

# ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

# ARCONIC

CERTIFICATE  
NUMBER

60

ASI  
STANDARD

PERFORMANCE  
STANDARD  
(V2 2017)

CERTIFICATION  
LEVEL

FULL  
CERTIFICATION

ASI  
ACCREDITED  
AUDITOR

DNV GL

DATE OF ISSUE

20 DECEMBER 2019

DATE OF EXPIRY

19 DECEMBER 2022

CERTIFIED SINCE

20 DECEMBER 2019

AUTHORISED BY

A handwritten signature in black ink, appearing to be 'J. H.', written over a horizontal line.

Aluminium Stewardship Initiative Ltd  
ACN 606 661 125, Australia  
info@aluminium-stewardship.org

*Validity of this Certificate is subject to continued  
conformance with the applicable ASI Standard  
and can be verified at  
[www.aluminium-stewardship.org](http://www.aluminium-stewardship.org)*

CERTIFICATION SCOPE

Arconic Inc. Corporate Center (USA): Corporate governance, environmental and social processes set to support the manufacturing sites; Centralized ESG supplier assessments. Samara (Russia): Casthouse and Aluminum Products fabrication.

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# SUMMARY AUDIT REPORT

## PERFORMANCE STANDARD

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### OVERVIEW

MEMBER NAME	Arconic
ENTITY NAME	Arconic Inc.
CERTIFICATION SCOPE	Arconic Inc. Corporate Center (USA): Corporate governance, environmental and social processes set to support the manufacturing sites; Centralized ESG supplier assessments. Samara (Russia): Casthouse and Aluminum Products fabrication.
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>• Casthouses</li><li>• Semi-Fabrication</li><li>• Material Conversion</li></ul>
ASI STANDARD	<ul style="list-style-type: none"><li>• Performance Standard V2</li></ul>
AUDIT TYPE	<ul style="list-style-type: none"><li>• Certification Audit</li></ul>
AUDIT FIRM	DNV GL
AUDIT DATE	30 October 2019 – 29 November 2019
AUDIT REPORT SUBMISSION	26 November 2019
AUDIT SCOPE	<p>Arconic Inc. Corporate Center in Pittsburgh. Arconic Samara, Russia.</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>• Casthouses</li><li>• Semi-Fabrication</li><li>• Material Conversion.</li></ul> <p>All applicable criteria in the ASI Performance Standard were included in the audit scope.</p>
AUDIT OUTCOME	<ul style="list-style-type: none"><li>• Certification</li></ul>

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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.

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CERTIFICATION  
PERIOD

20 December 2019 – 19 December 2022

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NEXT AUDIT  
TYPE

Surveillance

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NEXT AUDIT  
DUE DATE

19 June 2021

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CERTIFICATE  
NUMBER

60

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	Arconic has systems in place to maintain awareness of and ensure compliance with Applicable Law. Arconic defined a robust governance approach to Compliance, including legal counsels in all regions where Arconic operates, the maintenance of Legal Registry and using external legal service providers to complement in-house competencies.
1.2 Anti-Corruption	Conformance	Arconic has the required Policies, procedures, training and due diligence to work against Corruption in all its forms, including Extortion and Bribery, consistent with Applicable Law and prevailing international standards. Arconic's Anti-Corruption policy is available at: <a href="https://www.arconic.com/global/en/investors/anti-corruption-policy.asp">https://www.arconic.com/global/en/investors/anti-corruption-policy.asp</a> . As part of its Anti-corruption and compliance system, Arconic implemented a robust anti-corruption risk management process, gift acceptance procedures and guidance on interactions with government officials.
1.3 Code of Conduct	Conformance	Arconic has implemented a Code of Conduct including principles relevant to environmental, social and governance performance. The Code of Conduct is reviewed regularly by management, training is provided to all employees during on-boarding and on an annual basis. Arconic's Code of Conduct is available via the link below in different languages: <a href="https://www.arconic.com/global/en/who-we-are/code-of-conduct.asp">https://www.arconic.com/global/en/who-we-are/code-of-conduct.asp</a>
PRINCIPLE 2 POLICY & MANAGEMENT		
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	Arconic has developed and implements a series of policies/programs that are in line with the environmental, social and governance practices of the ASI standard. These policies are summarized publicly at: <a href="https://www.arconic.com/global/en/investors/governance-and-policies.asp">https://www.arconic.com/global/en/investors/governance-and-policies.asp</a> To access Arconic's Environmental Management Policy, please see the link below: <a href="https://www.arconic.com/global/en/who-we-are/pdf/Arconic-Environmental-Statement.pdf">https://www.arconic.com/global/en/who-we-are/pdf/Arconic-Environmental-Statement.pdf</a>

