

# ASI CERTIFICATION PERFORMANCE STANDARD



PRESENTED TO

# ALCOA FJARÐAÁL

CERTIFICATE  
NUMBER

100

ASI  
STANDARD

PERFORMANCE  
STANDARD  
(V2 2017)

CERTIFICATION  
LEVEL

FULL  
CERTIFICATION

ASI ACCREDITED  
AUDITOR

DNV BUSINESS  
ASSURANCE  
SERVICES UK  
LTD.

DATE OF ISSUE

15 OCTOBER 2021

DATE OF EXPIRY

14 OCTOBER 2024

CERTIFIED SINCE

15 OCTOBER 2020

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

The production of aluminium and the cast of aluminium sows, ingots and T-bars and the production of aluminium rod, (including support processes activities from engineering, planning, central maintenance and anode rodding) at Alcoa Fjarðaál (Iceland).

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# SUMMARY AUDIT REPORT PERFORMANCE STANDARD

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## OVERVIEW

MEMBER NAME	Alcoa Corporation
ENTITY NAME	Alcoa Fjarðaál
CERTIFICATION SCOPE	The production of aluminium and the cast of aluminium sows, ingots and T-bars and the production of aluminium rod, (including support processes activities from engineering, planning, central maintenance and anode rodding) at Alcoa Fjarðaál (Iceland).
SUPPLY CHAIN ACTIVITIES	<ul style="list-style-type: none"><li>Aluminium Smelting</li><li>Casthouses</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>Initial Certification Audit (2 – 3 September 2020)</li><li>Surveillance Audit (15 – 16 September 2021)</li></ul>
AUDIT FIRM	DNV Business Assurance Services UK Ltd.
AUDIT DATE	<ul style="list-style-type: none"><li>2 – 3 September 2020 (Initial Certification Audit)</li><li>15 – 16 September 2021 (Surveillance Audit)</li></ul>
AUDIT REPORT SUBMISSION	<ul style="list-style-type: none"><li>27 September 2020 (Initial Certification Audit)</li><li>5 October 2021 (Surveillance Audit)</li></ul>
AUDIT SCOPE	<p><u>Initial Certification Audit (2 – 3 September 2020)</u></p> <p>The audit scope covered the production of aluminium and the cast of aluminium sows, ingots and T-bars and the production of aluminium rod, (including support processes activities from engineering, planning, central maintenance and anode rodding).</p> <p>Supply chain activities included in the audit scope:</p> <ul style="list-style-type: none"><li>Aluminium Smelting</li><li>Casthouses</li></ul> <p>All relevant Criteria in the ASI Performance Standard were included in the audit scope.</p>

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At the time of the audit (September 2020), access to the site was not possible, due to COVID-19 related travel restrictions. The audit has been undertaken as a 'desktop' exercise, in accordance with the ASI Interim Policy regarding Audits, Audit-Related Travel and Coronavirus (v4), and included a remote review of relevant documentation.

Surveillance Audit (15 – 16 September 2021)

The audit scope covered the production of aluminium and the cast of aluminium sows, ingots and T-bars and the production of aluminium rod, (including support processes activities from engineering, planning, central maintenance and anode rodding) at Alcoa Fjarðaál (Iceland).

Supply chain activities included in the Audit Scope:

- Aluminium Smelting
- Casthouses

Criteria in the ASI Performance Standard relevant to the on-site component necessary to transition to Full Certification following the previous 'desktop' audit were included in the audit scope.

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AUDIT  
OUTCOME

- Certification

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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

