
ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

ALCOA

CERTIFICATE
NUMBER

39

ASI
STANDARD

PERFORMANCE
STANDARD
(V2 2017)

CERTIFICATION
LEVEL

FULL
CERTIFICATION

ASI
ACCREDITED
AUDITOR

DNV GL

DATE OF ISSUE

18 JULY 2019

DATE OF EXPIRY

17 JULY 2022

CERTIFIED SINCE

18 JULY 2019

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'John' or similar, written over a white background.

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*Validity of this Certificate is subject to continued
conformance with the applicable ASI Standard
and can be verified at*

www.aluminium-stewardship.org

CERTIFICATION SCOPE

Alcoa San Ciprián Smelting, including baking
furnace and administrative facilities.

SUMMARY AUDIT REPORT PERFORMANCE STANDARD

OVERVIEW

MEMBER NAME	Alcoa
ENTITY NAME	Alcoa San Ciprián Smelter
CERTIFICATION SCOPE	Alcoa San Ciprián Smelting, including baking furnace and administrative facilities.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none">Aluminium smeltingCasthouse
ASI STANDARD	<ul style="list-style-type: none">Performance Standard V2
AUDIT TYPE	<ul style="list-style-type: none">Certification Audit
AUDIT FIRM	DNV GL
AUDIT DATE	6 – 10 May 2019
AUDIT REPORT SUBMISSION	2 July 2019
AUDIT SCOPE	<p>Alcoa San Ciprián Smelting, including baking furnace and administrative facilities.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none">Aluminium smeltingCasthouse <p>All relevant criteria in the ASI Performance Standard were included in the audit scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none">Certification

AUDIT
METHODOLOGY
DECLARATION

The Auditors confirm that:

- The information provided by the Entity is true and accurate to the best knowledge of the Auditor(s) preparing this report.
- The findings are based on verified Objective Evidence relevant to the time period for the Audit, traceable and unambiguous.
- The Audit Scope and audit methodology are sufficient to establish confidence that the findings are indicative of the performance of the Entity's defined Certification Scope.
- The Auditor(s) have acted in a manner deemed ethical, truthful, accurate professional, independent and objective.

CERTIFICATION
PERIOD

18 July 2019 – 17 July 2022

NEXT AUDIT
TYPE

Recertification Audit

NEXT AUDIT
DUE DATE

17 July 2022

CERTIFICATE
NUMBER

39

SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	The Entity has implemented a system to ensure legal compliance, with the appointment of a competent legal team across organizational functions. The Entity has defined policies and procedures to ensure the identification of risks and compliance with the applicable legislation.
1.2 Anti-Corruption	Conformance	The Entity has defined policies and procedures to identify and manage risks against Corruption in all its forms, including Extortion and Bribery, consistent with Applicable Law and prevailing international standards. The defined processes affect all employees in the Entity and subcontractors. It was evidenced that the Entity has not received any notification or penalty related to violations of laws in the last 5 years specifically related to anti-bribery and corruption or anti-competitive behaviour. https://www.alcoa.com/global/en/who-we-are/ethics-compliance/anti-corruption.asp
1.3 Code of Conduct	Conformance	A code of conduct has been defined and communicated to all interested parties, covering all the key aspects of the business, business activities, conflicts of interest, relations with customers and suppliers, and compliance with Human Rights. The code of conduct is reviewed regularly. https://www.alcoa.com/global/en/who-we-are/ethics-compliance/default.asp and https://www.alcoa.com/global/en/who-we-are/ethics-compliance/code-conduct.asp
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	The Entity has established a policy consistent with environmental, social, and governance practices included in the ASI Performance Standard at local and global levels. The Entity holds valid ISO 14001 and OHSAS 18001 certificates. Corporate policies are also available: Global EHS Policy: https://www.alcoa.com/sustainability/en/environment-health-safety.asp Alcoa Human Rights Policy: https://www.alcoa.com/global/en/who-we-are/ethics-compliance/human-rights-policy.asp

CRITERION	RATING	COMMENT
		The policies are properly communicated internally and externally.
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	The Entity's senior management supports the Environmental, Social, and Governance policies through the provision of resources and periodic reviews of the policies.
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	The Entity communicates the policies internally and externally as appropriate and through multiple channels: https://www.alcoa.com/sustainability/en/environment-health-safety.asp
2.2 Leadership	Conformance	In accordance with the ASI Performance Standard as well as their Environmental and Health & Safety Management System, the Entity has nominated Senior Management Representatives as having overall responsibility and authority for ensuring conformance with this Standard.
2.3a Environmental and Social Management Systems (environmental)	Conformance	The Entity has an environmental management system and holds a valid ISO 14001:2015 certificate.
2.3b Environmental and Social Management Systems (social)	Conformance	The Entity has a social responsibility management system informed by internal and external stakeholder engagement.
2.4 Responsible Sourcing	Conformance	The Entity has a programme for responsible sourcing as part of its purchasing process. The Entity integrates environmental and health and safety evaluation criteria in their supplier selection process. Policies are available at https://www.alcoa.com/global/en/who-we-are/ethics-compliance/default.asp
2.5 Impact Assessments	Conformance	The Entity conducted Impact Assessments in the area, including assessments of Human rights, Environmental and Social Impacts. There were no new projects or important changes in the installation since the Entity joined ASI.
2.6 Emergency Response Plan	Conformance	The Entity holds valid ISO 14001:2015 and OHSAS 18001 certificates. The Entity has well-established emergency response plans which are periodically tested through drills. Emergency drills are coordinated with external agencies and with suppliers and subcontractors. A qualified

