	EO1	n.a.
	EO2	Yes. The DNSH criteria for the manufacture of equipment for the production and use of hydrogen (3.2) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks. Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system. It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the Intergovernmental Panel on Climate Change (IPCC) across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks. We therefore consider the projects under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3	Yes. The DNSH criteria for this economic activity focus on identifying and addressing environmental risks to preserve water quality and avoid water stress, aiming for good water status and ecological potential as per EU regulations. Companies should carry out an environmental impact assessment (EIA) or have an equivalent water management plan to prevent water stress or harm to water quality. Activities must not hinder or deteriorate the good environmental status of marine waters, considering relevant EU criteria and standards. Hydro established a water stewardship statement that requires all companies wholly owned or operated by Hydro, and other applicable legal entities, to conduct an assessment to identify potential risks related to water resources within the operation's area of influence and assess the materiality of these risks to the operation, environment and affected communities. This scope includes physical, regulatory and reputational risks and considers direct, indirect and cumulative impacts. The stewardship statement further confirmed it implements risk mitigation measures when developing new projects or making significant changes to existing operations. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO3.
	EO4	Yes. The DNSH criteria for this economic activity require use of techniques that support the reuse of secondary raw materials, design for durability and recyclability, prioritise recycling in waste management, and ensure traceability of substances of concern throughout the product lifecycle.



The company stated that its manufacture of equipment for the production and use of hydrogen meets all relevant DNSH criteria. Hydro established a waste management approach that follows the waste mitigation hierarchy. The company also established a long-term target to eliminate landfilling of recoverable waste by 2040. Hydro includes waste management as part of its environmental management stewardship, which shows its approach is to minimise the amount of waste produced in its operations, and then reuse or recycle it. Hydro stated that technologies employed in its manufacture facilities for hydrogen production and use consider and meet the DNSH criteria for durability and waste management.

Hydro confirmed that circularity considerations are generally incorporated where feasible and the projects are designed for durability and substances of concern (if any) are managed in line with applicable EU regulations. Hydro further committed that its projects financed or refinanced by the EuGBs will meet relevant DNSH criteria; we therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO4.

EO5 Yes.

The DNSH criteria for the manufacture of equipment for the production and use of hydrogen (3.2) require activities to avoid the manufacture, use or marketing of hazardous substances listed in key EU regulations (such as persistent organic pollutants, mercury, ozone-depleting substances and those listed in the registration, evaluation, authorisation and restriction of chemicals regulation) unless present as trace contaminants or used under strictly controlled conditions with no viable alternatives.

Hydro confirmed that the technologies employed in its facilities for hydrogen production and use consider and meet the DNSH criteria related to substances of concern. Hydro further committed that its projects financed or refinanced by the EuGBs will meet relevant DNSH criteria; we therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO5.

EO6 Yes.

Overall, we consider the projects under this UoP to be aligned with the DNSH criteria for EO6.

The DNSH criteria for the manufacture of equipment for the production and use of hydrogen (3.2) require that the company carries out an EIA in accordance with Directive 2011/92/EU, and then implements required mitigation and compensation measures.

Hydro's global procedure for biodiversity and ecosystem services requires all sites to perform risk assessments to identify material risks and impacts to biodiversity and ecosystem services and, if identified, take appropriate mitigating actions to manage them. The company includes specific requirements for investments in new projects or in significant expansions to existing projects that can affect priority biodiversity areas. It requires that such projects fully mitigate impacts through preventative and remedial measures, including ensuring there is no residual impact to those features by the closure of the project.

Additionally, Hydro's environmental management stewardship requires projects to follow international and local standards in the procedure, which further ensures the company's compliance across both European and non-European operations. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO6.

Minimum Safeguard (MS) Yes.

We consider Hydro to be compliant with the MSs for the manufacture of equipment for the production and use of hydrogen (3.2), based on the company's statement.

Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption.

The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021.

Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture.

Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way.



	Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company committed to transparency and accuracy in its tax management.
Full Alignment	
Use of Proceeds	Manufacture of aluminium
Contribution to EU Environmental Objectives (EOs)	EO1
Applicable Economic Activity	3.8 Manufacture of aluminium
Substantial Contribution Criteria (SCC)	Yes. Overall, Hydro's manufacture of aluminium UoP demonstrates alignment with the SCC for EO1. The manufacture of aluminium is eligible under the economic activity of manufacturing aluminium (3.8) and substantially contributes to climate change mitigation if it complies with the following criteria, depending on the type of aluminium. For primary aluminium, the activity must comply with two of the following criteria until 2025 and all three after 2025: GHG emissions do not exceed 1,484tCO₂e per tonne of aluminium manufactured; the average carbon intensity for indirect GHG emissions does not exceed 100gCO₂e/kWh; and the electricity consumption for manufacturing process does not exceed 15.5MWh per tonne of aluminium. For secondary aluminium (recycling), no specific thresholds are required as it automatically meets the SCC. Hydro's eligibility criteria for green projects under this UoP are identical to the SCC for manufacture of aluminium (3.8), demonstrating alignment with the SCC for EO1.
Do No Significant Harm (DNSH)	EO1 n.a.
	EO2 Yes.
	The DNSH criteria for manufacturing aluminium (3.8) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks. Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system. It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the IPCC across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks. We therefore consider the projects under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3 Yes.
	The DNSH criteria for this economic activity focus on identifying and addressing environmental risks to preserve water quality and avoid water stress, aiming for good water status and ecological potential as per EU regulations. Companies should carry out an EIA or have an equivalent water management plan to prevent water stress or harm to water quality. Activities must not hinder or deteriorate the good environmental status of marine waters, considering relevant EU criteria and standards. Hydro established a water stewardship statement that requires all companies wholly owned or operated by Hydro, and other applicable legal entities, to conduct an assessment to identify potential risks related to water resources within the operation's area of influence and assess the materiality of these risks to the operation, environment and affected communities. This scope includes physical, regulatory and reputational risks and considers direct, indirect and cumulative impacts. The stewardship statement further confirmed it implements risk mitigation measures when developing new projects or making significant changes to existing operations. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO3.



EO4	n.a.
EO5	Yes. The DNSH criteria for manufacturing aluminium (3.8) require activities to avoid the manufacture, use or marketing of hazardous substances listed in key EU regulations (such as persistent organic pollutants, mercury, ozone-depleting substances and those listed in the registration, evaluation, authorisation and restriction of chemicals regulation) unless present as trace contaminants or used under strictly controlled conditions with no viable alternatives. Additionally, emissions should be within or lower than the emission levels associated with the best available technologies (BAT)-associated emission level ranges set out in the latest relevant BAT conclusions, including for non-ferrous metals industries, and without significant cross-media effects occurring. Hydro identified pollution as part of its material sustainability topics and disclosed the related risks and opportunities. It also implemented a due diligence process that identifies and assesses potential pollution impacts from all its operations by assessing the risk of accidental spills, leakages or other unplanned events, and by monitoring emissions to air and water from its operations in the aluminium value chain based on the BAT reference documentation for the non-ferrous metals industries. The company also established action plans and controls to manage potential pollution impacts, such as spill kits, secondary containment and storage basins. Hydro operates facilities in both primary and secondary aluminium manufacturing. All its facilities in Europe meet the DNSH criteria for emissions levels by BAT ranges. The company confirmed that some of its secondary aluminium manufacturing plants outside of Europe are also aligned with these DNSH criteria, and that only the facilities compliant with the DNSH requirements will be eligible for funding under this EuGB issuance. Consequently, the primary smelters outside Europe will not be financed using proceeds of the EuGB issuance.
EO6	Yes. Overall, we consider the projects under this UoP to be aligned with the DNSH criteria for EO6. The DNSH criteria for manufacturing aluminium require that the company carries out an EIA in accordance with Directive 2011/92/EU, and then implements required mitigation and compensation measures. Hydro's global procedure for biodiversity and ecosystem services requires all sites to perform risk assessments to identify material risks and impacts to biodiversity and ecosystem services and, if identified, take appropriate mitigating actions to manage them. The company includes specific requirements for investments in new projects or in significant expansions to existing projects that can affect priority biodiversity areas. It requires that such projects fully mitigate impacts through preventative and remedial measures, including ensuring there is no residual impact to those features by the closure of the project. Additionally, Hydro's environmental management stewardship requires projects to follow international and local standards in the procedure, which further ensures the company's compliance across both European and non-European operations. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO6.
Minimum Safeguard (MS)	Yes. We consider Hydro to be compliant with the MSs for the eligible activity of manufacture of aluminium (3.8), based on the company's statement. Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption. The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021. Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture.



		Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way. Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company committed to transparency and accuracy in its tax management.
Full Alignment		
Use of Proceeds	Hydropower	
Contribution to EU Environmental Objectives (EOs)	EO1	
Applicable Economic Activity		4.5. Electricity generation from hydropower
Substantial Contribution Criteria (SCC)		Yes. Hydro's hydropower UoP demonstrates alignment with the SCC for EO1. Electricity generation from hydropower is eligible under the economic activity of electricity generation from hydropower (4.5). It substantially contributes to climate change mitigation if it complies with one of the following criteria: the electricity generation facility is a run-of-river plant and does not have an artificial reservoir; the power density of the electricity generation facility is above 5W/sqm; or the life-cycle GHG emissions from the generation of electricity from hydropower are lower than 100gCO₂e/kWh. Hydro's eligibility criteria for green projects under this UoP are identical to the SCC for hydropower. We therefore consider Hydro's hydropower projects to be aligned with the SCC for EO1.
Do No Significant Harm (DNSH)	EO1	n.a.
	EO2	Yes. The DNSH criteria for electricity generation from hydropower (4.5) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks. Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system. It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the IPCC across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks. We therefore consider the projects under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3	Yes. The DNSH criteria for hydropower plants under electricity generation from hydropower (4.5) cover impact assessments, fish migration considerations, ecological flow maintenance, and habitat preservation for both existing and new facilities. Hydro has a comprehensive water management approach that follows all concession requirements and meets the requirements in the regional water basin management plans. It carried out a systematic review of all relevant concessions as well as of the requirements to improve activities based on the appendices in the regional water management plans for all its power locations. The company confirmed that it implemented all applicable mitigation measures for water bodies related to Hydro's hydropower operations, according to expectations and on schedule. Additionally, Hydro confirmed that it implemented several measures across different activities for hydropower operations, including new projects, control of water courses and turbine operation. Its mitigating measures include those required under the DNSH criteria for hydropower. For new projects, the company follows its biodiversity action plans, which aim for no net loss of priority biodiversity features. It works to restore water bodies, release minimum water flow and create salmon ladders and other fish passages for controlling water courses. The salmon ladders and other fish passages mitigate the risk of fish mortality through turbine entrainment, enabling turbine operation to comply with the relevant DNSH criteria for this economic activity.



	We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO3.
EO4	n.a.
EO5	n.a.
EO6	Yes.
	Overall, we consider the projects under this UoP to be aligned with the DNSH criteria for EO6.
	The DNSH criteria for hydropower plants cover impact assessments, fish migration considerations, ecological flow maintenance, and habitat preservation for both existing and new facilities.
	Hydro confirmed in its materiality assessment that it conducts EIAs for its operations, new project developments and in relation to M&A processes, with a focus on identifying the potential impact on biodiversity and ecosystems within the operation's area of influence and assessing the materiality of these impacts on the operation, environment and affected communities.
	The company also reports a list of operations in proximity to biodiversity sensitive areas, and discloses potential impacts and mitigation measures for sites located near biodiversity sensitive areas, such as a commitment to not develop new projects in UNESCO World Heritage Sites and in legally protected areas classified under the International Union for Conservation of Nature's protected area management categories I through IV.
	We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO6.
Minimum Safeguard (MS)	Yes.
	We consider Hydro to be compliant with the MSs for electricity generation from hydropower (4.5), based on the company's statement.
	Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption.
	The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021.
	Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture.
	Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way.
	Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company's global tax policy, which was most recently updated and approved by the board of directors in December 2024, is based on the principle that equitable taxes are paid with correct amounts, at the correct time and where the economic value is generated. Hydro committed to transparency and accuracy in its tax management.
Full Alignment	
Use of Proceeds	Wind power
Contribution to EU Environmental Objectives (EOs)	EO1
Applicable Economic Activity	4.3. Electricity generation from wind power



