



Alcoa

2023 Modern Slavery Statement

Contents

About This Statement	4
Alcoa's commitment to address modern slavery risks	4
Context and purpose of the Global Modern Slavery Statement	4
Leadership Commitment	5
Company Profile	5
Alcoa's structure, operations, supply chains	5
<i>Higher risk supplier locations</i>	6
Entities subject to reporting requirements under Modern Slavery legislation	7
Governance, Policies and Training	8
Policies and standards relevant to modern slavery	8
Governance mechanisms related to anti-slavery initiatives	9
Internal consultation for development, validation and attestation of the statement	9
Training	10
Risk Assessment and Due Diligence	10
Alcoa's approach to assessing and managing modern slavery risks	10
<i>Cause, contribution and linkage to risks</i>	11
Details on due diligence processes, including supplier assessments	11
<i>Forced labor due diligence in the direct workforce</i>	11
<i>Forced labor due diligence in supply chains</i>	12
<i>Independent certification</i>	13
Modern Slavery Risks Identified	14
Supply Chain Transparency and Risk Management	15
Assess (risk screening)	15
Audit	16
Advance	16

Contents con't

Engagement with suppliers	16
Specific actions taken during the reporting period	18
<i>SSC outcomes 2023</i>	20
Remediation Measures	21
Grievances and incident reporting	21
<i>Case study: labor rights controversy management</i>	21
Remediation	22
Corrective actions taken when issues are identified or incidents occur	22
Evaluating Our Effectiveness	24
Ongoing monitoring mechanisms	24
Metrics to measure the impact of anti-slavery efforts	24
<i>Global and regional supplier benchmark</i>	24
Future Focus	26
Appendix	27
Australian Entities	27
Canadian Reporting Entities	29
Norwegian Reporting Entities	29

About This Statement

Alcoa's commitment to address modern slavery risks

In this Global Modern Slavery Statement, Alcoa reports on the management approaches we undertook in our global and domestic operations and supply chains to assess and address modern slavery risks during the January 1, 2023, to December 31, 2023, reporting period (**Global Modern Slavery Statement**).

Our values commit us to:

- Act with Integrity
- Operate with Excellence
- Care for People
- Lead with Courage

This Global Modern Slavery Statement sets out how Alcoa's values underpin our policies, procedures and actions to assess and address modern slavery risks and set the expectation for how we endeavor to operate around the globe, in every aspect of our business and in every market.

All references in this Global Modern Slavery Statement to "Alcoa", "the Company", "we", "us" and "our" refer to Alcoa Corporation and its controlled entities, including those entities listed at page 19 and 20 of this Global Modern Slavery Statement, as a whole.

Context and purpose of the Global Modern Slavery Statement

The aim of a modern slavery statement is threefold: first, to state a company's intention to eliminate modern slavery from its value chain; second, to outline processes for identifying and addressing possible forced labor in its operations and relationships; and third, where such risks and harms are identified, to seek remedies and prevention measures to avoid recurrences.

This is Alcoa's first global modern slavery statement, designed to meet the legislative reporting requirements of Australia, Canada and Norway in the reporting period. It builds on reporting that Alcoa of Australia Limited has previously produced annually since 2020 in compliance with the *Modern Slavery Act 2018 (Cth)*.

Leadership Commitment

Alcoa's Board of Directors is ultimately responsible for verifying that appropriate procedures are in place to identify, assess, manage, remediate and report any modern slavery risks in accordance with relevant human rights and modern slavery legislation in the areas where we operate. Alcoa's Executive Team is responsible for managing modern slavery risks within our business.

Company Profile

Alcoa's structure, operations, supply chains

Alcoa Corporation is headquartered in Pittsburgh, Pennsylvania, USA, with major assets located within the United States of America, Australia, Brazil, Spain, Canada, Iceland and Norway. Alcoa Corporation is listed on the New York Stock Exchange and is led by Alcoa Corporation's board of directors and management team. It has wholly- and jointly owned subsidiaries in Africa, Australia, Europe, North America and South America.

Alcoa is a global leader in bauxite mining, alumina refining and aluminum casting and smelting, dating back more than 135 years. As of December 31, 2023, Alcoa has direct and indirect ownership in five active bauxite mines, seven refineries, 14 smelters, and six energy assets, employing approximately 13,000 direct employees worldwide.

More than 10,000 suppliers in over 240 industries across 83 countries serve our global operations, representing US\$10.8 billion in spend.¹ These suppliers provide various goods and services required for our operations, including chemical inputs, alloying metals, hydrocarbons, energy sources, transportation, and labor for an array of functions.

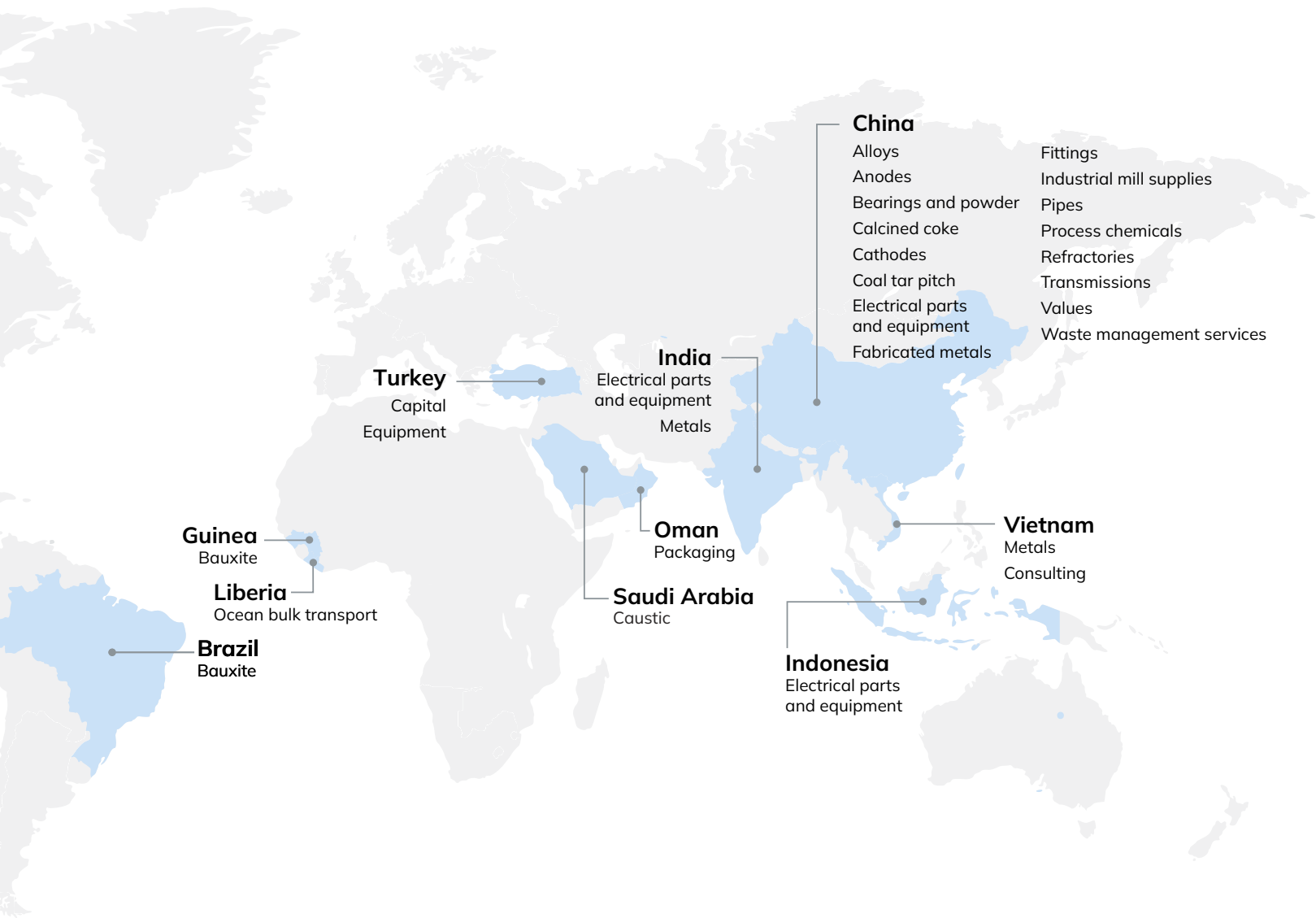
Modern slavery risks exist in every country in which Alcoa operates. In 2023, some of our direct suppliers operated in countries with elevated forced labor risks, according to the [Global Slavery Index](#) (2023) published by Walk Free, which is the most comprehensive dataset of modern slavery available today.² We have identified ten highest-risk sourcing countries in our supply chain: China, Indonesia, Vietnam, Oman, Guinea, Liberia, Brazil, Turkey, Saudi Arabia and India. As of March 2022, Alcoa no longer engages with entities associated with Russia.