CRITERION	RATING	COMMENT
		and dedicated firefighting crew and an ambulance are available on site 24 hours a day and 7 days a week. The Entity develops internal and external emergency plans consulting internal and external stakeholders. The emergency plans are published in https://cpapx.xunta.gal/c/document_library/get_file?file_path=/portal-cpapx/DXEmerxenciasInterior/PlansEmerxencia/MEMORIA_PEE_ALCOA_web_cast.pdf
2.7 Mergers and Acquisitions	Conformance	The Entity has adequate procedures and resources for Mergers and Acquisitions (M&A) that address environmental, social and governance issues in the due diligence process.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity reviews relevant environmental, social and governance issues in the planning process for closure, decommissioning and divestment. This process also addresses individual liabilities. The Entity has an asset management procedure/policy which covers the entire facility life cycle, including planning for end of life.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	The Entity prepares the annual sustainability report in line with GRI (Global Reporting Initiative) guidelines and makes the information publicly available on the company website and on printed reports: https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf . All stakeholders receive appropriate communication.
3.2 Non-compliance and liabilities	Conformance	The Entity received no significant fines, judgments, penalties or non-monetary sanctions for non-compliance. There were no legal actions, threatened or ongoing, regarding anti-competitive behaviour and non-violation of anti-competition laws. Necessary procedures are available to report non-compliance, if any, internally and publicly. The engagement of relevant stakeholders was evidenced.
3.3a Payments to governments (legal and contractual)	Conformance	The Entity demonstrated it had policies and processes to ensure compliance with the requirements of ASI and the legal requirements applicable to payments to the governments.

CRITERION	RATING	COMMENT
3.3b Payments to governments (disclosure – bauxite mining)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
3.4 Stakeholder complaints, grievances and requests for information	Conformance	The Entity has adequate mechanisms for receiving Stakeholder complaints, grievances and requests. This mechanism is available to the public through various channels. The Entity also holds ISO 14001:2015 and OHSAS 18001 certifications which are recognised by ASI as meeting criterion 3.4 Stakeholder complaints, grievances and requests for information. The Entity has an integrity line: phone +34 900-95-1247 and https://www.alcoa.com/global/en/who-we-are/ethics-compliance/integrity-line.asp .
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	A specific LCA (life-cycle analysis) was developed for the site, which is cradle to gate including impacts from the raw material supply, transportation to the manufacturer and manufacturing stages.
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	The Entity provides adequate cradle-to-gate Life Cycle Assessment (LCA) information on its aluminium products. Alcoa makes the LCAs available for the locations upon request, through various channels with the stakeholders (commercial area, integrity line, etc). The Entity publishes information related to its environmental impacts from the cradle to the grave in: https://www.alcoa.com/global/en/what-we-do/aluminum/smelting/default.asp https://www.alcoa.com/global/en/what-we-do/aluminum/rolled-products/default.asp
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	The LCA developed for the Entity is available upon request from customers and other stakeholders. Alcoa makes the LCAs available for each location upon request, through various channels (commercial area, integrity line, etc). The Entity publishes information related to its environmental impacts from the cradle to the grave in: https://www.alcoa.com/global/en/what-we-do/aluminum/smelting/default.asp https://www.alcoa.com/global/en/what-we-do/aluminum/rolled-products/default.asp
4.2 Product design	Not Applicable	This criterion is not applicable to the Entity's certification scope.