Substantial Contribution Criteria (SCC)	Yes.	
	Hydro's wind power UoP demonstrates alignment with the SCC for EO1.	
	Wind power projects are eligible under the economic activity of electricity generation from wind power (4.3) and substantially contribute to climate change mitigation without having to meet additional thresholds. We therefore consider Hydro's onshore and offshore wind power projects to be aligned with the SCC for EO1.	
Do No Significant Harm (DNSH)	EO1	n.a.
	EO2	Yes.
		The DNSH criteria for electricity generation from wind power (4.3) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks.
		Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system.
		It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the IPCC across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks.
		Most of the company's wind power projects are currently operated through its joint venture company, Hydro Rein, so they were not included in the scope of its EU taxonomy assessment reporting. Hydro confirmed that all the company's subsidiaries are required to conduct climate risk assessments, in line with the group-level approach. Hydro further committed that its projects financed or refinanced by the EuGBs will meet relevant DNSH criteria. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO2.
	EO3	Yes.
		Overall, we consider the projects under this UoP to be aligned with the DNSH criteria for EO3.
		The DNSH criteria for offshore wind require that the activity does not hamper the achievement of good environmental status as set out in Directive 2008/56/EC.
		Hydro's global procedure for water stewardship indicates that all operational sites that are fully owned or operated by Hydro must evaluate water-related risks and opportunities at a catchment scale and develop management plans to address any material risks identified. This procedure requires sites to conduct an assessment to identify potential risks related to water resources, to maintain a water balance that is sufficiently detailed for the operations' water risk exposure, and to implement a process to identify and respond to catchment-level water-related risks and opportunities. This requirement aligns Hydro's management of water resources with the DNSH criteria for EO3.
	EO4	Yes.
		We consider the projects under this UoP to be aligned with the DNSH criteria for EO4.
		To comply with the DNSH criteria for EO4, the company should use equipment and components of high durability and recyclability that are easy to dismantle and refurbish.
		Hydro has a waste management approach that follows the waste mitigation hierarchy. It also has a long-term target to eliminate landfilling of recoverable waste by 2040. Hydro includes waste management as part of its environmental management stewardship, showing its approach is to first minimise the amount of waste produced in its operations, and then reuse or recycle it.
		We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO4.
	EO5	n.a.
	EO6	Yes.
		We consider the projects under this UoP to be aligned with the DNSH criteria for EO6.
		The DNSH criteria for electricity generation from wind power require that the company carries out an EIA in line with Directive 2011/92/EU, and then implements the required mitigation and compensation measures.
		Hydro's global procedure for biodiversity and ecosystem services requires all sites to perform risk assessments to identify material risks and impacts to biodiversity and ecosystem services and, if identified, take appropriate mitigating actions to



	manage them. The company also includes specific requirements for investments in new projects or in significant expansions to existing projects that can affect priority biodiversity areas. It requires that the project fully mitigates these impacts through preventative and remedial measures, including ensuring there is no residual impact on those features from the closure of the project. Hydro's environmental management stewardship requires projects to follow applicable international and local standards in the procedure, which further ensures its compliance across both European and non-European operations. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO6.
Minimum Safeguard (MS)	Yes. We consider Hydro to be compliant with the MSs for the eligible activity of electricity generation from wind power (4.3), based on the company's statement. Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption. The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021. Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture. Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way. Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company's global tax policy, which was most recently updated and approved by the board of directors in December 2024, is based on the principle that equitable taxes are paid with correct amounts, at the correct time and where the economic value is generated. Hydro committed to transparency and accuracy in its tax management.
Full Alignment	
Use of Proceeds	Solar power
Contribution to EU Environmental Objectives (EOs)	EO1
Applicable Economic Activity	4.1. Electricity generation using solar photovoltaic technology 4.2. Electricity generation using concentrated solar power (CSP) technology
Substantial Contribution Criteria (SCC)	Yes. Hydro's solar power UoP demonstrates alignment with the SCC for EO1. Solar PV projects are eligible under the economic activity of electricity generation using solar PV technology (4.1) and electricity generation using CSP technology (4.2). These projects substantially contribute to climate change mitigation without having to meet additional thresholds. We therefore consider Hydro's solar power projects to be aligned with the SCC for EO1.
Do No Significant Harm (DNSH)	EO1 n.a. EO2 Yes. The DNSH criteria for electricity generation from solar PV technology (4.1) and electricity generation using CSP technology (4.2) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition



	climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks. Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system. It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the IPCC across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks. Most of the company's solar power projects are currently operated through its joint venture company, Hydro Rein, so they were not included in the scope of its EU taxonomy assessment reporting. Hydro confirmed all the company's subsidiaries are required to conduct climate risk assessments in line with the group-level approach. Hydro further committed that its projects financed or refinanced by the EuGBs will meet relevant DNSH criteria. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO2.
EO3	Yes. The DNSH criteria for EO3 apply specifically to CSP projects. The DNSH criteria focus on identifying and addressing environmental risks to preserve water quality and avoid water stress, aiming for good water status and ecological potential as per EU regulations. They require companies to carry out an EIA or have an equivalent water management plan to prevent water stress or harm to water quality. Activities must not hinder or deteriorate the good environmental status of marine waters, considering relevant EU criteria and standards. Hydro's environment management stewardship covers water management; it requires projects to evaluate risks related to water withdrawal and water discharge, and to have plans to mitigate identified risks. It also states that all units and locations should evaluate the impact that process changes may have on the quantity of water withdrawal and on the quality or quantity of water discharges, as part of an environmental risk assessment. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO3.
EO4	Yes. We consider the projects under this UoP to be aligned with the DNSH criteria for EO4. To comply with the DNSH criteria for EO4, the company should use equipment and components of high durability and recyclability that are easy to dismantle and refurbish. Hydro has a waste management approach that follows the waste mitigation hierarchy. It also has a long-term target to eliminate landfilling of recoverable waste by 2040. Hydro includes waste management as part of its environmental management stewardship, showing its approach is to first minimise the amount of waste produced in its operations, and then reuse or recycle it. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO4.
EO5	n.a.
EO6	Yes. We consider the projects under this UoP to be aligned with the DNSH criteria for EO6. The DNSH criteria for electricity generation from solar PV or CSP technology require that the company carries out an EIA in line with Directive 2011/92/EU, and then implements required mitigation and compensation measures. Hydro's global procedure for biodiversity and ecosystem services requires all sites to perform risk assessments to identify material risks and impacts to biodiversity and ecosystem services and, if identified, take appropriate mitigating actions to manage them. The company also includes specific requirements for investments in new projects or in significant expansions to existing projects that can affect priority biodiversity areas. It requires that the project fully mitigates these impacts through preventative and remedial measures, including ensuring there is no residual impact on those features from the closure of the project. Hydro's environmental management stewardship requires projects to follow applicable international and local standards in the procedure, which further ensures its compliance across both European and non-European operations. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO6.
Minimum Safeguard (MS)	Yes. We consider Hydro to be compliant with the MSs for the eligible activity of electricity generation using solar PV technology (4.1) and electricity generation using CSP technology (4.2), based on the company's statement.



Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption.

The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021.

Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture.

Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way.

Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company's global tax policy, which was most recently updated and approved by the board of directors in December 2024, is based on the principle that equitable taxes are paid with correct amounts, at the correct time and where the economic value is generated. Hydro committed to transparency and accuracy in its tax management.

Full Alignment



Use of Proceeds **Manufacture of hydrogen**

Contribution to EU Environmental Objectives (EOs) EO1

Applicable Economic Activity • 3.10. Manufacture of hydrogen

Substantial Contribution Criteria (SCC) Yes

Hydro's UoP of manufacture of hydrogen demonstrates alignment with the SCC for EO1.

Manufacture of hydrogen is eligible under the economic activity of manufacture of hydrogen (3.10) and substantially contributes to climate change mitigation if the life-cycle GHG emissions savings are 73.4% for hydrogen relative to a fossil fuel comparator of 94gCO_{2e}/MJ, resulting in life-cycle GHG emissions lower than 3tCO_{2e} per tonne of hydrogen.

Hydro's eligibility criteria for green projects under this UoP are identical to the SCC for hydrogen manufacturing. We therefore consider Hydro's hydrogen manufacturing projects to be aligned with the SCC for EO1.

