

Alcoa Corporation 2020 Communication on Progress United Nations Global Compact



From the CEO

Alcoa Corporation is committed to supporting and upholding the principles of the United Nations Global Compact.

In this Communication on Progress, we demonstrate how we are transforming these principles into actions within our global operations.

Roy Harvey
President and Chief Executive Officer
Alcoa Corporation

Principles	Actions
<p>Human Rights</p> <p>Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and</p> <p>Principle 2: make sure that they are not complicit in human rights abuses.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • We support the Universal Declaration of Human Rights at all Alcoa-controlled operations. • Our Values include “Care for People,” which entails treating all people with dignity. • Our Human Rights Policy is comprehensive and transparent and acknowledges our commitments to internationally proclaimed human rights. • The Alcoa Social Policy incorporates community rights and interests in our everyday activities in a systematic manner. • As stated in our Indigenous Peoples Policy, we recognize and respect the diversity, cultures, customs and values of the Indigenous and other Land-Connected Peoples where we operate and acknowledge their needs, concerns and aspirations regarding their heritage and traditions. • The Alcoa Code of Conduct and Supplier Standards mandate respect of human rights. • In 2020, we set the goal to have a social management system implemented in all operating locations in 2022. <p>Implementation</p> <ul style="list-style-type: none"> • All employees receive annual training on the Alcoa Code of Conduct. • The Alcoa Human Rights Council defines and supports the implementation of tools and systems that enable us to respect and support individual and collective human rights impacted by our operations. • In 2020, we completed human rights risk assessments at our San Ciprián refinery (Spain), Fjarðaál smelter (Iceland) and Lista smelter (Norway) following methodology adapted from the Danish Institute for Human Rights. • We also completed human rights due diligence at our Juruti mine and Poços de Caldas mine, refinery and casthouse in Brazil during the year. We previously completed due diligence at our Western Australia sites. • We initiated a gap analysis to the Voluntary Principles on Security and Human Rights in 2020 and will define an action plan in 2021 to close identified gaps. <p><i>(Continued on next page)</i></p>

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<p>Labor</p> <p>Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;</p> <p>Principle 4: the elimination of all forms of forced and compulsory labor;</p> <p>Principle 5: the effective abolition of child labor; and</p> <p>Principle 6: the elimination of discrimination in respect of employment and occupation.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Our Human Rights Policy, Alcoa Code of Conduct and Supplier Standards address all four labor principles. • Our Values include “Care for People,” which encompasses providing a diverse, inclusive work culture, working safely and promoting wellness. • Our Equal Employment Opportunity statement protects against discrimination. • In 2020, we had diversity targets to increase the number of women globally. • In 2020, we set the goal to have a social management system implemented in all operating locations in 2022. <hr/> <p>Implementation</p> <ul style="list-style-type: none"> • All employees receive training on the Alcoa Code of Conduct and our environment, health and safety requirements. • We have joint management/union committees that vary by location for safety, equal employment opportunities, diversity and inclusion, civil rights and more. • We have three inclusion groups that advocate on behalf of LGBTQ, women and racial-ethnic equality. • In 2020, our annual incentive compensation was linked to balancing our gender equality and diversity. • Our Global Supplier Sustainability Program assesses key suppliers against sustainability indicators that include labor practices. • Our due-diligence program with Trace International assesses child and slave labor and human trafficking. • Our Integrity Line allows employees, suppliers and the general public to report ethical and human rights violations. <p><i>(Continued on next page)</i></p>