CRITERION	RATING	COMMENT
4.3a Aluminium Process Scrap (targets)	Conformance	The Entity holds a valid ISO 14001:2015 certificate. The Entity has a target to recycle as much as technically possible in the production facilities. The Entity has services for the remelting of aluminium that fit the technology in place. An aluminium process scrap recycling plan and controls are in place; it is 100% recycled, minus the process slag.
4.3b Aluminium Process Scrap (alloy separation)	Conformance	The Entity holds a valid ISO 14001:2015 certificate. An aluminium process scrap recycling plan and controls are in place; it is 100% recycled, minus the process slag. The Entity has a waste management system that separates various wastes for subsequent efficient recycling.
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	The Entity holds a valid ISO 14001:2015 certificate and has a goal for 100% recycling of its internal scrap on an ongoing basis. The Entity also has a recycling strategy implemented, including specific timelines, activities and targets for the collection and recycling of products at end-of-life. The Entity has agreements with external agents to collect and recycle products at the end of life. This is part of the Entity's waste management license to recycle clean scrap. The strategy describes the services for remelting of collected end of life aluminium that technically fits the technology it has in place. The Entity's strategy includes a goal to increase recycling on an ongoing basis. The Strategy is followed as part of the regular dashboard and meetings.
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	The Entity holds a valid ISO 14001:2015 certificate and has a goal for 100% recycling of its internal scrap on an ongoing basis. The Entity also has a recycling strategy implemented, including specific timelines, activities and targets for the collection and recycling of products at end-of-life. The Entity has agreements with external agents to collect and recycle products at the end of life. This is part of the Entity's waste management license to recycle clean scrap. The strategy describes the services for remelting of collected end of life aluminium that technically fits the technology it has in place. The Entity's strategy includes a goal to increase recycling on an ongoing basis.

CRITERION	RATING	COMMENT
		The Strategy is followed as part of the regular dashboard and meetings.
PRINCIPLE 5 GREENHOUSE GAS EMISSIONS		
5.1 Disclosure of GHG emissions and energy use	Conformance	<p>GHG (Greenhouse Gas) emissions and energy use by source are accounted for and publicly disclosed in the annual sustainability report which is prepared in alignment with the GRI principles:</p> <p>https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf.</p> <p>The GHG emissions are independently verified and the Verification Statement for the GHG emissions is included in the sustainability report. The Entity publishes in Spain GHG emissions and the energy use by source in the annual declaration communicated to the authorities:</p> <p>https://www.alcoa.com/spain/es/community-environment.asp and public information (Spanish ministry for the ecological transition) https://www.miteco.gob.es/es/cambio-climatico/temas/comercio-de-derechos-de-emision/ley1_2005-informeaplicacion2018_tcm30-497632.pdf</p>
5.2 GHG emissions reductions	Conformance	<p>The Entity is committed to addressing global climate change actions, has adequate systems for target-setting covering its material sources on an annual basis for its GHG emissions, and implements action plans to achieve these targets. Targets, required actions and progress are communicated to all relevant stakeholders. GHG and energy monitoring records are maintained on a monthly, quarterly and annual basis. GHG emissions reduction is also included as part of the Incentive Compensation for the managers of the company. Energy and GHG audits are carried out by an independent assurance provider as part of the annual sustainability reporting. The Entity holds a valid ISO 14001 certificate. The Entity is committed to GHG reduction as part of the Alcoa vision. The Entity publishes GHG emissions and targets for reduction in the sustainability report:</p> <p>https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf.</p> <p>https://www.alcoa.com/spain/es/community-environment.asp and public information (Spanish ministry for the ecological transition)</p>

CRITERION	RATING	COMMENT
		https://www.miteco.gob.es/es/cambio-climatico/temas/comercio-de-derechos-de-emision/ley1_2005-informeaplicacion2018_tcm30-497632.pdf (page 45)
5.3a Aluminium Smelting (management system)	Conformance	The Entity holds a valid ISO 14001 certificate, covering aspects associated with GHG emissions and controls. The GHG emissions from the smelter are monitored on a monthly basis and reported as part of the monthly environmental reporting. The management team gets updated on the GHG emissions status through various review meetings. At an operational level GHG Emissions are measured and monitored by operational departments through the Environmental Flash Report. The Entity has documented action plans for reducing emissions.
5.3b Aluminium Smelting (up to and including 2020)	Conformance	The Entity holds a valid ISO 14001 certificate. The system covers aspects associated with GHG emissions and its controls. The GHG emissions from the smelter are monitored on a monthly basis and reported as part of monthly environmental reporting. The Entity is an aluminium smelter in production up to and including 2020, emissions are already below 8 tonnes of CO ₂ -eq per metric tonne of aluminium. The management team is updated regarding the GHG emissions status through various review meetings. At an operational level GHG Emissions are measured and monitored by operational departments through the Environmental Flash Report. The Entity has documented action plans for reducing emissions.
5.3c Aluminium Smelting (after 2020)	Not Applicable	Not applicable. There are no plans for starting new smelters in the near future.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity implements procedures and a methodology to determine the emission sources of the plant. The samplings are carried out by an external company with approved procedures. The Entity has a permit for emissions and complies with the limits established by the