CRITERION	RATING	COMMENT
		<p>To access Arconic's Environment, Health and Safety Policy, please see the link below:  <a href="https://www.arconic.com/global/en/who-we-are/pdf/Arconic-EHS-Policy.pdf">https://www.arconic.com/global/en/who-we-are/pdf/Arconic-EHS-Policy.pdf</a></p>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	<p>Arconic's senior management have endorsed the Environment, Health and Safety (EHS) Policy which is regularly reviewed and supported through provision of adequate resources. Arconic has an Environment, Health and Safety (EHS) Council, composed of staff from EHS and legal teams. The Council is a strategic body in the company, and it must approve any new initiatives.</p>
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	<p>Arconic effectively communicates its environmental, social and governance policies to internal and external stakeholders. These policies are summarized publicly at:  <a href="https://www.arconic.com/global/en/investors/governance-and-policies.asp">https://www.arconic.com/global/en/investors/governance-and-policies.asp</a></p> <p>To access Arconic's Environmental Management Policy, please see the link below:  <a href="https://www.arconic.com/global/en/who-we-are/pdf/Arconic-Environmental-Statement.pdf">https://www.arconic.com/global/en/who-we-are/pdf/Arconic-Environmental-Statement.pdf</a></p> <p>To access Arconic's Environment, Health and Safety Policy, please see the link below:  <a href="https://www.arconic.com/global/en/who-we-are/pdf/Arconic-EHS-Policy.pdf">https://www.arconic.com/global/en/who-we-are/pdf/Arconic-EHS-Policy.pdf</a></p>
2.2 Leadership	Conformance	<p>Arconic has nominated a senior Management Representative, the VP of Global Rolled Products, as having overall responsibility and authority for ensuring conformance with the ASI Standard.</p>
2.3a Environmental and Social Management Systems (environmental)	Conformance	<p>Arconic Samara obtained ISO 14001 certification which is accepted by ASI as meeting the requirements in 2.3a Environmental Management System, valid for the certification period.</p>
2.3b Environmental and Social Management Systems (social)	Conformance	<p>Arconic has developed a social management system, comprising of procedures that define implementation of the system, and records demonstrating effective execution of the system. This was further evidenced by the site-level audit at Arconic Samara. Internal audits are conducted on a regular basis, with results stored in the ASAT tool (ASP) or other location specific depository.</p>

CRITERION	RATING	COMMENT
2.4 Responsible Sourcing	Conformance	<p>Arconic has implemented a responsible sourcing policy covering environmental, social and governance issues. Arconic's Supplier Standard is publicly available at: <a href="https://www.arconic.com/global/en/contact/supplier/pdf/Supplier_Standards.pdf">https://www.arconic.com/global/en/contact/supplier/pdf/Supplier_Standards.pdf</a></p> <p>Environmental, social and governance aspects of responsible sourcing are managed centrally as many of Arconic's suppliers deliver goods to more than one location. This includes a supplier risk assessment and supplier due diligence questionnaire, associated training and mitigation measures for aluminium and raw materials containing aluminium for use in aluminium products.</p>
2.5 Impact Assessments	Conformance	<p>Given Arconic's position in the aluminium supply chain, risk assessments are primarily conducted related to acquisitions and divestitures. The entity has procedures that define EHS assessment and risk management requirements in these cases. Arconic Samara has not initiated any new or major changes to the facility or production processes in the last 10 years, therefore no any impact assessment to environment, cultural, social and human rights were required. In the foreseeable future there are not planned such changes. In case of new projects or major changes the set of environmental, social, cultural and human rights Impact assessments, including a gender analysis will be carried out as a part of mandatory reviews of project documentation by responsible state bodies.</p>
2.6 Emergency Response Plan	Conformance	<p>Arconic Samara have achieved ISO 14001 certification, which is accepted by ASI as meeting the requirements of criterion 2.6 Emergency Response Plan, and valid for the certification period.</p>
2.7 Mergers and Acquisitions	Conformance	<p>Corporate Development team has overall responsibility for Mergers and Acquisitions, and assigns a member of the Environment, Health and Safety (EHS) team to implement the EHS requirements defined in the EHS Standard. EHS Standard defines the qualifications of the individuals conducting the EHS assessment (could be conducted by 3rd-party or Arconic EHS staff). EHS checklists define additional requirements beyond. All documents are stored</p>

CRITERION	RATING	COMMENT
		on EHS SharePoint (EHS_Site Assessments Inventory).
2.8 Closure, Decommissioning and Divestment	Conformance	Corporate Development team has overall responsibility for transaction, and assigns a member of the Environment, Health and Safety (EHS) team to assess any Environment, Social and Governance (ESG) issues, including those defined in the EHS Standard. EHS Standard defines the qualifications of the individuals conducting the EHS assessment (could be conducted by 3rd-party or Arconic EHS staff).
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	Arconic's sustainability report (available at: <a href="https://www.arconic.com/sustainability-report">https://www.arconic.com/sustainability-report</a> ) describes its environmental, social and economic impacts, and is made available on its website and also reported to GRI (please see <a href="https://database.globalreporting.org/reports/64606/">https://database.globalreporting.org/reports/64606/</a> ). Furthermore, Arconic submits environmental data to the Carbon Disclosure Project.
3.2 Non-compliance and liabilities	Conformance	Arconic produces a publicly available report that summarizes significant fines, judgments, penalties and non-monetary sanctions related to non-compliance. Please see page 30 in Arconic's 2018 Sustainability report: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a>
3.3a Payments to governments (legal and contractual)	Conformance	Arconic has the required Policies, procedures, training and due diligence to ensure that payments made to governments are only on a legal/contractual basis. It was evidenced during the Arconic Samara, Russia audit that all requirements related to payments to government authorities have been defined by the Arconic's global Anti-corruption Policy and corresponding procedures. All Payments to government authorities are carried out on a base of a bank transfer. Independent third-party audits of accounting statements are conducted on a regular basis.
3.3b Payments to governments (disclosure – bauxite mining)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.