15 October 2021 – 14 October 2024

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NEXT AUDIT  
TYPE

Re-Certification Audit

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NEXT AUDIT  
DUE DATE

14 October 2024

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CERTIFICATE  
NUMBER

100

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## SUMMARY OF FINDINGS

CRITERION	RATING	COMMENT
PRINCIPLE 1 BUSINESS INTEGRITY		
1.1 Legal Compliance	Conformance	<p>The Entity has defined policies and standard operating procedures to ensure the identification of risks and compliance with Applicable Law. A robust governance framework is in place for Business Ethics and Compliance and training is delivered to relevant personnel on a regular basis. Regulatory compliance is reviewed by Senior Management during annual management reviews. Alcoa Fjarðaál operates an Integrated Management System which is certified to ISO 9001, ISO 14001 and OHSAS 18001. For more information, please see the 2019 Community Report, available in Icelandic language: <a href="http://alcoa.samfelagsskyrsla.is/pdf/alcoa_samfelags_skyrsla_2019.pdf">http://alcoa.samfelagsskyrsla.is/pdf/alcoa_samfelags_skyrsla_2019.pdf</a></p>
1.2 Anti-Corruption	Conformance	<p>The Entity works against Corruption in all its forms, including Extortion and Bribery, consistent with Applicable Law and prevailing international standards. Alcoa Fjarðaál established adequate Anti-Corruption measures, such as policies, training, due diligence checks and an Integrity Line, endorsed by Senior Management. Alcoa dedicates local integrity champions who are responsible for promoting best practices and serving as trusted advisors on related matters. The training schedule is regularly reviewed by the HR Manager and controls are in place to ensure all identified employees complete the required training.</p>
1.3 Code of Conduct	Conformance	<p>Alcoa has adopted a corporate Code of Conduct which is communicated both internally and externally in the local Icelandic language: <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/code-conduct">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/code-conduct</a></p> <p>The Entity operates a robust governance framework to ensure the implementation of the Code of Conduct.</p> <p>Furthermore, internal and external stakeholders can access Alcoa's Integrity Line in their local language to raise concerns and to report any potential breaches of the Code of Conduct in a confidential manner. Any interested party can access the Integrity Line, operated by an independent third party: <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/integrity-line/Integrity_Line_Card_Icelandic.pdf">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/integrity-line/Integrity_Line_Card_Icelandic.pdf</a></p>
PRINCIPLE 2 POLICY & MANAGEMENT		

CRITERION	RATING	COMMENT
2.1a Environmental, Social, and Governance Policy (implement and maintain)	Conformance	<p>The Entity follows corporate standards and policies consistent with the environmental, social and governance practices included in the ASI Performance Standard. The Entity is one of the youngest smelters in Europe, which started operations in 2007. The smelter project, along with the hydropower plant (Landsvirkjun power plant) was created with wide public consultation, including government, NGOs, local Communities and other interested parties with sustainable principles at its core, please see link to the Environmental Impact Assessment during the project's initiation: <a href="https://www.sjaldbaerni.is/static/research/files/afanga_skyrsla-1.pdf">https://www.sjaldbaerni.is/static/research/files/afanga_skyrsla-1.pdf</a></p> <p>The Entity operates an Integrated Management System, certified to ISO 9001, ISO 14001 and OHSAS 18001 by Bureau Veritas.</p>
2.1b Environmental, Social, and Governance Policy (senior management)	Conformance	<p>The Entity demonstrated Senior Management endorsement for the Integrated Management Policy and secures resources to implement the Policy. Key environmental, social and governance issues are regularly reviewed by Senior Management during the management reviews. The Entity discloses its environmental investments and monitoring action plans in its Community Report, section 7, Environmental Affairs, page 10: <a href="https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf">https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p> <p>For the Entity's Statement of Policy in Icelandic, please see: <a href="https://www.alcoa.com/iceland/ic/pdfs/Stefnuyfirlysin-g-Fjardaals.pdf">https://www.alcoa.com/iceland/ic/pdfs/Stefnuyfirlysin-g-Fjardaals.pdf</a></p>
2.1c Environmental, Social, and Governance Policy (communication)	Conformance	<p>Alcoa's corporate environmental, social and governance Policies have been adopted by the Entity and translated into the local language. Alcoa's Policies and procedures related to environmental, social and governance aspects are communicated externally through Alcoa's website: <a href="http://investors.alcoa.com/corporate-governance/governance-documents">http://investors.alcoa.com/corporate-governance/governance-documents</a> and: <a href="https://www.alcoa.com/global/en/who-we-are/values/default.asp">https://www.alcoa.com/global/en/who-we-are/values/default.asp</a></p> <p>To access the Entity's Community Report 2019, please see: <a href="https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf">https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p>