CRITERION	RATING	COMMENT
		<p>authorities. The Entity has plans to minimise these adverse impacts.</p>
6.2 Discharges to Water	Conformance	<p>The Entity has implemented an Environmental Management System in line with ISO 14001. The Entity quantifies and reports discharges to water. Water is used for air emissions abatement in the anode baking plane, cooling purposes and as well as potable water for consumption. The Entity operates an Environmental and Social Management Plan to ensure the adverse effects are minimized and all regulatory requirements are complied with. The site has clearly identified its water and wastewater streams.</p>
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	<p>The Entity holds a valid ISO 14001 certificate. The Entity has an inventory in the storage plant of chemical products with contamination potential. The product storage areas are inspected regularly. The Entity has an emergency plan and communication protocol. The Entity defines through the standard how and when to report a spill. The IPPC (Integrated Pollution Prevention and Control, environmental permit) defines how to communicate an emergency event (governmental authorities). The Entity has a procedure on prevention and control of spills.</p>
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	<p>The Entity holds a valid ISO 14001 certificate. The Entity has an inventory in the storage plant of chemical products with contamination potential. The product storage areas are inspected regularly. The Entity has an emergency plan and communication protocol. The Entity defines through the standard how and when to report a spill. The IPPC (Integrated Pollution Prevention and Control, environmental permit) defines how to communicate an emergency event (governmental authorities). The Entity has a procedure on prevention and control of spills.</p>
6.4a Reporting of Spills (immediate disclosure)	Conformance	<p>The Entity holds valid ISO 14001 certificate. The Entity has adequate systems in place for the reporting and immediate disclosure of major spills. The Entity has implemented a spill communication procedure that includes the volume of the spill and potential contamination. The flowchart of communication is included in</p>

CRITERION	RATING	COMMENT
		this procedure. The Entity has a system to record spills and provides appropriate information to the agencies involved as per legal and permit-related communication requirements.
6.4b Reporting of Spills (regular reporting)	Conformance	<p>The Entity holds a valid ISO 14001 certificate. The Entity has adequate systems in place for the regular reporting and disclosure of spills >20 Litres. The Entity has implemented a spill communication procedure that includes the volume of the spill and potential contamination. The flowchart of communication is included in this procedure. The Entity has a system to record spills and provides appropriate information to the agencies involved as per legal and permit-related communication requirements. The Entity publishes Spills in its sustainability report:</p> <p>https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</p>
6.5a Waste management and reporting (strategy)	Conformance	<p>The Entity holds a valid ISO 14001 certificate. The Entity has a strategy according to the Waste Mitigation Hierarchy. The Entity has a non-hazardous and hazardous waste minimization plan that is submitted to the relevant authorities. Annual follow up waste report is submitted to the authorities too. The Entity has procedures to identify, classify and quantify waste as necessary to determine their legal status and to enable their safe management. The Entity is in compliance with government requirements for offsite waste management. All waste types in tanks and containers are accumulated, stored, labelled, inspected, and permitted/licensed/authorized as required or according to best management practices.</p>
6.5b Waste management and reporting (disclosure)	Conformance	<p>The Entity holds a valid ISO 14001 certificate. The Entity has a non-hazardous and hazardous waste minimization plan that is submitted to relevant authorities. Annual follow up waste report is submitted to the authorities too. The Entity has procedures to identify, classify and quantify wastes as necessary, to determine their legal status and to enable their safe management. The Entity is in compliance with government requirements for offsite waste management. All waste types in tanks and containers are accumulated, stored, labelled,</p>

CRITERION	RATING	COMMENT
		inspected, and permitted/licensed/authorized as required or according to best management practices. All wastes are re-used in an environmentally responsible manner wherever possible. The Entity publishes its inventory of the hazardous and non-hazardous waste generated and the associated waste disposal methods in its sustainability report: https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf
6.6a Bauxite Residue (storage construction)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.6b Bauxite Residue (integrity checks and controls)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.6c Bauxite Residue (water discharge)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.6d Bauxite Residue (marine and aquatic environments)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.6e Bauxite Residue (start of the art technologies)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.6f Bauxite Residue (remediation)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
6.7a Spent Pot Lining (SPL) (storage and management)	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity stores SPL in a specific warehouse that complies with the legal requirements such as ventilation and absence of contact with water. The SPL is managed by an external authorized company which recycles 100% of SPL. There is no landfilling or untreated SPL in the Entity's activities, nor landfilling of treated SPL and/or stockpiling of SPL.
6.7b Spent Pot Lining (SPL) (recovery and recycling)	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity stores SPL in a specific warehouse that complies with legal requirements such as ventilation, absence of contact with water, etc. The Entity sends 100% SPL to an external and authorized recycler to optimise the recovery of any carbon and refractory material. There is no landfilled, untreated SPL in The Entity, nor landfilling of treated SPL and/or stockpiling of SPL.
6.7c Spent Pot Lining (SPL) (Untreated SPL)	Conformance	There's no untreated Spent Pot Lining landfill in Alcoa San Ciprián.