CRITERION	RATING	COMMENT
3.4 Stakeholder complaints, grievances and requests for information	Conformance	Arconic has implemented a procedure to address stakeholder complaints/information requests. The procedure is available to stakeholders around the world, and protects the stakeholder raising the complaint (if necessary). Arconic's Integrity Line is available at: <a href="https://www.arconic.com/integrity-line/">https://www.arconic.com/integrity-line/</a> Arconic Samara have obtained ISO 14001 certification which is accepted by ASI as meeting criterion 3.4 Stakeholder complaints, grievances and requests for information.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The life cycle assessments (LCAs)referenced by Arconic is the LCAs conducted for each product line by the North American Aluminum Association and European Aluminum Association and Studies. Arconic participated in the studies with the North America Aluminum Industry LCA studies.
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	Upon customer request, Arconic will guide customers to access the publicly available Life Cycle Assessment (LCA) reports on the North America and European Aluminium association websites of their major product lines.
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	Arconic communicated about the industry Lifecycle Assessment studies via a press release which contains full reference to the study and LCA information, including the description of the methodology and system boundaries, please see: <a href="https://www.arconic.com/press-release/2012-09-25/study-finds-alcoa-forged-aluminum-wheels-dramatically-cut-carbon-footprint-of-commercial-vehicles-supporting-sustainable-transportation/">https://www.arconic.com/press-release/2012-09-25/study-finds-alcoa-forged-aluminum-wheels-dramatically-cut-carbon-footprint-of-commercial-vehicles-supporting-sustainable-transportation/</a> . Relative to customer faced product line, Arconic communicates publicly on LCA's and Environmental Product Declarations which contain information on methodology, modelling and system boundaries. Please see below links: <a href="https://www.kawneer.com/kawneer/north_america/en/info_page/product_transparency.asp">https://www.kawneer.com/kawneer/north_america/en/info_page/product_transparency.asp</a> <a href="https://www.kawneer.com/kawneer/united_kingdom/en/info_page/aluminium_lifecycle.asp">https://www.kawneer.com/kawneer/united_kingdom/en/info_page/aluminium_lifecycle.asp</a>
4.2 Product design	Conformance	Arconic maintains a strong focus on improving the design of its products through its Centres of Excellence and the Arconic Technical Centre,



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		<p>focusing on three key areas: 1. Operations, 2. Customers' sustainability and 3. Supply chain. Arconic has taken measures to drive supply chain sustainability into their suppliers' processes and practices and leverage their expertise to achieve these goals. This includes focus on innovation and helping customers capture opportunities for product improvement and as well as driving sustainable design through Arconic's Global Supplier Sustainability Program. See for innovative solutions that help customers achieve their sustainability goals at page 7-13 of the 2018 Sustainability Report: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a>.</p>
4.3a Aluminium Process Scrap (targets)	Conformance	<p>Arconic Samara has policy statement to reduce internal scrap, target 100% recycling of process scrap and subsequent recycling/reuse. If the plant is not able to recycle aluminium wastes (lacquered Al tape wastes) the wastes are transferred for recycling to certified organizations. Indicators of recycling - Planned scrap as a % of Revenue - Planned scrap in GRP (global roll plan). Arconic has documented their goal and is in lines with the ASI standard. Arconic has a specific Global Revert Utilization Core Operating Standard Assessment. Arconic assesses all the sites against this standard. Arconic has just initiated this process and will conduct re certification bi-annually.</p>
4.3b Aluminium Process Scrap (alloy separation)	Conformance	<p>Arconic Samara arranges separating Aluminium alloys and grades for recycling. In accordance with the internal procedures all wastes are separated along types of alloys and stored separately which was evidenced during the site tour of the onsite audit.</p>
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	<p>Arconic's recycling strategy is based on increasing scrap intake in the production process to replace primary aluminium used, based on the input of both post-consumer and pre-consumer scrap. Scrap suppliers get sourced from automotive and aerospace dismantlers as well as producers. The recycling plans are site-specific and monitored by cross-functional teams. Arconic has a specific Global Revert Utilization Core Operating Standard</p>