¹ Information sourced from Alcoa's aggregated database.

² <https://www.walkfree.org>

Higher risk supplier locations

Information sourced from Alcoa's aggregated database.



Entities subject to reporting requirements under Modern Slavery legislation

Alcoa’s policies, standards and supplier programs apply globally across our operations and value chains, and to each of our controlled entities.

Those entities that manage our operating assets within Alcoa Corp that are subject to legislative reporting requirements with respect to modern slavery risks are set out in The Appendix of this Global Modern Slavery Statement. Legislation applicable within the jurisdictions where our operating assets are located include Australia’s *Modern Slavery Act 2018 (Cth)*, Canada’s *Fighting Forced Labour and Child Labour in Supply Chains Act* and Norway’s *Transparency Act*.

Our operating assets within those jurisdictions include:

Australia	Canada	Norway
<i>Alcoa World Alumina and Chemicals (AWAC) Joint Venture</i>	<i>Joint ventures and wholly owned subsidiaries of Alcoa Wolinbec Company, Alcoa – Aluminerie de Deschambault LP, and Alcoa Canada Co</i>	<i>Wholly owned subsidiaries of Alcoa Norway AS</i>
Two dedicated port facilities located in Western Australia (Bunbury and Kwinana)	Three aluminum smelters (Baie Comeau, Bécancour, Deschambault)	Two aluminum smelters (Lista and Mosjøen)
Two bauxite mines located in Western Australia (Huntly and Willowdale)		
Three alumina refineries located in Western Australia (Kwinana, Pinjarra and Wagerup)		
One aluminum smelter located in Victoria (Portland)		
Two farmland sites located in Western Australia (Pinjarra and Wagerup)		

We also maintain closed operations within Australia, for the purposes of ongoing decommissioning, remediation and rehabilitation at our Point Henry Site (aluminum smelter and rolling mill) and our Anglesea site (coal mine and power station).

Outside of these jurisdictions, Alcoa has personnel employed in office settings and within our non-operated joint ventures in the United Kingdom and the Netherlands. These countries also have modern slavery reporting requirements pursuant to the *Modern Slavery Act 2015 (UK)* and the Dutch *Child Labor Due Diligence Act*. Alcoa's entities within these jurisdictions do not meet the revenue or personnel

thresholds for reporting under the applicable legislation. However, related supplier risks within these jurisdictions are documented in this Global Modern Slavery Statement as a matter of comprehensiveness and transparency.

In some instances, Norway's supplier data is merged with supplier data for the European region because a large portion of critical materials and services provided to our Norwegian operations are sourced regionally. Our active European operations include the two Norwegian assets being an aluminum smelter in Iceland, and an alumina refinery in Spain.

Governance, Policies and Training

Policies and standards relevant to modern slavery

Our [Code of Conduct and Ethics](#), [Human Rights Policy](#), and [Supplier Standards](#) form the basis of our approach to modern slavery.

Our Code of Conduct and Ethics sets forth expectations regarding how we conduct business worldwide, consistent with our values and applicable laws and regulations.

The **Human Rights Policy** outlines Alcoa's respect for the fundamental human rights of our workers, communities, and supply chain contributors. It prohibits the use of all forms of forced labor, including prison labor, indentured labor, bonded labor, military labor, slave labor, child labor, and any form of human trafficking. Respecting human rights is an active responsibility,

requiring that we conduct due diligence to identify, monitor and remediate impacts on rightsholders affected by our operations and supply chains.

Our Supplier Standards outline our expectations for all businesses and suppliers that work with us. They are publicly available on our website and form part of our tender documentation and contracts. They set expectations around wages, labor rights, and grievance mechanisms. In 2023, Alcoa established a new Contractor Management Standard, which covers contractor work management, safety, productivity, and governance. It will be rolled out in 2024.

In addition to these key instruments, Alcoa's Anti-Corruption Policy and corresponding procedures prohibit Alcoa, or any third party acting on Alcoa's behalf, from engaging in corruption including coercion or fraud, which are indicators of forced labor risk when deployed in contractor agreements.

Governance mechanisms related to anti-slavery initiatives

Our Vice President of Global Procurement and Transportation is responsible for managing modern slavery risks within our supply chain. Our Director of Human Rights is responsible for implementing and monitoring our human rights program globally. Our approach to responsible sourcing and supplier sustainability across the value chain is managed by our Director of Responsible Sourcing. Our procurement practices support our entire product lifecycle, from exploration to delivery.

Our Risk Management Framework governs our risk management approach, including modern slavery risk assessment. Blending Enterprise Risk Management and Operational Risk Management, we identify and evaluate a broad spectrum of risks across all aspects of our business.

Our Responsible Sourcing Framework and Supplier Sustainability Program form a risk-based system for gathering intelligence to identify, select, contract, and manage the goods and service providers that we engage.

Affected or other concerned parties can report modern slavery risks to our Integrity Line. The Integrity Line is an independent reporting and grievance line available to workers and communities across all our global operations. Directions for accessing and using the Integrity Line are available in all our operating languages, on our website and intranet.

Internal consultation for development, validation and attestation of the statement

Assessing and reporting modern slavery risks is a multi-departmental task spanning operations, external affairs, risk management, and procurement functions, coordinated under our globally dispersed **Human Rights Council**. The Human Rights Council defines and implements management systems that enable us to respect individual and collective human rights across our operations and supply chains. It includes representatives from each region and function, and it is co-chaired by the Vice President of Sustainability and the Director of Human Rights.