Do No Significant Harm (DNSH) EO1 n.a.
EO2 Yes.

The DNSH criteria for the manufacture of hydrogen (3.10) require the issuer to perform a robust climate risk and vulnerability assessment, identifying the physical and transition climate risks that could cause damage to the company's assets and assessing adaptation solutions that can reduce the identified physical climate risks.

Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system.

It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the IPCC across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks.



	We therefore consider the projects under this economic activity to be aligned with the DNSH criteria for EO2.
EO3	Yes. The DNSH criteria for EO3 are relevant for hydrogen production as it requires water as an input. The DNSH criteria focus on identifying and addressing environmental risks to preserve water quality and avoid water stress, aiming for good water status and ecological potential as per EU regulations. They require companies to carry out an EIA or have an equivalent water management plan to prevent water stress or harm to water quality. Activities must not hinder or deteriorate the good environmental status of marine waters, considering relevant EU criteria and standards. Hydro's environment management stewardship covers water management; it requires projects to evaluate risks related to water withdrawal and water discharge, and to have plans to mitigate identified risks. It also states that all units and locations should evaluate the impact that process changes may have on the quantity of water withdrawal and on the quality or quantity of water discharges, as part of an environmental risk assessment. The company indicates its hydrogen production will withdraw water from municipal waterworks during operation, and that degradation risks related to preserving water quality and avoiding water stress are therefore very limited, with no impact on achieving good water status and good ecological potential in the area. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO3.
EO4	n.a.
EO5	Yes. The DNSH criteria for EO5 require activities to avoid the manufacture, use or marketing of hazardous substances listed in key EU regulations (such as persistent organic pollutants, mercury, ozone-depleting substances and those listed in the registration, evaluation, authorisation and restriction of chemicals regulation) unless present as trace contaminants or used under strictly controlled conditions with no viable alternatives. Hydro stated that its hydrogen production will be based on water and electric power and will not consume or discharge pollutants. We therefore consider the projects eligible under this economic activity to be aligned with the DNSH criteria for EO5.
EO6	Yes. The DNSH criteria for manufacture of hydrogen require that the company carries out an EIA in line with Directive 2011/92/EU, and then implements required mitigation and compensation measures. The company stated in its annual report that the competent authority confirmed that an EIA is not required for its hydrogen production operations. Hydro confirmed that the authority determined that Hydro's hydrogen projects do not introduce any new environmental impacts, as they are constructed and will be operated on an existing industrial site associated with one of its aluminium plants in Norway.
Minimum Safeguard (MS)	Yes. We consider Hydro to be compliant with the MSs for manufacture of hydrogen (3.10), based on the company's statement. Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption. The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021. Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture. Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way.



	Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company's global tax policy, which was most recently updated and approved by the board of directors in December 2024, is based on the principle that equitable taxes are paid with correct amounts, at the correct time and where the economic value is generated. Hydro committed to transparency and accuracy in its tax management.	
Full Alignment		
Use of Proceeds	Storage	
Contribution to EU Environmental Objectives (EOs)	EO1	
Applicable Economic Activity	• 4.10. Storage of electricity • 4.11. Storage of thermal energy • 4.12. Storage of hydrogen	
Substantial Contribution Criteria (SCC)	Yes. Hydro's storage UoP demonstrates alignment with the SCC for EO1. Storage projects are eligible under various economic activities including storage of electricity (4.10), storage of thermal energy (4.11) and storage of hydrogen (4.12). Each type of storage is subject to different SCC to substantially contribute to climate change mitigation. For electricity storage, including pumped hydropower storage, the projects substantially contribute to climate change mitigation without having to meet additional thresholds when the storage does not use a chemical source as a medium. Where chemical energy storage is involved, the medium of storage must comply with the SCC for manufacturing the corresponding chemical product under the EU taxonomy. Hydro's eligibility criteria for green projects under this UoP are identical to the SCC for electricity storage. Specific electricity storage technologies are not detailed in the company's framework, though it indicates that where the activity includes chemical energy storage, the medium of storage (such as hydrogen or ammonia) will comply with the criteria for manufacturing the corresponding product, as specified in sections 3.7 to 3.17 of the EU taxonomy delegated act's annex 1 for climate change mitigation. We therefore consider Hydro's electricity storage projects to be aligned with the SCC for EO1. Thermal storage projects substantially contribute to climate change mitigation without having to meet additional thresholds; covering both underground thermal energy storage and aquifer thermal energy storage. We therefore consider Hydro's thermal storage projects to be aligned with the SCC for EO1. Storage of hydrogen substantially contributes to climate change mitigation if the activity is one of the following: construction of hydrogen storage facilities; conversion of existing underground gas storage facilities into storage facilities dedicated to hydrogen storage; or operation of hydrogen storage facilities where the stored hydrogen meets the SCC for the manufacture of hydrogen. Hydro's eligibility criteria for green projects under this UoP are identical to the SCC for hydrogen storage. It includes construction of new hydrogen facilities, conversion of existing underground gas storage facilities to hydrogen storage and operation of hydrogen storage with stored hydrogen compliant with the SCC for manufacture of hydrogen. We therefore consider Hydro's hydrogen storage projects to be aligned with the SCC for EO1.	
Do No Significant Harm (DNSH)	EO1	n.a.
		Yes.
		The DNSH criteria for the climate change adaptation environmental objective require a robust climate risk and vulnerability assessment for storage of electricity (4.10), storage of thermal energy (4.11) and storage of hydrogen (4.12).
	EO2	Hydro performed a climate risk and vulnerability assessment across its operations and identified both chronic physical risks (temperature increases and sea-level rises) and acute physical risks (extreme wind and rain events, and wildfires), which aligns with the climate-related hazards listed in Appendix A of the EU taxonomy. This conforms to Hydro's risk management system. It also modelled future weather patterns and their potential impact on its sites based on climate models and scenarios from the IPCC across timelines of 2030, 2040 and 2050. The company integrated findings from the assessment in its risk management system, and it made significant upgrades to several of its assets to manage climate-related risks such as the effects of increased precipitation and associated flood risks. Hydro further committed that its projects financed or refinanced



by the EuGBs will meet relevant DNSH criteria. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO2.

EO3 Yes.

The DNSH criteria for EO3 are particularly relevant for pumped hydropower storage and aquifer thermal energy storage. Pumped hydropower storage connected to a river body must comply with the DNSH criteria specified for electricity production from hydropower. Aquifer thermal storage and pumped hydropower storage without a connection to a river body are both required to identify environmental degradation risks related to preserving water quality and avoiding water stress.

For thermal storage (4.11) and pumped hydropower storage that is not connected to a river body, Hydro's environment management stewardship covers water management; it requires the project to evaluate risks related to water withdrawal and water discharge, and to have plans to mitigate identified risks. It also states that all units and locations should evaluate the impact that process changes may have on the quantity of water withdrawal and on the quality or quantity of water discharge as part of an environmental risk assessment. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO3.

We can confirm that the requirements for pumped hydropower storage connected to river body comply with the relevant DNSH criteria based on the evidence stated in the hydropower UoP's DNSH criteria for EO3.

Hydro has a comprehensive water management approach that follows all concession requirements and meets the requirements in the regional water basin management plans. It carried out a systematic review of all relevant concessions as well as of the requirements to improve activities based on the appendices in the regional water management plans for all its power locations. The company confirmed that it implemented all applicable mitigation measures for water bodies related to its hydropower operations, according to expectations and on schedule.

Additionally, Hydro confirmed that it implemented several measures across different activities for hydropower operations, including new projects, control of water courses and turbine operation. Its mitigating measures include those required under the DNSH criteria for hydropower. For new projects, the company follows its biodiversity action plans, which aim for no net loss of priority biodiversity features. It works to restore water bodies, release minimum water flow and create salmon ladders and other fish passages for controlling water courses. The salmon ladders and other fish passages mitigate the risk of fish mortality through turbine entrainment, enabling turbine operation to comply with the relevant DNSH criteria for this economic activity.

We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO3.

EO4 Yes.

To comply with the DNSH criteria for EO4, all three storage activities are required to have a waste management plan that ensures maximal reuse, remanufacturing or recycling at end of life.

Hydro has a waste management approach established that follows the waste mitigation hierarchy. It also has a long-term target to eliminate landfilling of recoverable waste by 2040. Hydro includes waste management as part of its environmental management stewardship, showing its approach is to first minimise the amount of waste produced in its operations, and then reuse or recycle it.