CRITERION	RATING	COMMENT
6.7d Spent Pot Lining (SPL) (review of alternatives)	Not Applicable	There's no treated Spent Pot Lining being landfilled and/or stockpiled of Spent Pot Lining in Alcoa San Ciprián.
6.7e Spent Pot Lining (SPL) (marine and aquatic environments)	Conformance	There's no discharge of Spent Pot Lining to marine or aquatic environments in Alcoa San Ciprián.
6.8a Dross (recovery)	Conformance	The Entity holds a valid ISO 14001 certificate. The slag produced is sent to an external authorized company; its process maximizes the maximum recovery of aluminium by treatment of Dross and Dross residues. Audits are performed on this external company. 100% of Dross sent to the external company is recycled and valued.
6.8b Dross (recycling)	Conformance	The Entity holds a valid ISO 14001 certificate. The slag produced is sent to an external authorized company; its process maximizes the maximum recovery and recycling of aluminium by treatment of Dross and Dross residues. Audits are performed on this external company. 100% of Dross sent to the external company is recycled and valued.
6.8c Dross (review of alternatives)	Not Applicable	There's no landfilling of Dross residues in Alcoa San Ciprián.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity has clearly identified its water input and output flows, sources and destination. The Entity maintains maps of its water streams.
7.1b Water assessment (risk assessment)	Conformance	The Entity holds a valid ISO 14001 certificate. Total water consumption is regularly monitored at the site level. The Entity obtains water from the Rio Cobo dam, it is shared with the Cervo-Burela consortium, although not continuously. The water assessment includes the Entity's Area of Influence.
7.2a Water management (management plans)	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity has adequate systems in place for water management. The Entity is in compliance with all applicable laws regarding water. Ground water and water discharge reports are regularly submitted to the Environmental Agency in charge of controlling water bodies as part of the IPPC permit. The Entity monitors groundwater

CRITERION	RATING	COMMENT
		and rain water quality and this information is reported regularly to the Environmental Agency.
7.2b Water management (monitoring)	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity monitors water consumption, groundwater and rain water quality regularly. The Entity has defined a strategy of water consumption reduction, aligned with the Alcoa corporation's sustainability strategy. The effectiveness of the water management plans is monitored by internal water consumption controls, monitoring meetings and external agencies verifications.
7.3 Disclosure of water usage and risks	Conformance	The Entity holds a valid ISO 14001 certificate. The Entity reports water use and provides raw water to the local municipality out of the water dam built for the refinery. Water balance showing water inputs and output flows, risks, sources and destination are carried out by the Entity. Consumption and risks are controlled daily and checks are made by an external agency of water consumption and wastewater. The Entity informs the authorities through the annual declarations. The Entity publishes its performance in water withdrawal, consumption and risks through the sustainability report: https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	The Entity completed a Biodiversity study which was carried out in accordance with the Biodiversity Mitigation Hierarchy and identified key biodiversity risks. In this study, the protection figures defined by current legislation are used and correlated with the HCV (High Conservation Values) methodology. The Entity has defined its Area of Influence, which was included in the biodiversity study's scope.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Entity carried out a Biodiversity study and defined an action plan accordingly, with on-going implementation. The Entity monitors the effectiveness of the biodiversity action plan by KPIs (Key Performance Indicators) and monitoring of planned actions. The projects developed through Alcoa Foundation are compiled in an annual report available on the Alcoa website

CRITERION	RATING	COMMENT
		<p>(https://www.alcoa.com/foundation/en/pdf/2017-Alcoa-Foundation-Annual-Report.pdf).</p> <p>Also, on the Alcoa Spain portal (https://www.alcoa.com/spain/en/communityenvironment.Asp), updated information is published on the projects promoted by the Alcoa San Ciprián plant.</p>
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity carried out a Biodiversity study. This study is in accordance with the Biodiversity Mitigation Hierarchy, was informed by consultations with external and internal stakeholders and identifies risks. In this study, the protection figures defined by current legislation are used and correlated with the HCV (High Conservation Values) methodology.
8.2c Biodiversity management (reporting)	Minor Non-Conformance	The Entity carried out a Biodiversity study. However, a minor non-conformance was noted since the biodiversity study and action plan have not been published externally, due to pending actions still being implemented.
8.3 Alien Species	Conformance	The Entity carried out a Biodiversity study. This study is in accordance with the Biodiversity Mitigation Hierarchy and identifies Risks. The Entity has identified the alien species and has defined monitoring and control methods. The Entity has defined action plans for the elimination and non-proliferation of alien species.
8.4a Commitment to “No Go” in World Heritage properties (exploration and new mines)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
8.4b Commitment to “No Go” in World Heritage properties (existing operations)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
8.5a Mine rehabilitation (best available techniques)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
8.5b Mine rehabilitation (financial provisions)	Not Applicable	This criterion is not applicable to the Entity's certification scope.
PRINCIPLE 9 HUMAN RIGHTS		
9.1a Human Rights Due Diligence (policy)	Conformance	The Entity has a Human Rights Policy which is publicly available on the company website: https://www.alcoa.com/global/en/who-we-are/values/default.asp .