This Global Modern Slavery Statement was developed in coordination across Alcoa's responsible sourcing, human rights, and ethics and compliance programs, with additional support from our sustainability and legal teams. Initial reviews and approvals were provided by the Human Rights Council in October 2023, followed

by vice president reviews in November, data updating in January 2024, incorporation of end-of-year findings from on-site audits in January to March 2024, Executive Team review as well as validation and attestation by decision-making bodies in Australia and Canada in June, 2024, culminating in publication in the third quarter of 2024.

Prior to submission, the Global Modern Slavery Statement was approved by the Alcoa of Australia Limited board of directors and signed by our Vice President of Operations Australia (as the responsible member) as required pursuant to the *Modern Slavery Act 2018 (Cth)*. It is also reviewed by the governance bodies of Canadian entities controlled by Alcoa.

Training

All employees are required to undertake annual training on Alcoa's Code of Conduct, which includes references to human rights. Additionally, Alcoa's procurement team

has developed an internal Procurement University with modules addressing responsible sourcing, human rights awareness, modern slavery, and chain of custody. In 2023, the procurement department supported team members to undertake SA8000 training as preparation to conduct field audits as part of the Supplier Site Collaboration program.

In 2021, the Human Rights Council developed a three-year implementation plan to deploy the Human Rights Management Standard, commencing with multi-tiered training activities. Recognizing gaps in the Human Rights Management Standard, Alcoa has planned a revision to the implementation framework and timeline for 2024. The previous and current plans include a workstream dedicated to improving awareness of human rights issues and building our capacity to manage these risks appropriately.

Risk Assessment and Due Diligence

Alcoa's approach to assessing and managing modern slavery risks

Alcoa conducts human rights due diligence through both internal and third-party processes. All operations have been screened for severe human rights risks, to prioritize sites for independent third-party human rights due diligence. In 2023, we commissioned or completed independent human rights due diligence at three sites in Brazil, two sites in Norway and one site in Spain. Independent human rights due diligence was conducted and updated across our Western Australian operations in 2019, and in 2022. We also have an internal human rights assessment process, which is under review for an update.

We assess (screen), audit, and monitor our suppliers' advancement in sustainability practices, identifying country-specific and industry-wide risks, as well as supplier-specific environmental, social and governance (ESG) performance. Our external third-party supply chain tracing platform provides individual company profiles, ongoing monitoring, and broader analysis. With this data, we prioritize heightened due diligence for those suppliers that pose the greatest ESG risks, including human rights concerns. Heightened due diligence may include process, procedure, and performance audits, and/or site-level in-person field audits.

Cause, contribution and linkage to risks

Our modern slavery risks are heightened in certain sociopolitical contexts and industries where we, or our suppliers, operate. We evaluate modern slavery risks in our operations and supply chain, using the concepts of causation, contribution and direct linkage, which are enumerated in the UN Guiding Principles on Business and Human Rights. These concepts are defined as follows:

- A company may *cause* an impact on worker welfare by directly establishing the conditions of risk through weak policies, procedures or oversight in workforce hiring.

- A company may *contribute* to an impact by indirectly establishing the conditions of risk, for example, by setting budgets for contracts that are insufficient to cover the cost of adequate working conditions or to hire an adequately skilled adult workforce.
- A company may be *directly linked* to modern slavery through a third-party contractor or investment, for example, if the third party engages in forced labor despite safeguards in place, or through partnership with a state-owned entity incapable of issuing secure and verifiable identity documents to conduct systematic age and/or work eligibility verification.

Understanding whether Alcoa causes, contributes to, or is merely linked to a risk or impact informs our approach to mitigation and remediation.

Details on due diligence processes, including supplier assessments

Forced labor due diligence in the direct workforce

We conduct human rights impact assessments using the concept of proportionality laid out in the UN Guiding Principles on Business and Human Rights, under methodologies aligned with the guidelines outlined by the Danish Institute for Human Rights.

Assessments begin with a document review, including records related to health and safety risks, payroll data, site-level supplier protocols, and contextual security data. Additional documents are gathered during fieldwork, which includes direct observation as well as interviews and group discussions with employees, contractors, managers, community members, and potentially vulnerable people (for example, immigrants, women, ethnic minorities, etc.). We rank human rights concerns based on the extent and intensity of a potential impact. We also rank risks using a severity and likelihood matrix. Identified risks are reported to the relevant managers responsible for mitigation, management and remediation.

Alcoa's independent and internal human rights due diligence processes have verified that worker wages, benefits, protections and ages meet human rights expectations and do not reflect conditions of modern slavery or forced labor. Alcoa's onboarding process includes verification of all workers' job types, skill levels, working hours, and entitlements to benefits. Child labor risks are, likewise, controlled in our operations by our onboarding process, which rigorously verifies worker ages. Alcoa's apprenticeships, in countries where such programs exist, are restricted to students aged 18 and older for floor-level work. Apprentices are compensated in accordance with minimum wage requirements or collective bargaining agreements, as dictated by local law. Bonded labor is not a risk in Alcoa's direct operations; there

are no recruitment fees, behavior-based fines, or other worker debts incurred to Alcoa. Alcoa respects the right to unionize for all direct employees and contracted workers, worldwide. Labor protections are established through collective bargaining agreements that align with local laws. At non-unionized facilities, working conditions are benchmarked against unionized workforces in the industry and region.

Forced labor due diligence in supply chains

Temporary laborers and contractor workers pose our most significant risks of forced labor on site. These risks are managed through several interventions: (1) an active effort to integrate temporary workers into the permanent workforce; (2) audits of high-risk contractors globally (see **"Engagement with suppliers"** for more details), to validate that working conditions align with the expectations laid out in contractual agreements; and (3) regular screening through various supply chain management tools.

Additional due diligence is conducted in Canada, where all contractors and their laborers are registered in Cognibox, a supplier management service. In addition to verifying and safeguarding identity documents, the software provides skills and training monitoring, and other relevant information to maintain workers' safety and protections on site.