CRITERION	RATING	COMMENT
		<p>Assessment. Arconic assesses all the sites against this standard. Arconic has just initiated this process for the coming year and will conduct re certification bi-annually. For achievement its long-term strategic goals in recycling, Arconic Samara purchases a large volume of secondary aluminum alloys on the market (up to 52% of recycled aluminium), stimulating the collection and processing of aluminum scrap in Russia.</p>
<p>4.4b Collection and recycling of products at end-of-life (engagement)</p>	<p>Conformance</p>	<p>Arconic is involved with The Aluminum Association (including Brazilian and European associations), also a member of ASI. The Aluminum Association is starting new Sustainability Group, in which they are also involved in - with the objective of this working group guiding staff participation, advising on industry input on issues, and the associations overall strategy on sustainability issues. Lastly, Arconic reports data into the Aluminum Association for scrap usage to be reported out anonymously. Active participation in the programs of the Aluminum Association of Russia on the significant development of the Russian market of aluminum products in such industrial areas as "Engineering", "Construction", etc. Arconic Samara actively interacts with regional and national aluminum scrap processors, united in a Council of secondary aluminum industry enterprises. The plant is a member of the Aluminum Association and actively works on development the aluminum products market and carries out outreach on the environmental friendliness and benefits of aluminum for end users.</p>
<p>PRINCIPLE 5 GREENHOUSE GAS EMISSIONS</p>		
<p>5.1 Disclosure of GHG emissions and energy use</p>	<p>Conformance</p>	<p>Arconic reports The GHG emissions for year 2018 in its 2018 Sustainability Report. Arconic monitors their GHG emissions at site level and annually collects the data and reports at the corporate level. Arconic also reports their GHG emissions annually to the Carbon Disclosure Project (CDP). GHG emissions are disclosed on page 16 - 18 of Arconic's Sustainability report: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a></p>

CRITERION	RATING	COMMENT
		Direct and Indirect source of energy figures are disclosed on page 22-23 of the Report.
5.2 GHG emissions reductions	Conformance	Arconic is on track to achieving their target. 73% of target achieved to date. Arconic has established a target to reduce annual energy intensity (and related emissions intensity) of their Global Rolled Products operations by 30% by 2030 compared to its 2005 baseline. The GRP energy and GHG efficiency target is noted in 2017/18 CDP disclosure. Please see below: <a href="https://www.cdp.net/en/responses/64106">https://www.cdp.net/en/responses/64106</a>
5.3a Aluminium Smelting (management system)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
5.3b Aluminium Smelting (up to and including 2020)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
5.3c Aluminium Smelting (after 2020)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE		
6.1 Emissions to Air	Conformance	Arconic developed a corporate level Air Emissions Management Standard which provides all sites with the management system standard, requiring: - Emissions Inventory - Permit/license/Compliance Program and managing requirements - Emissions and process change - Control Equipment Operation - Reporting emissions to air metrics In accordance with Russian Federation's environmental legal requirements Arconic Samara carried out an environmental industrial control (monitoring on emissions to air). The site established an emissions instrumental control schedule. During the instrumental control, exceedances of air pollution emissions were not identified and therefore no adverse impacts on humans and the environment were identified. Annual Environment Action Plan includes actions to minimise emissions to air as part of the site's continuous improvement plan. Arconic's Air emissions are disclosed in its 2018 Sustainability report, page 19: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a>
6.2 Discharges to Water	Conformance	Arconic developed a Water Standard at the corporate level, which requires all sites to

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		<p>conduct: - Water identification and Characterization - Permit/license/Compliance Program and managing requirements - Process change that affects withdrawal rates, discharge volume or characteristics - Waste water treatment Operation and Control - Report water sustainability metrics Site-level audits at Arconic Samara confirmed that there are no adverse effects on humans or on the environment resulting from discharges to water, and the site operates in line with the operational permit and local regulatory requirements.</p>
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	<p>Arconic has not received any fines or had any legal claims for significant spills and leakages that may contaminate air, water and/or soil in the facilities under scope. Arconic has conducted a Sumps, Pits and Basements, Risk Assessment for all sites, for assessing the risk of spills and leaks. A detailed inventory has been developed to identify all the sumps, basement, trenches, pits and a risk assessment is currently underway. We verified conformance at Arconic Samara during the onsite audit. At Arconic Samara, we reviewed the environmental risk assessment for spills and leakages (titled Plans for Localization and Liquidation Consequences of Accidental Spills.) During modelling of spillage situations and adequate training sessions, no major risks were revealed where spills and leakages may lead to air, water and/or soil significant contaminations.</p>
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	<p>Arconic reports significant spills and major environmental incident (as defined EHS STD 18.32). Emergency Preparedness &amp; Response Plans procedure provides a template for communication to affected parties, such as communities and neighbours, should spill/releases occur to ensure that the correct parties are notified as needed, co-ordinate emergency services, how to communicate in the event of an inquiry, etc.</p>
6.4a Reporting of Spills (immediate disclosure)	Conformance	<p>Spills/releases above 5 gallons and outside designated containment, including spills/releases defined as significant (in excess of 500 gallons, not contained) are tracked and reported into the company's incident management system to assess if a regulatory deviation occurred. Spills/releases that meet</p>