CRITERION	RATING	COMMENT
		It covers child labour, freedom of engagement, equality of opportunities, compensation, freedom of association. It is aligned with the UN Guiding Principles on Business and Human Rights. Human Rights issues are covered in the Entity's Code of Conduct.
9.1b Human Rights Due Diligence (process)	Conformance	The Entity has a Due Diligence process and a human rights compliance assessment tool to identify, prevent, mitigate and account for how it addresses its actual and potential impacts on Human Rights.
9.1c Human Rights Due Diligence (remediation)	Conformance	The Entity has a Human Rights Due Diligence process in place. The Entity identifies the needs for improvement (gaps) and actions. The Entity has a process for taking actions when required. The Entity has a process to verify the reliability of the risks identified and the effectiveness of the actions proposed. The Entity mitigates human rights impacts through robust processes.
9.2 Women's Rights	Conformance	<p>The Entity has an Equal Employment Opportunity Policy, available on the Alcoa website: https://www.alcoa.com/global/en/careers/pdf/Alcoa-EEO.pdf.</p> <p>The Entity has included into their CBA (Collective Bargaining Agreement) a chapter with special measures to ensure equity at the workplace and to promote the inclusion of women in the workplace. A committee is also in place with Unions (Equality Commission) that holds regular meetings to review information about any possible discrimination and also as a place to flag any breach of the code of conduct. The Entity has an equality plan evaluated annually. Within the collective agreement there are mechanisms established to ensure non-discrimination in relation to opportunities for promotion, development and salary. The Entity has set objectives to increase diversity. From individual and collective interviews with employees and Unions, no discriminatory issues were identified.</p>
9.3 Indigenous Peoples	Not Applicable	There are no qualified people as indigenous in the Area of Influence of Alcoa San Ciprián.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	There are no people considered indigenous in the Area of Influence of Alcoa San Ciprián.

CRITERION	RATING	COMMENT
9.5 Cultural and sacred heritage	Not Applicable	There are no places classified as cultural or sacred in location or vicinity where Alcoa San Ciprián operates. Nor were there at the time of construction of the plant in the 70s. Alcoa San Ciprián has as its area of influence the coast of Galicia, between the municipalities of Cervo and Xove. Geographically, the municipalities of Xove and Cervo are located north of the province of Lugo, also north of Galicia, within the area known as the Mariña Lucense.
9.6a Resettlements (avoid or minimise)	Not Applicable	There have been no projects or activities by the Entity that required resettlement.
9.6b Resettlements (where unavoidable)	Not Applicable	No projects have been carried out that include displacement, resettlement or land acquisition.
9.7a Local Communities (rights and interests)	Conformance	The Entity has a Stakeholder Engagement Process to ensure positive stakeholder relationships and effective means for resolving community concerns. The Entity has a Stakeholder Engagement Plan of commitment to the community through numerous volunteer actions. Respect for communities is established in Spanish law and is respected by the Entity. The Entity's commitment to meet the rights and interests of local communities was also evidenced by the implementation of the Human Rights Policy and the Code of Conduct.
9.7b Local Communities (impacts)	Conformance	The Entity has a Stakeholder Engagement Process to ensure positive stakeholder relationships and effective means for resolving community concerns. The Entity has established an employee volunteering programme. The projects are focused on sustainability and education. Ongoing engagement with the local community was evidenced.
9.7c Local Communities (livelihoods)	Conformance	The Entity explores with local Communities opportunities to respect and support their livelihoods. Several actions and social and environmental projects were evidenced to support local community livelihoods.
9.8 Conflict-Affected and High-Risk Areas	Conformance	It was evidenced, in alignment with the Human Rights Policy and Human Rights Program, that the Entity does not contribute to armed conflict or Human Rights abuses in Conflict-Affected and High-Risk Areas.