Independent certification

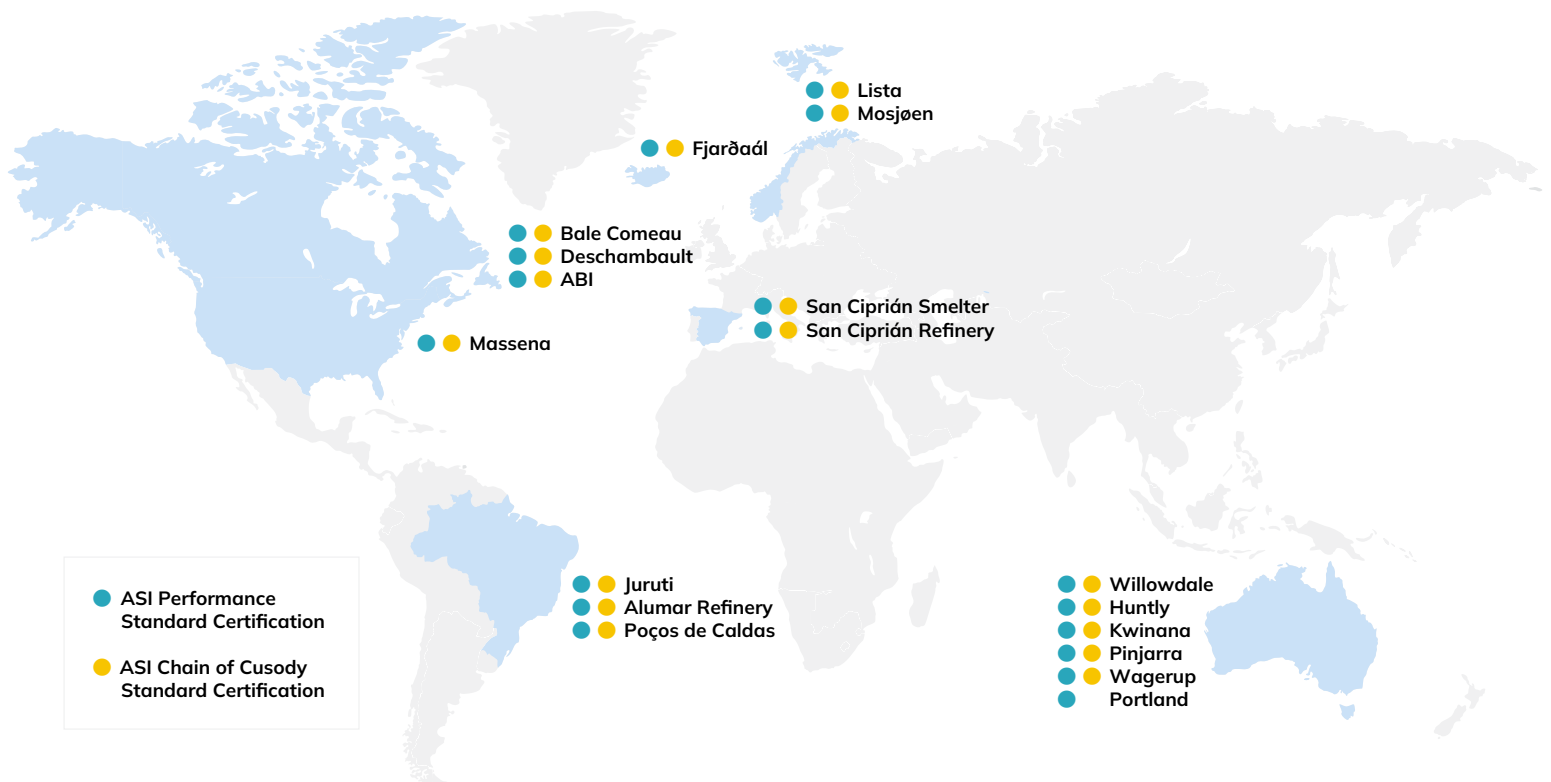
Our commitment to prevent modern slavery is reinforced through our participation in industry-leading multi-stakeholder initiatives. As members of the Aluminum Stewardship Initiative (ASI), we have achieved ASI certification for our global enterprise at the corporate level, as well as facilities-level Performance Standard certifications at 18 operations, and Chain of Custody certifications at 17. Field-based human rights assessment is carried out on a schedule aligned to our ASI audit

recertification calendar, thus assuring that every certified site is evaluated in detail for forced labor risk at least every three years.

Our participation in the International Council on Mining and Metal (ICMM), London Metals Exchange (LME) Responsible Sourcing, Dow Jones Sustainability Index (DJSI), and the EcoVadis Corporate Social Responsibility (CSR) Assessment contributes to our broader effort to operate sustainably and prevent human rights risks in our operations and supply chain.

Alcoa operations with ASI certifications

Last updated in November 2023. Portland to be added to the Chain of Custody Certification in Q2 2024.



Modern Slavery Risks Identified

Combining the geographical and industry-specific risks of each goods and services provider, Alcoa has identified ocean transportation and process chemicals as areas of higher risk at a global scale. Heightened risks specific to each of our operating regions is outlined in the following table.

Country	Number of suppliers ³	Top supplier categories by spend ⁴	Top supplier categories by context / industrial risk ⁵
Global	10,044	Energy	Ocean transportation
		Facility maintenance	Facilities management
		Alloys	Caustic soda
		Alumina	Alumina and bauxite ⁶
		Maritime transportation	Silicon
Australia	2,140	Energy	Process chemicals
		Caustic soda	Caustic soda
		Facility maintenance	Refractories
		Mobile equipment	
Canada	1,202	Transportation	
		Energy	Anodes
		Anodes	Cathodes
		Facility maintenance	Calcined coke
		Calcined coke	Alloys
Brazil	2,974	Mobile equipment	
		Facility maintenance	Alumina
		Fuel	Alloys
		Caustic soda	Facility maintenance
		Alloys	Industrial mill supplies
Norway & Europe	1,813	Mining support services	
		Energy	Alloys
		Alloys	Calcined coke
		Facility maintenance	Cathodes
		Calcined coke	Industrial mill supplies
USA	1,593	Coal tar pitch	
		Alumina	Cathodes
		Energy	Fabricated metals
		Alloys	Process chemicals
		Maritime transportation	Maritime transportation
		Facility maintenance	Alumina

³ Operations conduct sourcing locally for additional goods and services with smaller contracts. Those listed here are linked to global and regional procurement processes. Regional numbers are a subset of the global numbers recorded in row 1 of this table. In some instances, a supplier might be counted more than once if it services more than one region.

⁴ Data in this table draws directly from sales as reported in Oracle and audited by internal audit.

⁵ Risk categorization is produced by the algorithm of our third-party provider. Country risk is factored into the overall risk rating, along with industry risk and other factors. In most cases high country risk triggers an overall high risk rating, which triggers Alcoa's stage-two due diligence.

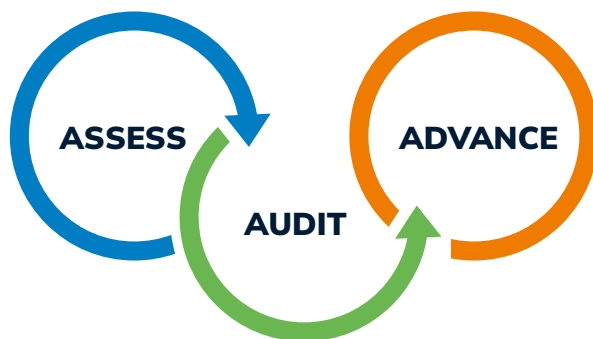
⁶ Because some alumina and bauxite is purchased through traders, the third party algorithm does not flag these suppliers as high-risk. Alcoa has run its own global risk analysis of alumina and bauxite suppliers, tracing material back to individual mines, in recognition of this gap in the third-party algorithm.

Supply Chain Transparency and Risk Management

Because supply chains generate our most substantial modern slavery risks, we have established an oversight process within our Responsible Sourcing Framework, which integrates Risk Assessment, Due Diligence, Transparency, and Risk Management. This is referred to as the Supplier Sustainability Program (SSP).