CRITERION	RATING	COMMENT
		<p><a href="#">730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p> <p>Alcoa's Policies are communicated to employees and contractors via the same onboarding training which is a prerequisite before starting their work onsite.</p>
2.2 Leadership	Conformance	<p>The Alcoa CEO has nominated the Executive Vice President and Chief Operations Officer with responsibility for the implementation of ASI Performance Standard in Alcoa's operations worldwide. The Executive has the overall responsibility and authority for ensuring conformance with the ASI Performance Standard. The Management Representative has been communicated internally to all employees and posted on the Alcoa internal site.</p> <p>The Entity has designated the Managing Director with the responsibility for implementing the ASI Performance Standard at the site.</p>
2.3a Environmental and Social Management Systems (environmental)	Conformance	<p>The Entity operates an Integrated Management System which is certified to ISO 14001:2015 and is valid for the Entity's ASI Performance Standard Certification Scope and is recognised as meeting the requirements of Criterion 2.3a of the ASI Performance Standard. The Audit was carried out by an independent third party, Bureau Veritas (latest Surveillance Audit was carried out in October 2019). No Non-Conformances were identified.</p>
2.3b Environmental and Social Management Systems (social)	Conformance	<p>The Entity has documented and implemented an Integrated Social Management System. Alcoa Fjarðaál identified its key interested parties and material issues which are disclosed in the Community Report, page 40:</p> <p><a href="https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf">https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p> <p>The Entity has designated a Manager responsible for external communications and stakeholder engagement. The Manager identifies local Community engagement processes and keeps track of monitoring of actual and potential impacts. Labour Rights and Human Rights-related matters are managed through Alcoa's HR Principles.</p> <p>Please see the Alcoa Fjarðaál Statement of Policy for further detail in local Icelandic language:</p> <p><a href="https://www.alcoa.com/iceland/ic/pdfs/Stefnuyfirlysin-g-Fjardaals.pdf">https://www.alcoa.com/iceland/ic/pdfs/Stefnuyfirlysin-g-Fjardaals.pdf</a></p>

CRITERION	RATING	COMMENT
2.4 Responsible Sourcing	Conformance	Alcoa operates Supplier Standards across all of its locations: <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/Supplier_Standards.pdf">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/Supplier_Standards.pdf</a> The supply chain Due Diligence processes were reviewed for local implementation at the Entity. For instance, key suppliers' EcoVadis assessments were sighted. Purchasing of critical raw material is handled by global procurement. Local purchasing handles contracts with contractors and local contractors adhere to Icelandic laws and regulations. Second-party audits are carried out by corporate functions.
2.5 Impact Assessments	Conformance	The Entity has systems and procedures established to evaluate environmental, energy, safety, cultural and Human Rights impacts when performing major projects. It was noted that the site commenced operations in 2009 and there has been no major projects or expansions since that have warranted an Impact Assessment. The Entity follows corporate risk assessment procedures in the event of such CAPEX investment (PEHR - Project Environment, Health & Safety Review).
2.6 Emergency Response Plan	Conformance	The Entity operates an Integrated Management System certified to ISO 14001:2015, covering the Entity's Certification Scope which is accepted as meeting the requirements of Criterion 2.6 Emergency Response Plan of the ASI Performance Standard.
2.7 Mergers and Acquisitions	Conformance	Alcoa reviews environmental, social and governance issues in the Due Diligence process for mergers and acquisitions. These elements are governed centrally by Alcoa Corporation. There were no local examples of mergers and acquisitions.
2.8 Closure, Decommissioning and Divestment	Conformance	The Entity's operating permit defines processes for closure, decommissioning and divestment, including regulatory approval process. The Entity would follow procedures instructed by corporate functions in such events.
PRINCIPLE 3 TRANSPARENCY		
3.1 Sustainability Reporting	Conformance	Alcoa prepares an annual Sustainability Report in line with Global Reporting Guidelines (GRI) G4 Sustainability Reporting Guidelines and makes this report publicly available on the company website: <a href="https://www.alcoa.com/sustainability/en/pdf/2019-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2019-Sustainability-Report.pdf</a> The Entity prepares a Community Report which is available in the local Icelandic language:

CRITERION	RATING	COMMENT
		<p><a href="https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf">https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p> <p>The local Community Report also follows GRI guidelines.</p>
3.2 Non-compliance and liabilities	Conformance	<p>The Entity publicly discloses information on significant fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Law in the corporate report by Alcoa. Please see Note R - Contingencies and Commitments, Environmental Matters of Alcoa's 2019 Annual Report, page 105:</p> <p><a href="https://www.alcoa.com/sustainability/en/pdf/2020-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2020-Sustainability-Report.pdf</a></p> <p>Alcoa Fjarðaál did not receive significant fines, judgments, penalties and non-monetary sanctions for failure to comply with Applicable Law in the past 12 months.</p> <p>Alcoa Fjarðaál is obligated to report all Non-Compliances to the Icelandic Environmental Authorities and these are also disclosed in the Entity's annual Community Report, section 7.1:</p> <p><a href="http://alcoa.samfelagsskyrsla.is/">http://alcoa.samfelagsskyrsla.is/</a></p>
3.3a Payments to governments (legal and contractual)	Conformance	<p>Payments to governments, including taxes or tributes are reported in Alcoa's Annual Report:</p> <p><a href="https://www.alcoa.com/sustainability/en/pdf/2020-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2020-Sustainability-Report.pdf</a></p> <p>Alcoa's 2019 Sustainability Report contains further information on payments to governments, as per GRI guidelines, please see page 31:</p> <p><a href="https://www.alcoa.com/sustainability/en/pdf/2019-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2019-Sustainability-Report.pdf</a></p> <p>Alcoa Fjarðaál accounts are subject to third party independent audits by local accountants on an annual basis which contains a review of payments to governments. The Entity demonstrated compliance with local laws and regulations.</p>
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 is certified to ISO 14001:2015 which is recognised as meeting Criterion 3.4 of the ASI Performance Standard.
PRINCIPLE 4 MATERIAL STEWARDSHIP		
4.1a Environmental Life Cycle Assessment (life cycle impacts)	Conformance	The Entity has implemented and certified its Environmental Management System and evaluates



CRITERION	RATING	COMMENT
		<p>environmental aspects in a life cycle perspective. A Life Cycle Assessment Procedure has been developed and an Environmental Product Declaration, (EPD), considering the products produced is established. The EPD is in accordance with ISO 14025 and is third party verified by 'UL Environment' declaration number 4787971128.101.1.</p>
4.1b Environmental Life Cycle Assessment (cradle to gate)	Conformance	<p>Cradle to gate Life Cycle Assessment is developed through a third party verified Environmental Product Declaration, EPD. The information is available and is provided upon request or available for download from the web:  <a href="https://spot.ul.com/main-app/products/detail/5ad1f04355b0e82d946abb93?page_type=Products%20Catalog">https://spot.ul.com/main-app/products/detail/5ad1f04355b0e82d946abb93?page_type=Products%20Catalog</a></p>
4.1c Environmental Life Cycle Assessment (public communication)	Conformance	<p>A Life Cycle Assessment (LCA) is publicly available at:  <a href="https://spot.ul.com/main-app/products/detail/5ad1f04355b0e82d946abb93?page_type=Products%20Catalog">https://spot.ul.com/main-app/products/detail/5ad1f04355b0e82d946abb93?page_type=Products%20Catalog</a></p>
4.2 Product design	Not Applicable	<p>This Criterion is not applicable to the Entity's Certification Scope.</p>
4.3a Aluminium Process Scrap (targets)	Conformance	<p>The Entity has established daily monitoring and controls to minimize the amount of scrap generated for both Rod and Foundry Products. The Entity has defined scrap collection and recycling mechanisms based on the properties of the scrap produced. 100% of scrap is recycled either internally or sent to external partners for further recycling/use.</p>
4.3b Aluminium Process Scrap (alloy separation)	Conformance	<p>The Entity has established systems and processes to separate Aluminium alloys and grades for recycling. The majority of the scrap is sold to customers and external parties based on specific alloy number and accompanied by a certificate of analysis for each item/lot which contains information about the chemical composition of the product.</p>
4.4a Collection and recycling of products at end-of-life (strategy)	Conformance	<p>The Entity has no control of the end-of-life of its products from the Casthouse. As a Member of The Recycling Partnership, the biggest aluminium recycling organization in North America, Alcoa Corporation is involved, engaged and supporting activities promoting collection and recycling systems to increase recycling rates.</p>

CRITERION	RATING	COMMENT
4.4b Collection and recycling of products at end-of-life (engagement)	Conformance	As a Member of The Recycling Partnership, the biggest aluminium recycling organization in North America, Alcoa Corporation is involved, engaged and supporting activities promoting collection and recycling systems to increase recycling rates.