CRITERION	RATING	COMMENT
		<p>certain thresholds are also reported to appropriate agencies and spill response teams (i.e. LEPC, SERC, NRC, FD). Arconic In-Scope Facilities established communication procedures to inform affected parties, such as communities, neighbors, emergency response teams and regulators. Significant spills have been reported in the annual Sustainability report starting with the 2018 reporting year. Please see page 26 of the Sustainability report on Waste and Spills: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a></p>
6.4b Reporting of Spills (regular reporting)	Conformance	<p>Significant spills have been reported in the annual Sustainability report starting with the 2018 reporting year. Please see page 26 of Arconic's Sustainability report: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a>.</p> <p>Arconic defines a significant spill as one that is in excess of 1,893 liters (500 gallons) and/or meets our definition of a major environmental incident. Arconic had zero significant spills in 2018. Arconic disclosed two major spills that occurred at its sites globally in 2016 and 2017, including the type of material, impact and management systems controls in place, which includes remediation.</p>
6.5a Waste management and reporting (strategy)	Conformance	<p>Arconic Waste management Standard requires sites managing waste to comply with applicable regulations, support the environment, health and safety management. This standard outlines the strategy including the Waste Mitigation Hierarchy, including waste reduction, recycling, incineration/treatment, and secure land disposal. All Arconic sites are encouraged to implement programs to reduce, reuse, and/ or recycle their waste to minimize the amount of waste requiring disposal as well as to comply with applicable rules and restrictions. It was evidenced that Arconic Samara meet ASI requirements related to a Waste Management Strategy, and report Hazardous and Non-Hazardous Waste quantities to relevant authorities on a regular basis.</p>
6.5b Waste management and reporting (disclosure)	Conformance	<p>Arconic has publicly disclosed the quantity of hazardous waste and non-hazardous waste in</p>

CRITERION	RATING	COMMENT
		<p>the annual sustainability report. Please see page 26. on Waste and Spills in Arconic's Sustainability report:  <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a></p> <p>Arconic Samara reports the generated waste amount and their associated disposal/recycling to the local authorities on an annual basis. The authorised government body issues limits on waste disposal on the base of a waste classification to which Arconic Samara demonstrated legal compliance.</p>
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)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
6.7b Spent Pot Lining (SPL) (recovery and recycling)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
6.7c Spent Pot Lining (SPL) (Untreated SPL)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
6.7d Spent Pot Lining (SPL) (review of alternatives)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
6.7e Spent Pot Lining (SPL) (marine and aquatic environments)	Not Applicable	This criterion is not applicable to the Entity's Certification Scope.
6.8a Dross (recovery)	Conformance	Arconic has taken multiple steps to ensure recovery of Aluminum by treatment of Dross and Dross residues. Please see page 26 of Arconic's Sustainability report for further details:

CRITERION	RATING	COMMENT
		<p><a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a></p> <p>Arconic Samara identified categories of slag and appropriate third parties to recover aluminium from the dross and re-use in their production process. 100% of the dross is sent to third parties for reuse and recycling.</p>
6.8b Dross (recycling)	Conformance	<p>Arconic has inhouse groups that are responsible for working with external processors to ensure maximizing the recovery of aluminum which includes audits of the secondaries, sending material to multiple secondaries for a comparative benchmark, and metallic testing at external labs to confirm that they are maximizing the recovered aluminum. We noted that at Arconic Samara, 100% of the slag is transferred to third parties for use/recycling.</p>
6.8c Dross (review of alternatives)	Not Applicable	<p>No dross residues are sent to landfill as verified during the site visits to Arconic Samara. 100% slag is sent to third parties for further processing.</p>
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	<p>Arconic has conducted an assessment to evaluate whether the site is in an area that is water withdrawal from a stressed area or under water restrictions, using the Global Water Tool developed by WBCSD. Arconic developed a company-wide EHS Standard related to Water and Wastewater Management which requires Arconic sites to identify, quantify, and prepare a comprehensive inventory of water sources and impacts on the watershed. Arconic Samara compiled a balance of water consumption and water disposal, which defines and displays water intake and water use along each source. Arconic Samara uses five water supply sources: drinking water, hot water, desalted water, river water and underground (artesian) water, as evidenced that area of influence was considered by the site.</p>
7.1b Water assessment (risk assessment)	Conformance	<p>Arconic has conducted a corporate-level assessment to evaluate which of its sites are in a water stressed area or under water withdrawal restrictions. It was evidenced during the Arconic Samara audit that no significant risks related to</p>