Alcoa's SSP shapes our supplier selection process to consider human rights, environment, health and safety, sustainability, anti-corruption, quality, financial capacity, technical expertise, and continuous improvement parameters. The SSP consists of three components – assess, audit, and advance. First, third-party Corporate Social Responsibility ratings providers screen our supplier base. Then, higher-risk suppliers undertake a third-party ratings audit or undergo field audit to assess the severity and likelihood of specific identified risks. Finally, we track supplier performance over time to benchmark improvements. The SSP meets the requirements of the LME's Responsible Sourcing Policy, ASI Performance Standard and ASI Chain of Custody Standard.

Three components of the Supplier Sustainability Program



Assess (risk screening)

Screening of our suppliers involves multiple tools. Suppliers are screened for ESG risks on the EcoVadis IQ platform. They are cross-checked against US sanctions lists through a Denied Party Screening process via Descartes MK Denial. Sanctioned companies are not permitted to participate in our supply chain. Intermediaries, traders, and scrap aluminum suppliers are required to complete a TRAC profile through Ethixbase, an online supplier compliance platform. In 2023, we also incorporated data from the Global Slavery Index published by [WalkFree.org](https://www.walkfree.org/) into our screening process. Alcoa uses this screen to identify high-risk suppliers for the SSP audit, as laid out in the next paragraph.

Audit

Suppliers identified as higher-risk undergo SSP audits, which involve completion of third-party ratings assessment. This self-reported assessment covers processes, procedures, risk management outcomes, and media monitoring. This digital, evidence-based audit is specific to the ESG risks associated with the supplier's industry and countries of operations. Suppliers who score below 25⁷ on their ratings assessment are required to complete a corrective action plan and undertake reassessment within 12 months. Suppliers who score 25 or above are asked to complete reassessment every two years. This reassessment aims to track improvement over time.

Advance

Alcoa engages with suppliers through e-learning as well as on-site support for capacity-building. Selected suppliers are invited to participate in the Supplier Site Collaboration (SSC) program, Alcoa's supplier field audit program. Additionally, suppliers are continuously monitored through 360° Watch (which is part of the third-party supply chain tracing platform used by Alcoa, and which monitors positive and adverse media, and human rights controversies from over 100,000 sources).

Where 360° Watch finds red flags, Alcoa drives further advancement through supplier traceability programs TRAC and Relish. These efforts are elaborated further below.

Engagement with suppliers

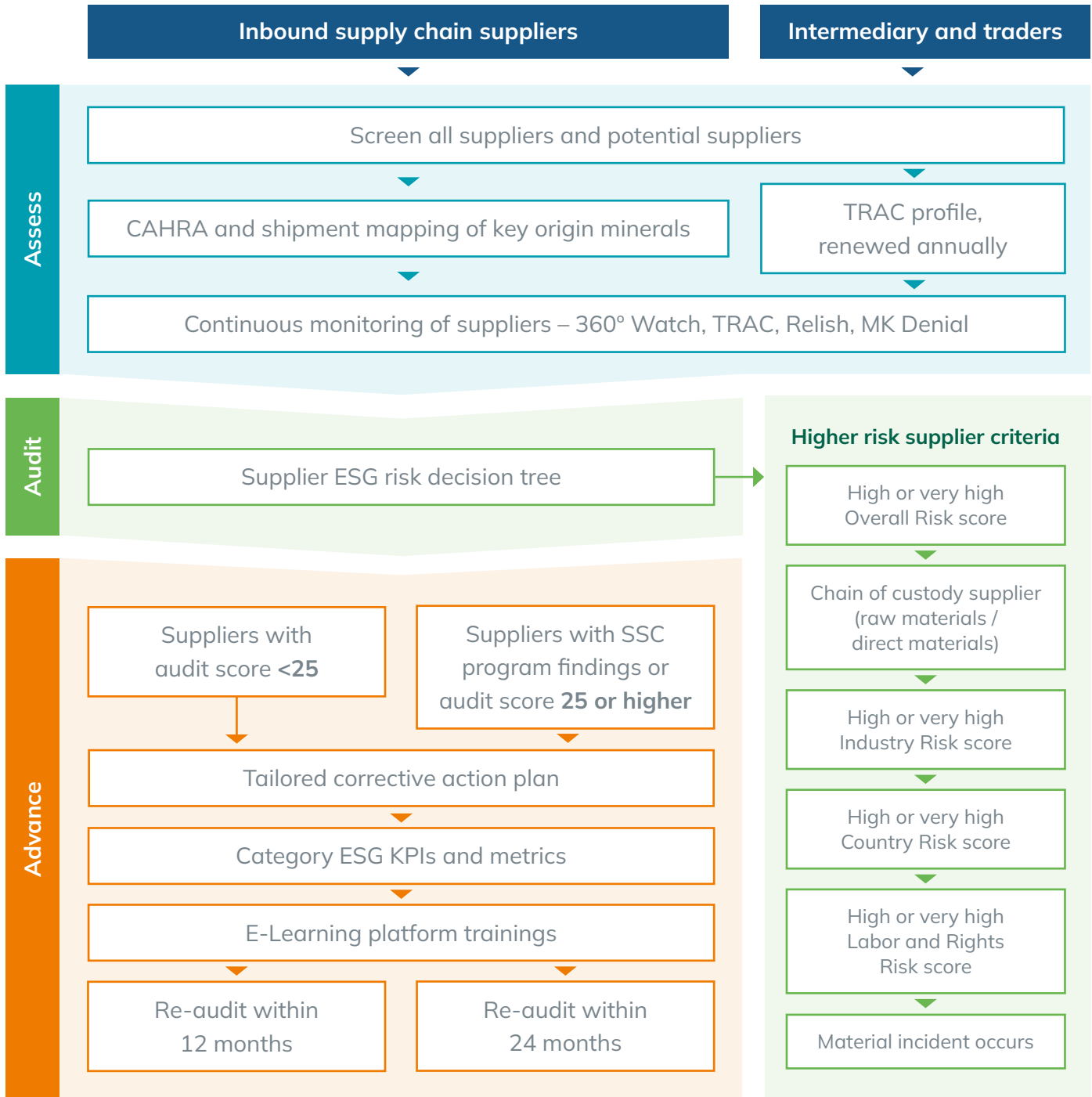
During the "Advance" phase, we work with suppliers to make targeted improvements to lower their human rights risks.

In 2023, Alcoa launched its SSC program, an on-site, in-person audit process conducted by Alcoa personnel. The SSC program protocol leverages the insights and coaching available across all ESG topics identified in supplier ratings assessments and takes guidance from leading social audit standards.

Suppliers can be invited to participate in the SSC program based on three primary criteria: (1) the Supplier scored below 25 in the labor and human rights section of their supplier Ratings Assessment; (2) the Supplier has had a significant finding identified through the 360° Watch monitoring program; or (3) the Supplier is new to Alcoa and operates in a potentially higher risk industry and/or country. Suppliers can also undergo Alcoa's participatory audits if Alcoa has specific cause for concern or for other reasons.