We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO4.

EO5 Yes.

For hydrogen storage specifically, the DNSH criteria for EO5 require compliance with Directive 2012/18/EU in the case of storage above five tonnes. The directive defines certain safety and reporting requirements that depend on the size of the storage (splitting them between lower-tier or upper-tier requirements); it requires operators to notify the competent authority with details about the dangerous substances, including their quantity and physical form, and any changes that might affect major accident hazards.

Hydro confirmed that the company currently operates hydrogen storage projects with a capacity below five tonnes. Therefore, we did not consider the criteria to be relevant to this activity.

EO6 Yes.

The DNSH criteria for EO6 for all three storage activities require that the company carries out an EIA in line with Directive 2011/92/EU, and then implements required mitigation and compensation measures.

Hydro's global procedure for biodiversity and ecosystem services requires all sites to perform risk assessments to identify material risks and impacts to biodiversity and ecosystem services and, if identified, take appropriate mitigating actions to manage them. The company also includes specific requirements for investments in new projects or in significant expansions to existing projects that can affect priority biodiversity areas. It requires that the project fully mitigates these impacts through preventative and remedial measures, including ensuring there is no residual impact on those features from the closure of the

	project. Hydro's environmental management stewardship requires projects to follow applicable international and local standards in the procedure, which further ensures its compliance across both European and non-European operations. We therefore consider the projects eligible under these economic activities to be aligned with the DNSH criteria for EO6.
Minimum Safeguard (MS)	Yes. We consider Hydro to be compliant with the MSs for the storage of electricity (4.10), storage of thermal energy (4.11), and storage of hydrogen (4.12), based on the company's statement. Hydro operates in compliance with international standards and guidelines. The company implemented due diligence processes based on the OECD Guidelines for Multinational Enterprises and covers labour rights for its own workers and workers in the value chain. It includes due diligence processes for bribery, taxation and fair competition within its compliance system, and its code of conduct covers them. The company is a member of the UN Global Compact and continuously reports and reaffirms its efforts to support the 10 Principles of the UN Global Compact in the areas of human rights, labour, environment and anti-corruption. The company also demonstrated compliance with the MS requirements related to good governance practices, including sound management structures, employee relations, remuneration of staff and tax compliance. Hydro established a robust corporate governance framework based on Norwegian corporate law and follows the most recent Norwegian Code of Practice for Corporate Governance, from 14 October 2021. Hydro implemented comprehensive policies and procedures to ensure fair treatment of employees. The company has a global grievance mechanism, AlertLine, that allows employees to report concerns related to discrimination and harassment. The company's group internal audit and investigation function is responsible for overseeing all alerts reported through this mechanism. Hydro also conducts an employee engagement survey, Hydro Monitor, to benchmark employees' perception of Hydro's integrity culture. Hydro established a global reward strategy around four principles: market competitive, performance-oriented, transparent and holistic. Hydro also implemented a global job architecture framework to map all employees in a consistent way. Hydro committed to acting as a responsible corporate citizen globally, with tax compliance and planning that is professionally managed, transparent and aligned with legitimate business objectives. The company's global tax policy, which was most recently updated and approved by the board of directors in December 2024, is based on the principle that equitable taxes are paid with correct amounts, at the correct time and where the economic value is generated. Hydro committed to transparency and accuracy in its tax management.
Full Alignment	

Note: n.a. – not applicable.

Source: Sustainable Fitch, Hydro EuGB factsheet, green and sustainability-linked financing framework 2022, integrated annual report 2024, sustainability white paper 2025, position statement on biodiversity and ecosystem services, global procedure for biodiversity and ecosystem services, global procedure for environment management, global procedure for water stewardship

Appendix A: Other Services Sustainable Fitch has Provided to the Assessed Entity

European Green Bond Assessment

With this report, Sustainable Fitch is providing a European Green Bond Assessment to the assessed entity, as identified on page 1.

Sustainable Fitch has not provided any other service or product.

SOLICITATION STATUS

The European Green Bond Assessment was solicited and assigned or maintained by Sustainable Fitch at the request of the entity.

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