CRITERION	RATING	COMMENT
		water resources have been identified within the catchments in the impact area of Arconic Samara. Arconic Samara identified risks related to its area of influence, including river water and underground (artesian) water.
7.2a Water management (management plans)	Conformance	Arconic provides all sites with the management system standard, requiring compliance with sustainability metrics as issued by the director of corporate environmental affairs for water management related items (e.g. water usage) • Goal - 10% reduction from the 2016 baseline • Permit/license/Compliance Program and managing requirements • Process change that affects withdrawal rates, discharge volume or characteristics • Water sustainability metrics It was evidenced during the site-level audits that no significant risks related to water resources have been identified within the catchments in the impact area of Arconic Samara.
7.2b Water management (monitoring)	Conformance	According to the Arconic Samara's water risk assessment, no significant risks related to water resources have been identified within the catchments in the impact area of Arconic Samara. The site continues to identify actions to reduce water consumption as part of their continuous improvement plans.
7.3 Disclosure of water usage and risks	Conformance	Arconic reports water withdrawal sources, use and material water-related risks, please see page 23-24 of Arconic's Sustainability report: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a> Arconic also discloses water-related risks to the CDP, please see: <a href="https://www.cdp.net/en/responses/64106">https://www.cdp.net/en/responses/64106</a>
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	Arconic assessed the risk and materiality of the impacts on biodiversity from the land use and activities in the Entity's Area of Influence based on the Integrated Biodiversity Assessment Tool (IBAT). It was evidenced that Arconic Samara did not have any material biodiversity impacts (the site is located 65 km from National Park Samarskaya Luka which is the nearest protected area to the site).



CRITERION	RATING	COMMENT
8.2a Biodiversity management (biodiversity action plans)	Not Applicable	The criterion was Not Applicable for Arconic Samara, as the site's risk assessment did not identify any material adverse impacts on biodiversity. Impact from Arconic Samara activities to any key biodiversity area, protected areas is negligible/minimal due to remote location.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Not Applicable	Impact from Arconic Samara activities to any key biodiversity area, protected areas is negligible/minimal due to remote location.
8.2c Biodiversity management (reporting)	Not Applicable	Impact from Arconic Samara activities to any key biodiversity area, protected areas is negligible/minimal due to remote location.
8.3 Alien Species	Conformance	Special requirements are established at site level for wood materials that come from quarantine areas. Materials supplier carries out checks and treatment if necessary and sends it to customers with documents which prove results of the treatment. All quarantined products entering the plant are checked for the appropriate certificates.
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	Arconic has a human rights policy expressing a commitment to respect human rights. The Policy makes reference to the UN Guiding Principles on Business and Human Rights. The policy is available on their web page and is also part of the Code of Conduct. This policy is part of their training to employees during on boarding and annual re calibration training. <a href="http://www.arconic.com/global/en/investors/human-rights.asp">http://www.arconic.com/global/en/investors/human-rights.asp</a>

CRITERION	RATING	COMMENT
9.1b Human Rights Due Diligence (process)	Conformance	Arconic operating sites within the scope have been given a copy of the Human Rights Compliance Assessment (HRCA) which diagnostic tool designed to help companies detect potential human rights violations caused by the effect of their operations on employees, local residents and all other stakeholders. The tool has been under development by the Human Rights & Business Project at the Danish Institute for Human Rights (DIHR).
9.1c Human Rights Due Diligence (remediation)	Conformance	There were no identified cases or contribution to adverse Human Rights impacts at Arconic Samara. One of the measures to prevent such cases is the arrangement of a Metallurg Arconic Foundation, support for retired veterans and the activity of volunteer groups organized by Arconic Samara. Additionally, Arconic has a mature grievance reporting and complaint resolution mechanisms in place to handle such situations with support from corporate level.
9.2 Women's Rights	Conformance	Arconic has a Human Rights Policy that addresses equal opportunity, discrimination and harassment. Arconic also has many programs for women empowerment such as Girl Scouts, New York Academy for Sciences, Society for Women Engineers, The Manufacturing Institute, Women in Manufacturing and AAUW. The information on their women's program are available online
9.3 Indigenous Peoples	Not Applicable	There are no indigenous peoples in the area of activity or influence of Arconic Samara.
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	There are no indigenous peoples in the area of activity or influence of Arconic Samara.
9.5 Cultural and sacred heritage	Not Applicable	No cultural or sacred heritage sites have been identified at Arconic Samara.
9.6a Resettlements (avoid or minimise)	Not Applicable	There are no resettlements and resettlements plan since Arconic Samara joined ASI and before that. No projects have been carried out that would have caused displacement, resettlement or land acquisition.
9.6b Resettlements (where unavoidable)	Not Applicable	There are no resettlements and resettlements plan since Arconic Samara joined ASI and before that. No projects have been carried out