⁷ The scoring scale has three tiers: Good (score 45 – 64); Partial (score 25 – 44); and Insufficient (score 0 – 24)

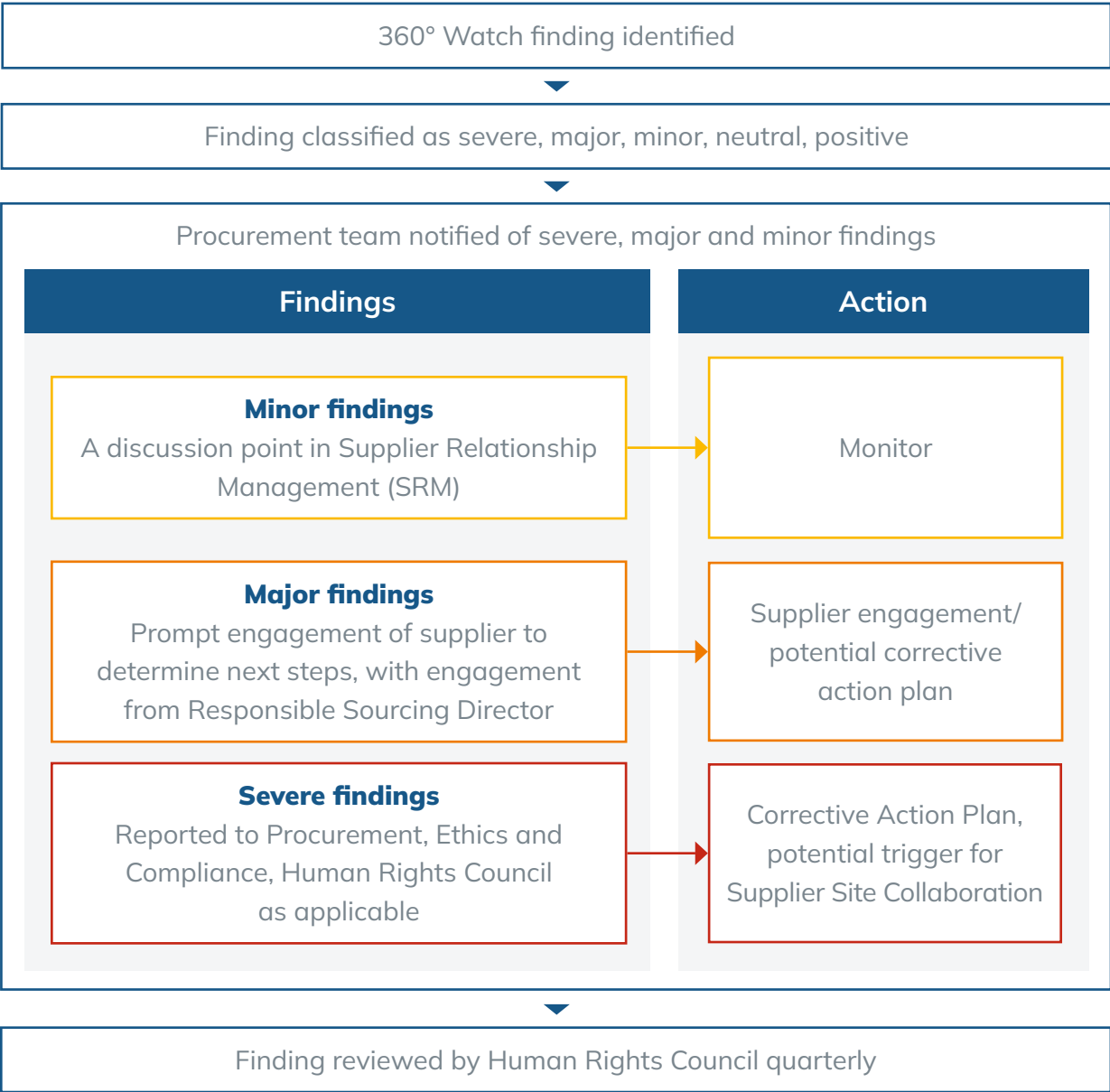
Responsible sourcing process flow



Specific actions taken during the reporting period

When human rights or modern slavery incidents are linked to an Alcoa supplier through 360° Watch, the severity is rated to shape interventions and actions taken by Alcoa. Findings are classified by the 360° Watch provider as Severe, Major, Minor, Under Watch, or Neutral. Severe findings include fatalities and government sanctions; neutral findings including union negotiations or minor legal filings. Alcoa responds to severe, major, and minor findings according to the process depicted in the flow chart below.

Part of the responsible sourcing process – 360° Watch findings



Alcoa used findings from these processes to undertake specific interventions with select suppliers in 2023. Supplier field audits conducted through our SSC program allowed us to verify how our suppliers are implementing their policies and procedures and meeting our expectations. They also enabled us to provide feedback and coaching on their ESG performance, an important part of our commitment to advancing sustainably. In 2023, Alcoa carried out five audits pursuant to the SSC program.

No forced labor conditions were identified through these collaborations. However, the collaborations exposed opportunities for Alcoa to pursue deeper engagement with higher-risk suppliers. Among lessons learned from these collaborations, Alcoa confirmed that the use of Alcoa personnel rather than third party auditors contributed to collaborative and transparent engagement, as suppliers felt supported rather than critiqued by the processes. SA8000 training gave our personnel confidence and competence to conduct the collaborations.

While contractor owners and managers are our most common points of contact, collaborations revealed that employee and subcontractor interviews provided the greatest insights, particularly when an independent translator facilitated discussions with non-Anglophone workforces. Site-based audit found that some suppliers were successfully using technology platforms to overcome language and cultural barriers to increase transparency and reporting within the workforce.

We also found that our audits can and should be tailored by industry. For example, interviews with vessel surveyors were key to understanding human rights risks in maritime transportation. These interviews also established relationships, presenting an opportunity to conduct regular check-ins. We have learned that forced labor practices can occur more frequently during night and weekend shifts in contractor workforces, thus audits should include site visits during non-business hours.