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<p>Environment</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Protecting the environment is an integral part of our three Values and our EHS Policy. • We support the precautionary principle. • The Alcoa Code of Conduct and Supplier Standards explicitly indicate protection of the environment. • We have long-term reduction goals for greenhouse gas emissions, water consumption, landfilled waste and other environmental areas. (See the 2020 Alcoa Sustainability Report for specific goals) • We have internal environmental standards to manage all material aspects of our operations. • Our Climate Change Policy furthers our commitment to understanding and managing climate- and carbon-related risks and opportunities within our operations. • Our Global Impoundment Policy ensures our impoundments comply with our internal standards and guidelines, the Global Industry Standard on Tailings Management, or the laws and regulations of the country in which a facility is located (whichever are higher). • Our Biodiversity Policy encapsulates the requirements set out in our corporate Biodiversity Standard. • Our Water Stewardship Policy and Water and Wastewater Management Standard outline our vision and priorities for water. • Alcoa Foundation invests in global programs addressing climate change and biodiversity conservation. <p>Implementation</p> <ul style="list-style-type: none"> • All new employees receive training on environment, health and safety requirements. • Employees have ongoing access to training on environmental issues. • We have a comprehensive corporate environmental management system that is certified to the ISO 14001 standard. • Our Centers of Excellence—mining, refining, smelting and casting—advance our knowledge and ensure continuous improvement through technology and engineering, best practice sharing and core operation standards. • Our Sustana™ line of aluminum products is produced with low-carbon emissions or recycled content. • Our secondary minerals team seeks alternative uses for coproducts and byproducts from our production process. • As of the end of 2020, 13 of our operating facilities were certified to the Aluminium Stewardship Initiative's Performance Standard. We also had 12 operating locations certified to the Chain of Custody Standard. • Global and location-specific initiatives reduce our environmental impact. (See the 2020 Alcoa Sustainability Report for details.) <p><i>(Continued on next page)</i></p>

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<p>Environment</p> <p>Principle 7: Businesses should support a precautionary approach to environmental challenges;</p> <p>Principle 8: undertake initiatives to promote greater environmental responsibility; and</p> <p>Principle 9: encourage the development and diffusion of environmentally friendly technologies.</p> <p><i>(continued)</i></p>	<p>Measurement of 2020 Outcomes</p> <ul style="list-style-type: none"> • We reduced our carbon dioxide equivalent emissions by 1.6 percent, energy intensity by 1.1 percent and landfilled waste by 4.2 percent compared to 2019. Our locations in water-stressed areas had a 4.5 percent year-over-year decrease in net water use. • We had 84 percent of our locations certified to the ISO 14001:2015 (environmental management systems) standard. • We expanded our Sustana line of products to include the industry’s first low-carbon, smelter-grade alumina brand called EcoSource™ alumina. • In 2020, we recycled or reused 44.1 percent of our waste, excluding bauxite residue, refining process waste and fly ash. <hr/> <p>Additional Resources</p> <ul style="list-style-type: none"> • 2020 Alcoa Sustainability Report (See the Strategic Sustainability Targets, Enhancing Product Value and Improving Our Footprint sections.)
<p>Anti-Corruption</p> <p>Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.</p>	<p>Assessment, Policy and Goals</p> <ul style="list-style-type: none"> • Our Values include “Act with Integrity.” • We have an Anti-Corruption Policy and supporting procedures for intermediaries; gifts, hospitalities and travel; and charitable contributions. • The Alcoa Code of Conduct and Supplier Standards specifically address corruption. <hr/> <p>Implementation</p> <ul style="list-style-type: none"> • We do not operate any facilities in countries with the lowest rankings on Transparency International’s Corruption Perception Index. • All employees receive annual training on the Alcoa Code of Conduct. • All salaried employees are required to complete anti-bribery training and the annual Business Conduct Survey. • We have an established and comprehensive Ethics and Compliance Program. • Our global network of Integrity Champions helps communicate and reinforce ethical behavior at each of our locations. • We have established procedures and tools for ethics investigations and risk assessments. • Our locations worldwide use the Alcoa Self Assessment Tool (ASAT) to validate that internal controls are in place and functioning as designed to protect the company from risks, including ethics and compliance. • Our third-party supplier due-diligence program includes assessment of anti-bribery and corruption, trade compliance and criminal history. • We have an Integrity Line for employees, suppliers and the general public to report ethical and human rights violations. <hr/> <p>Measurement of 2020 Outcomes</p> <ul style="list-style-type: none"> • In 2020, the Integrity Line fielded 184 submissions, with 2 percent related to corruption issues. Of the total submissions received, 21 percent resulted in disciplinary action, and 47 percent were inquiries or other matters that did not require investigation or substantial follow-up.