CRITERION	RATING	COMMENT
		that would have caused displacement, resettlement or land acquisition.
9.7a Local Communities (rights and interests)	Conformance	Arconic is active in community engagement at all their sites and at a corporate level. Through Arconic Foundation, they initiate projects that provides a positive impact to the communities. <a href="https://www.arconic.com/foundation/">https://www.arconic.com/foundation/</a> In addition, Arconic employees volunteer their time, energy and skills to community programs and projects to help local non-profit organizations.
9.7b Local Communities (impacts)	Not Applicable	Arconic's Human Rights Due Diligence process did not identify any adverse impacts on the local communities in which it operates. We verified this via local stakeholder interviews at Arconic Samara and through worker interviews.
9.7c Local Communities (livelihoods)	Conformance	Arconic is active in community engagement at all their sites and at a corporate level. Through Arconic Foundation, they initiate projects that provides a positive impact to the communities. <a href="https://www.arconic.com/foundation/">https://www.arconic.com/foundation/</a>
9.8 Conflict-Affected and High-Risk Areas	Conformance	Review of internet resources and interviews with employees and workshop chiefs of Arconic Samara did not demonstrate any contribution of Arconic Samara to armed conflict or Human Rights abuses in Conflict Affected and High-Risks Areas.
9.9 Security practice	Conformance	Arconic contracts with Global Security to provide security for Arconic facilities globally. Arconic have contractual requirements - that prevent hiring of security companies or contractors that are credibly implicated in the infringement of human rights.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	Arconic Human Rights Policy addresses Freedom of Association and Right to Collective Bargaining. Most Arconic sites have unions on site. The Union Collective Bargaining agreement further address the Freedom of Association <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a>
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	Arconic Human Rights Policy addresses Freedom of Association and Right to Collective Bargaining. Most Arconic sites have unions on

CRITERION	RATING	COMMENT
		<p>site. The Union Collective Bargaining agreement further address the Freedom of Association <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a> Arconic Samara management conclude the Collective agreement together with the local division of the Trade Union. All important issues in public relations, human rights, labor protection are solved by the management in close cooperation with the leaders of the Trade Union local division.</p>
<p>10.1c Freedom of Association and Right to Collective Bargaining (alternative means)</p>	<p>Not Applicable</p>	<p>Most Arconic sites have unions on site. The Union Collective Bargaining agreement further address the Freedom of Association <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a> The law does not restrict Freedom to Association in countries where in-scope facilities operate.</p>
<p>10.2a Child Labour (minimum age)</p>	<p>Conformance</p>	<p>Arconic Human Rights Policy addresses Child Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a> The policy is available on their web page and is also part of the Code of Conduct. This policy is part of their training to employees during on boarding and annual re calibration training. Arconic Samara does not use and does not support the use of child labor. The personnel policy is carried out in accordance with the Russian Federation Labor Code. Verification of Arconic Samara employee records showed that the minimum age of workers is 19.</p>
<p>10.2b Child Labour (hazardous)</p>	<p>Conformance</p>	<p>The minimum age for Hiring at Arconic is 18 years. Arconic Human Rights Policy addresses Child Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a> Arconic Samara does neither use nor support the use of child labour as defined in ILO Conventions C138 and C182, and does comply with related national and international law. The site is not engaging in or supporting Hazardous Child Labour.</p>
<p>10.2c Child Labour (worst forms)</p>	<p>Conformance</p>	<p>The minimum age for Hiring at Arconic is 18 years. Arconic Human Rights Policy addresses Child Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a></p>

CRITERION	RATING	COMMENT
		<p>The policy is available on their web page and is also part of the Code of Conduct. This policy is part of their training to employees during on boarding and annual re calibration training. Arconic Samara does neither use nor support the use of child labour as defined in ILO Conventions C138 and C182, and does comply with related national and international law. The site is not engaging in or supporting worst forms of child labour. Arconic requires its suppliers to respect all laws in their jurisdiction with regards to child labour, as stipulated by its Supplier Standards, available at:  <a href="https://www.arconic.com/global/en/contact/supplier/pdf/Supplier_Standards.pdf">https://www.arconic.com/global/en/contact/supplier/pdf/Supplier_Standards.pdf</a></p>
10.3a Forced Labour (human trafficking)	Conformance	<p>Arconic Human Rights Policy addresses Forced Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a>  The policy is available on their web page and is also part of the Code of Conduct. This policy is part of their training to employees during on boarding and annual re calibration training. In accordance with Russian Federation Labour Code and Arconic's Human Rights Policy, Arconic Samara employs workers only on their free consent.</p>
10.3b Forced Labour (deposits, fees, advances)	Conformance	<p>Arconic Human Rights Policy addresses Forced Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a>  The standard employment contracts do not stipulate any forms of fee for hiring, employee payments for provided equipment, any special provisions for migrant workers, forced work as a payment of debts, or any other forms of unreasonable restrictions on workers movement. In accordance with applicable legislation, employees of the Arconic Samara have the right to terminate their employment contract. Under an agreement between the employee and the employer, the contract may be terminated before the expiration of the dismiss notification.</p>
10.3c Forced Labour (migrant workers)	Conformance	<p>Arconic Human Rights Policy addresses Forced Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a>  Arconic Samara does not require migrant workers to lodge deposits as evidenced in workers interviews and payroll review.</p>