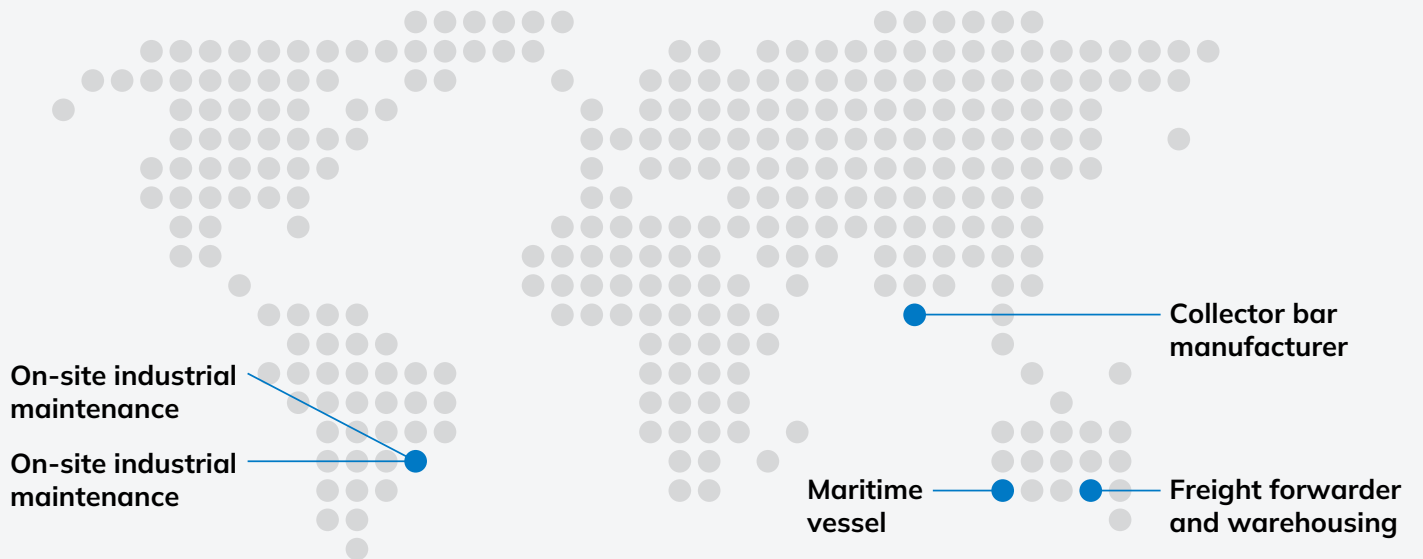
Finally, we found that being present to help identify ESG gaps at supplier sites created opportunities for us to support suppliers to fill gaps and improve performance. Suppliers valued our feedback and guidance on how to improve operational conditions as well as supplier rating assessment scores.

SSC outcomes in 2023

Responsible sourcing performance indicators



2023 SSC supplier location and industries



In addition to engagement through SSCs, Alcoa also initiated engagement with suppliers in response to findings of red flags or human rights controversies identified in our various monitoring and tracking systems. Monitoring efforts undertaken in the 360° Watch component of our SSP uncovered three labor rights controversies within our supply chain in 2023. These included two incidents in North America and one in South America. All were classified as ‘minor’, resulting in action plans commensurate to the identified gaps. Components of such action plans are elaborated below under **Remediation**.

Case study: labor rights controversy management

In 2023, the 360° Watch program did not identify any severe human rights controversies in our direct supply chain. However, one of our suppliers had a severe flag in a separate industry within its global business activities. Alcoa contacted the flagged supplier to learn about the incident, including the process that led to its discovery and the proposed remedy. This was followed by an internal evaluation to determine whether similar risks were present within the supplier’s operations that contribute to Alcoa’s supply chain. The geography, industry and personnel requirements of the subsidiary from which we source were found not to pose comparable risks of forced labor.

Remediation Measures

Grievances and incident reporting

Alcoa’s company-wide and site-level grievance mechanisms are available to workers, suppliers, contractors, community members and all other concerned parties. Through trainings and worksite communications, we encourage employees, contractors, and suppliers to report issues or concerns through our confidential Integrity Line. Managed by a third-party, Navex Global, the Integrity Line is available to anyone, including suppliers and their employees within our supply chain. Calls are free of charge, and the service is accessible 24/7 in multiple languages. Reports can be submitted anonymously by phone or online. The reporting process unfolds as follows:

- Navex Global provides a case number to the reporter (complainant). This number allows the reporter to check for updates by phone or via the service’s website.
- While anonymity is optional, all reporters’ confidentiality is protected throughout the investigation, except as required by law.

- All issues and concerns reported through the Integrity Line are promptly directed to our global E&C team.
- The E&C team confirms receipt of the report within 48 hours.
- The E&C team then determines the most appropriate method of investigation and whether the matter should be handled locally, regionally or at the corporate level.
- Investigations determine whether an allegation can be substantiated. Where substantiated, response and remediation are ordered.

To assess the effectiveness of our Integrity Line, we rely on Navex Global's annual Ethics and Compliance Hotline Benchmarking Report. This study contains metrics for report volume, report allegation categories, anonymous versus named reports, follow-up and substantiation rates, case closure times, and intake methods.

Expanding on the function of the Integrity Line, Alcoa is also developing approaches for responding to queries and information requests at the regional and site level. Critical issues like modern slavery will continue to be escalated to the appropriate levels. Operations-level grievance mechanisms are being established across all sites, through collaboration among Alcoa's Social Performance, Ethics and Compliance (E&C) and Human Rights functions, in a designated workstream within the Human Rights Council.

Remediation

Alcoa's Human Rights Policy sets out requirements for effective remediation should we cause or contribute to an actual human rights impact. We endeavor to identify potential adverse impacts on human rights through our SSP, human rights due diligence, and grievances mechanisms. Improvements are initiated through corrective action plans, which may include the establishment of new oversight procedures, key performance indicators, and/or training requirements carried out in e-learning modules.

Corrective actions taken when issues are identified or incidents occur

Remediation of forced labor requires tailored approaches. Alcoa collaborated with the Human Rights Resources and Energy Collaborative (HRREC), Walk Free and peer companies in the extractive sector to develop a Modern Slavery Response and Remedy Framework for addressing modern slavery in corporate value chains. This framework is integrated into our responsible sourcing approaches.

Cross-industry collaboration

Chaired in Australia, HRREC is comprised of the major resources and energy sector companies in the world and is supported by the anti-slavery not-for-profit [Walk Free](#). During 2023, HRREC focused on sharing knowledge about field audit approaches and the use of technology to support related efforts. Some of this knowledge sharing took place at the 2023 Modern Slavery Conference hosted by the Australian Government and attended by the collaborative.

In our 2023 engagement activities with suppliers, we did not identify forced labor, but we documented transparency issues. We found that employees of on-site industrial maintenance suppliers were not aware of grievance procedures and that, in some cases, grievance mechanisms were not readily available. Alcoa established a corrective action plan to establish and implement a communication and awareness program for an employee grievance mechanism. We also asked the supplier to undertake targeted online training pertinent to labor and social practices. We recommended that industrial maintenance suppliers, maritime vessel contractors, manufacturers and warehousing contractors pursue additional activities, including issuing written contracts for all employees, regardless of legal requirements, and developing and disclosing company ESG targets.

Our contractor engagement also exposed opportunities for Alcoa to improve its internal forced labor controls. These included the recommendation that we carry out security risk workshops pertinent to modern slavery scenarios; increase collaboration with seafarers' associations to ensure shore leave and access to purchase discretionary provisions; establish and communicate grievance mechanisms including digital tools; improve housekeeping for occupational health and safety; and perform regular drills simulating health and safety incidents and events.

Evaluating Our Effectiveness

Ongoing monitoring mechanisms

All SSP data is analyzed, allowing the continuous monitoring of program KPIs, supply chain risk, performance over time, and industry and/or operations-based assessments to identify actionable insights.

While we have endeavored to establish safeguards intended to eliminate the risk of forced labor or modern slavery, we recognize that there are complex barriers for people in conditions of forced labor and modern slavery to bring complaints. Our focus remains on identifying and addressing potential modern slavery in our supply chain, where processes are continually updated to best identify and manage risks. The effectiveness of our actions undertaken through the Responsible Sourcing Framework are measured and monitored at the executive level through the following KPIs.