CRITERION	RATING	COMMENT
9.9 Security practice	Conformance	The Entity maintains a contract with a specialized security company, in compliance with Alcoa standards. The company in charge of security has the appropriate infrastructure, experience and accreditation established by the legislation for the fulfillment of the security activity. The Entity has adequate procedures for Human Rights compliance.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	The Entity has a Worker Committee formed by internal members and union delegates. The union elections are carried out following the current legislation. All workers have the right to freely appear on union lists. All workers can freely vote.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	A collective bargaining agreement is negotiated and agreed with the Workers Committee and the Entity.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Not Applicable	In Spain there is no legislation that restricts the right to freedom of association and collective bargaining.
10.2a Child Labour (minimum age)	Conformance	The Entity does not hire minors under 18 years of age. The Entity has policies and procedures to ensure that minors are not recruited.
10.2b Child Labour (hazardous)	Conformance	The Entity does not hire minors under 18 years of age. The Entity has policies and procedures to ensure that minors are not recruited.
10.2c Child Labour (worst forms)	Conformance	The Entity does not hire minors under 18 years of age. The Entity has policies and procedures to ensure that minors are not recruited.
10.3a Forced Labour (human trafficking)	Conformance	The Entity does not participate in or support human trafficking, either directly or through any employment or contracting agencies. All employees have the right to work in a respectful and safe environment; they have union representatives and also are covered by law and CBA. They all have legal contracts and are registered with Social Security. All contractors working at the factory have to present the information regarding their Social Security coverage. It is not required to make any deposit or credit throughout the selection process. All workers benefit from the representation of the Worker Committee. The recruitment company

CRITERION	RATING	COMMENT
		used is a multinational company that meets Alcoa's requirements for hiring. Foreign workers also have to have the necessary documentation to be able to formalize the contract. In no case is any payment withheld or requested.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity does not require any form of deposit, recruitment fee or advancement of equipment to workers directly or through employment or hiring agencies. All employees have the right to work in a respectful and safe environment; they have union representatives and also are covered by law and CBA. They all have legal contracts and are registered with Social Security. All contractors working at the factory have to present the information regarding their Social Security coverage. All the workers are hired with contracts formalized before the Social Security. It is not required to make any deposit or credit through the selection process. All workers have the representation of the Worker Committee. The recruitment company used is a multinational company that meets Alcoa's requirements for hiring. Foreign workers also have to have the necessary documentation to be able to formalize the contract. In no case is any payment withheld or requested.
10.3c Forced Labour (migrant workers)	Conformance	The Entity does not require migrant workers to submit deposits or security payments at any time. All employees have the right to work in a respectful and safe environment; they have union representatives and also are covered by law and CBA. They all have legal contracts and are registered with Social Security. All contractors working at the factory have to present the information regarding their Social Security coverage. All the workers are hired with contracts formalized before the Social Security. It is not required to make any deposit or credit through the selection process. All workers have the representation of the Worker Committee. The recruitment company used is a multinational company that meets Alcoa's requirements for hiring. Foreign workers also have to have the necessary documentation to be able to formalize the contract. In no case is any payment withheld or requested.
10.3d Forced Labour (debt bondage)	Conformance	The Entity does not keep the workers in debt bondage or force them to work to pay a debt. All

CRITERION	RATING	COMMENT
		<p>employees have the right to work in a respectful and safe environment; they have union representatives and also are covered by law and CBA. They all have legal contracts and are registered with Social Security. All contractors working at the factory have to present the information regarding their Social Security coverage. All the workers are hired with contracts formalized before the Social Security. It is not required to make any deposit or credit through the selection process. All workers have the representation of the Worker Committee. The recruitment company used is a multinational company that meets Alcoa's requirements for hiring. Foreign workers also have to have the necessary documentation to be able to formalize the contract. In no case is any payment withheld or requested. No employee is forced to pay any debt.</p>
10.3e Forced Labour (freedom of movement)	Conformance	<p>The Entity does not unjustifiably restrict the freedom of movement of workers in the workplace or in housing in the place. All employees have the right to work in a respectful and safe environment; they have union representatives and also are covered by law and CBA. They all have legal contracts and are registered with Social Security. All contractors working at the factory have to present the information regarding their Social Security coverage. All the workers are hired with contracts formalized before the Social Security. It is not required to make any deposit or credit through the selection process. All workers have the representation of the Worker Committee. The recruitment company used is a multinational company that meets Alcoa's requirements for hiring. Foreign workers also have to have the necessary documentation to be able to formalize the contract. In no case is any payment withheld or requested.</p>
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	<p>The Entity does not keep original copies of workers' identity documents, work permits, travel documents or training certificates.</p>
10.3g Forced Labour (freedom to terminate employment)	Conformance	<p>The Entity does not deny workers the freedom to terminate their employment at any time without penalty, given reasonable notice.</p>