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10.3d Forced Labour (debt bondage)	Conformance	Arconic Samara developed, implemented and maintains systems, policies and procedures to conform with ASI Performance Standard requirements related to forced labour and does not hold Workers in Debt Bondage. This was evidenced in the review of policies, procedures, employment contracts payroll information and worker interviews with employees and contractors.
10.3e Forced Labour (freedom of movement)	Conformance	Arconic Human Rights Policy addresses Forced Labor. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a> Arconic Samara developed, implemented and maintains systems, policies and procedures to conform to the ASI Performance Standard requirements related to forced labour. The site does not restrict the free movement of workers as confirmed by worker interviews.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	Arconic Samara has developed, implemented and maintains systems, policies and procedures that conform to the ASI Performance Standard requirements related to forced labour. It does not confiscate worker's original identification documents. Copies of these are kept on personal files.
10.3g Forced Labour (freedom to terminate employment)	Conformance	Arconic does not deny Workers the freedom to terminate their employment at any time without penalty, given notice of reasonable length. The notice period varies based on the site location. Employment Contract templates have the required language on freedom to terminate.
10.4 Non-Discrimination	Conformance	Arconic Human Rights Policy addresses Equality of Opportunity and zero tolerance for discrimination or harassment of any kind. The Policy is available in the below link. <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a> The policy is available on their web page and is also part of the Code of Conduct. This policy is part of their training to employees during on boarding and annual re calibration training.
10.5 Communication and engagement	Conformance	Arconic maintains open communication and direct engagement with Workers without threat of reprisal, intimidation or harassment. This was evidenced via interviews with trade union local representatives and worker interviews. Arconic

CRITERION	RATING	COMMENT
		also operates an Integrity Line which is available to Workers to seek advice or report grievances.
10.6 Disciplinary practices	Conformance	Arconic has written procedures on disciplinary actions. The acceptable disciplinary actions are: Verbal warnings, written warnings, demotion, process change, performance improvement plans, training/coaching, reduction in pay or bonus, reassignment, suspension with pay, suspension without pay, or termination. Arconic does not engage or tolerate any other forms of disciplinary practices as evidenced through its commitment to respect human rights as documented in the Human Rights Policy as well as through worker interviews at Arconic Samara <a href="https://www.arconic.com/human-rights/">https://www.arconic.com/human-rights/</a>
10.7a Remuneration (living wage)	Conformance	Arconic Samara makes wage payments regularly twice a month (point 2.1.10 of the Labor Collective Agreement) with direct payment to employees by a bank transfer. Employees receive a remuneration for working overtime, on public holidays, in rest days and at night. Employees monthly get his/her personal payslip with information on his/her wage, calculation way and deductions such as taxes and union memberships. Employees may seek consultation on payslip and wages from the HR Shared People Services department. All employees are paid wages higher than a living wage fixed in the Russian Federation.
10.7b Remuneration (method of payment)	Conformance	Arconic has a very mature payment system in place at all sites. Annual self-assessments are required by each operating entity and completed against the Arconic payroll requirements. Depending on risk, every 1-5 years, payroll practices are reviewed on the request of the Audit Committee of the Board and conducted by the Internal Audit function. Arconic Samara makes wage payments regularly twice a month (point 2.1.10 of the Labor Collective Agreement) with direct payment to employees by a bank transfer. Payments are fully documented via payslips and accessible to employees at any time.
10.8 Working Time	Conformance	As evidenced at Arconic Samara, every employee works in accordance with a labour schedule that is stated in his/her labour agreement. The description of labour schedules

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		is provided in the Code of Conduct. Every day managers record the amount of worked hours of each employee in a timekeeping system. Any overtime work is carried out voluntary and after a written consent of the employee for the overtime. Each 1-5 years Arconic locations and financial processes are audited by the Arconic Internal Audit Department.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	Arconic has developed and effectively implements/maintains an Occupational Health and Safety Policy supported by senior management. Please see: <a href="https://www.arconic.com/global/en/who-we-are/pdf/Arconic-EHS-Policy.pdf">https://www.arconic.com/global/en/who-we-are/pdf/Arconic-EHS-Policy.pdf</a>
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	Arconic's Occupational Health and Safety Policies are applied to all Workers and Visitors present in any area or activities under the Entity's control.
11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	Arconic's Policy has a commitment to comply with Applicable Law on Workers' health and Safety.
11.1d Occupational Health and Safety (OH&S) Policy (right to stop unsafe work)	Conformance	Arconic's policies provide Workers the ability to identify hazards and safe practices for their work, and the authority to refuse or stop unsafe work.
11.2 OH&S Management System	Conformance	Arconic has documented an Occupational Health and Safety Management System that complies with applicable national and international standards which were reviewed during our audit in Arconic Samara.
11.3 Employee engagement on health and safety	Conformance	Arconic workers are provided with effective mechanisms to raise, discuss and participate in the resolution of any Occupational Health and Safety issues with management.
11.4 OH&S performance	Conformance	Arconic tracks leading and lagging OH&S indicators and compares them with their peers to look for opportunities to continuously improve. Please see page 37 - 39 in Arconic's Sustainability report 2018 for further detail: <a href="https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf">https://www.arconic.com/global/en/who-we-are/pdf/sustainability-reports/2018-Sustainability-Report.pdf</a>