Metrics to measure the impact of anti-slavery efforts

To assist in identifying ways to improve our program effectiveness and efforts, Alcoa undertakes the supplier ratings assessment annually. The ratings assessment includes a numeric performance score alongside a qualitative strengths and weaknesses report. Independent performance assessment metrics help Alcoa track progress in achieving supply chain transparency as well as supplier human rights performance.

Our suppliers are demonstrating continuous improvement, including an increase in the number of suppliers that have developed their own responsible sourcing programs and grievance mechanisms.

Global and regional supplier benchmark

Data in the table below is derived from our internal database as well as the analysis produced by EcoVadis, which enables us to benchmark against other business enterprises worldwide.

	Global		Australia		Europe Including Norway		North America		South America	
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023
Number of suppliers assessed	9,072	10,044	2061	3106	3101	2676	2979	2145	1859	1819
Number of higher risk suppliers	127	321	19	45	35	38	3236	24	25	26
Number of suppliers third-party audited	1,016	907	168	408	349	170	160	158	270	240
% of Annual Spend third-party audited	47%	51%	51%	45%	52%	50%	59%	50%	54%	42%
Average audit score	50.9	50	53	50.6	50	49.7	49	51.5	55.7	54.3
% of suppliers with a score >25	99	99%	97%	99%	100%	99%	100%	99%	99%	99%
% of suppliers who improved score YoY	69%	63%	61%	70%	65%	67%	54%	61%	72%	65%
Labour and Human Rights Audit Score	53.4	54.4	53.9	52.9	53.9	51.7	53.1	54.1	57.9	58.4
EcoVadis benchmark score for Labour and Human Rights	47.4	48.8	47.4	47.4	48.8	47.7	48.8	48.8	47.7	48.8
Program Advance Insights										
# of Audited Suppliers with their own Responsible Sourcing Program	449	381	60	198	145	61	62	58	130	116
# of Audited Suppliers with their own grievance mechanism/whistleblower procedure	632	510	109	282	223	81	71	91	160	125
# of Audited Suppliers who have completed an e-learning Labour and Human Rights training module	65	51	9	23	26	10	6	5	23	14

Source: EcoVadis

Future Focus

Combating modern slavery is an ongoing effort. Alcoa is committed to strengthening and refining our processes to best identify, verify and prevent modern slavery risks in our operations and supply chains, and address actual and potential harms wherever they occur. In 2019, Alcoa commissioned an analysis of its maturity in combating modern slavery and has been benchmarking related progress since then.

Our future aims include validating current approaches to retaliation and reprisal risks. Training of all personnel, and strengthened processes for engaging with contractors, are core to this effort. We also aim to bolster the robustness of our supply chain maps to better understand forced labor risks in small-value, local contracts, and to expand our visibility into additional tiers of the supply chain.

We continue to gain insights into higher-risk services like catering, construction, maintenance, and janitorial work. On-site human rights due diligence by our Human Rights Director and external human rights experts commenced in 2023 at select South American and European operations. This work will continue in 2024 and be elaborated in future communications.

Ultimately, we believe that understanding modern slavery risks will empower us to protect workers and make our operations more resilient, better enabling us to operate according to our core values.

Appendix

Australian Entities

Reporting Entity	ACN	Registered Address	Principal Activities/ Overview of Operation	Effective Interest %
Alcoa of Australia Limited	000 364 992	181-205 Davy Street, Booragoon WA 6154	Mining, refining, smelting, casting	Alcoa of Australia Limited is owned by Alcoa World Alumina and Chemicals (AWAC), an unincorporated global joint venture between Alcoa Corporation and Alumina Limited. Alcoa Corporation owns 60%, and Alumina Limited owns 40% of AWAC.
Alcoa Australia Holdings Pty Ltd	096 987 370	181-205 Davy Street, Booragoon WA 6154	Shareholding	60% shareholding in Alcoa of Australia Limited. Ultimate holding company is Alcoa Corporation.
A.F.P. Pty Ltd	004 513 599	181-205 Davy Street, Booragoon WA 6154	This entity is not involved in the operational or supply chain making decisions of the group and its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Alcoa of Australia Limited.
Alcoa Portland Aluminium Pty Ltd	006 306 752	181-205 Davy Street, Booragoon WA 6154	This entity is a 100% owned subsidiary of Alcoa of Australia Limited and acts as the manager for the Portland Smelter. The Board of Directors of Alcoa Portland Aluminium Pty Ltd wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Alcoa of Australia Limited.
Eastern Aluminium Pty Ltd	062 841 007	181-205 Davy Street, Booragoon WA 6154	Non-operational; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	89.27% owned by Alcoa of Australia Limited and 10.73% owned by A.F.P. Pty Ltd.
Hedges Gold Pty Ltd	005 592 067	181-205 Davy Street, Booragoon WA 6154	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by A.F.P. Pty Ltd.

Australian Entities con't

Reporting Entity	ACN	Registered Address	Principal Activities/ Overview of Operation	Effective Interest %
ACAP Australia Pty Ltd	058 452 556	181-205 Davy Street, Booragoon WA 6154	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by A.F.P. Pty Ltd.
Eastern Aluminium (Portland) Pty Ltd	067 391 824	181-205 Davy Street, Booragoon WA 6154	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Eastern Aluminum Pty Ltd.
Alcoa Energy Holdings Australia Pty Ltd	110 752 808	181-205 Davy Street, Booragoon WA 6154	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Alcoa of Australia Limited.
Alcoa Share Plan Administration Pty Ltd	065 591 657	181-205 Davy Street, Booragoon WA 6154	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Alcoa of Australia Limited.

Canadian Reporting Entities

Reporting Entity	Business Number	Registered Address	Principal Activities/ Overview of Operation	Effective Interest %
Alcoa Canada Co	1140329104	2310-1 Place Ville-Marie Montréal (Québec) H3B3M5	Ownership of smelting and casting at Baie-Comeau	100% owned by Alcoa Corp
Aluminerie de Deschambault LP	1160470473	1, boul. Des Sources	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Eastern Aluminum Pty Ltd.
Deschambault-Grondines (Québec) GOA1S0	Ownership of smelting and casting at Deschambault	100% owned by Alcoa Corp	This entity is not involved in the operational or supply chain making decisions; its Board of Directors wholly consists of directors who are also directors of Alcoa of Australia Limited.	Wholly owned by Alcoa of Australia Limited.
Alcoa Wolinbec Company ULC	835018961		Ownership of smelting and casting at Bécancour	100% owned by Alcoa Corp; Wolinbec, Alcoa Canada, Reynolds Bécancour are all Alcoa subsidiaries that jointly own 74.9% of the Aluminerie de Bécancour

Norwegian Reporting Entities

Reporting Entity	Business Number	Registered Address	Principal Activities/ Overview of Operation	Effective Interest %
Alcoa Norway AS	928 825 345	Havnegata 40	Ownership of smelting and casting at Baie-Comeau	100% owned by Alcoa Corp