CRITERION	RATING	COMMENT
10.4 Non-Discrimination	Conformance	The Entity has included in their collective bargaining agreement (CBA) a chapter with special measures to ensure equity in the workplace and also to promote the inclusion of women in the workplace. A committee is also in place (Equality Commission) with Unions that holds regular meetings to review information about any possible discrimination and also as a place to flag any breach of the code of conduct.
10.5 Communication and engagement	Conformance	The Entity has relevant policies. Frequent meetings are established by Collective Agreements for the treatment of any labour issue. The following meetings are held: <ul style="list-style-type: none"> • Interpretation and Surveillance Commission • Training and Evaluation Commission • Sustainability Commission • Equality Commission • Social Care Commission Workers can also go directly to HR or to their union representatives to discuss any issue.
10.6 Disciplinary practices	Conformance	The Entity established policies and procedures regarding disciplinary practices in accordance with the Statute of Labour Conduct of the Metal Sector and in line with the collective agreement. It was also evidenced through interviews with managers, employees and workers' representatives that any sanction or disciplinary measure would be applied in accordance with the collective agreement and legislation.
10.7a Remuneration (living wage)	Conformance	The Entity has a collective agreement for remuneration of the personnel. The conditions improve those established in the sector agreements (Metal Sector Agreement). The Entity's payments exceed the minimum salary limit established for Spain.
10.7b Remuneration (method of payment)	Conformance	The Entity makes monthly payment of wages. Workers receive documentation of their payroll receipt in accordance to the law.
10.8 Working Time	Conformance	The Entity establishes through collective bargaining the number of annual working hours. The Collective Agreement establishes the organization of vacations as well as the procedures for their request. Monitoring of compliance with the legal limit of overtime of each worker is also in place. The Collective Agreement also includes the norm for

CRITERION	RATING	COMMENT
		<p>compensation in the event of termination due to IT (Incapacidad temporal) or Work Accident, complementing the provisions of the legislation and improving the conditions established by law.</p>
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
<p>11.1a Occupational Health and Safety (OH&S) Policy (policy)</p>	<p>Conformance</p>	<p>The Entity has a Health & Safety and Serious Accidents policy informed by the Seveso Directive. The policy identifies and evaluates the risks, the control thereof, the investigation of accidents and incidents and the development of the effectiveness of the Safety management system. This is appropriate to the magnitude and nature of the risks of the safety management system and includes a commitment to continuous improvement and the prevention of injuries and damages. It includes a commitment towards legal requirements. It provides a frame of reference for creating and reviewing the objectives of the health and safety management system. It is reviewed periodically to ensure that it remains relevant and appropriate to the needs of Alcoa. The Entity established periodic audit reviews of its OH&S Management System.</p> <p>https://www.alcoa.com/sustainability/en/environment-health-safety.asp</p> <p>The local EHS Policy also follows the guidelines for our Global EHS Policy.</p>
<p>11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)</p>	<p>Conformance</p>	<p>The Entity has a Health & Safety and Serious Accidents policy informed by the Seveso Directive. It is communicated to all employees working in the organization, and to third parties and visitors.</p> <p>https://www.alcoa.com/sustainability/en/environment-health-safety.asp</p> <p>The local EHS Policy also follows the guidelines for our Global EHS Policy.</p>
<p>11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)</p>	<p>Conformance</p>	<p>The Entity has a Health & Safety and Serious Accidents policy informed by the Seveso Directive. It includes a commitment towards legal requirements, workers' health and safety, and international standards.</p> <p>https://www.alcoa.com/sustainability/en/environment-health-safety.asp</p> <p>The local EHS Policy also follows the guidelines for our Global EHS Policy.</p>

CRITERION	RATING	COMMENT
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	<p>The Entity has a Health & Safety and Serious Accidents policy informed by the Seveso Directive. The policy identifies and evaluates the risks, the control thereof, the investigation of accidents and incidents and the development of the effectiveness of the Safety management system. It is appropriate to the magnitude and nature of the risks of the safety management system and includes a commitment to continuous improvement and the prevention of injuries and damages. It also includes several values, including: the value of human life above all else and manage risks accordingly and the value of encourage employee participation and promote employee awareness of EHS threats and opportunities.</p> <p>https://www.alcoa.com/sustainability/en/environment-health-safety.asp</p> <p>The local EHS Policy also follows the guidelines for our Global EHS Policy.</p>
11.2 OH&S Management System	Conformance	<p>The Entity holds a valid OHSAS 18001 certificate. The health and safety team has highly qualified Technicians of Prevention of occupational risks, and comprises of three technical specialties: Safety in the Workplace; Industrial Hygiene and Ergonomics and Applied Psychosociology. An emergency plan is available and annual drills are held.</p>
11.3 Employee engagement on health and safety	Conformance	<p>The Entity holds a valid OHSAS 18001 certificate. Aluminium Committees and Subcommittees are held in each Department. Minutes are recorded and action plans are defined for all of them. Workers can freely report risks and follow-up is actioned.</p>
11.4 OH&S performance	Conformance	<p>The Entity has Health & Safety indicators that are monitored at regular follow-up meetings with the Lead Team. Health and safety indicators are monitored for employees and third-party contractors working onsite.</p> <p>See more details on the Sustainability Report 2017 (page 46 - https://www.alcoa.com/sustainability/en/pdf/archive/corporate/2017-Sustainability-Report.pdf) and 2018 (page 45 - https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf).</p>