PRINCIPLE 5 GREENHOUSE GAS EMISSIONS

5.1 Disclosure of GHG emissions and energy use	Conformance	The direct emissions by source are calculated and reported annually and publicly disclosed on the web: <a href="https://www.alcoa.com/iceland/ic/environment/monitoring">https://www.alcoa.com/iceland/ic/environment/monitoring</a> Further, the aggregated GHG emissions and energy consumption are reported centrally and disclosed in the Alcoa Sustainability Report, pages 52 - 58: <a href="https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</a>
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5.2 GHG emissions reductions	Conformance	The Entity has plans to reduce and improve GHG emissions and energy consumption. Targets have been set both locally and centrally. In the Sustainability Report reduction targets are publicly disclosed, page 15: <a href="https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</a> The local target is supported by action plans in different departments.
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5.3a Aluminium Smelting (management system)	Conformance	The Management System includes Standard Operating Procedures (SOP's) for all critical processes including those in which emissions are prone. The Management System drives the governance, controls and improvement processes at the plant. The Entity is certified to ISO 9001:2015, ISO 14001:2015 and OHSAS 18001, issued by Bureau Veritas: <a href="https://www.alcoa.com/search/search_results?q=14001&amp;page=1&amp;isRedirect=1&amp;paginationStart=1">https://www.alcoa.com/search/search_results?q=14001&amp;page=1&amp;isRedirect=1&amp;paginationStart=1</a>
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5.3b Aluminium Smelting (up to and including 2020)	Conformance	In 2019 the Entity declared 570,000 metric tonne CO <sub>2</sub> equivalent of GHG emissions and, in consideration of production, operated at 1.6 metric tonne CO <sub>2</sub> -eq per metric tonne of Aluminium produced.
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5.3c Aluminium Smelting (after 2020)	Conformance	The Entity has no plans to start up Aluminium Smelters after 2020 where GHG emissions from production is above 8 tonnes CO <sub>2</sub> -eq per metric tonne Aluminium.
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PRINCIPLE 6 EMISSIONS, EFFLUENTS AND WASTE

CRITERION	RATING	COMMENT
6.1 Emissions to Air	Conformance	<p>The Entity has effective systems and procedures to report on Emissions to Air to national authorities and internally at group level. The aggregated performance is presented in the Sustainability Report and the Annual Report, both available on the company website:</p> <p><a href="https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</a>  <a href="https://investors.alcoa.com/financial-reports/annual-reports-and-proxy-statements">https://investors.alcoa.com/financial-reports/annual-reports-and-proxy-statements</a></p> <p>Full details of the current monitoring program are available at:  <a href="http://www.sustainability.is/">http://www.sustainability.is/</a></p>
6.2 Discharges to Water	Conformance	<p>The Entity has effective systems and procedures to report on Discharges to Water to national authorities and internally at group level. The aggregated performance is presented in the Sustainability Report and the Annual Report, available on the company website:</p> <p><a href="https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</a>  <a href="https://investors.alcoa.com/financial-reports/annual-reports-and-proxy-statements">https://investors.alcoa.com/financial-reports/annual-reports-and-proxy-statements</a></p>
6.3a Assessment and Management of Spills and Leakage (assessment)	Conformance	<p>The Entity is obliged to have a spill risk assessment and spill response plans for 'small' and 'large' Spills as defined within its operating licence. Spills are reported publicly in the Sustainability Report. It was confirmed during the site visit that there has been no significant Spills and Leakages since the Initial Certification Audit. The site tour was conducted to check personal protective equipment (PPE) and Spills and Leakage prevention where applicable.</p>
6.3b Assessment and Management of Spills and Leakage (management)	Conformance	<p>The Entity is obliged to have a spill risk assessment and spill response plans for 'small' and 'large' Spills as defined within its operating licence. Spills are reported publicly in the Sustainability Report. Monitoring is both internal and undertaken by the environmental authority and local municipality. It was confirmed during the site visit that there has been no significant Spills and Leakages since the Initial Certification Audit. The site tour was conducted to check Personal Protective Equipment (PPE) and Spills and Leakage prevention where applicable.</p>
6.4a Reporting of Spills (immediate disclosure)	Conformance	<p>Icelandic law requires large chemical or oil spills to be reported to emergency services and the environmental agency. Spills are reported internally to Alcoa corporate and investigations are undertaken</p>

CRITERION	RATING	COMMENT
		with recommendations for improvements to mitigations.
6.4b Reporting of Spills (regular reporting)	Conformance	Icelandic law requires large chemical or oil spills to be reported to emergency services and the environmental agency. Spills are reported internally to Alcoa corporate and investigations are undertaken with recommendations for improvements to mitigations.
6.5a Waste management and reporting (strategy)	Conformance	The Entity has implemented a waste management plan in accordance with a Waste Mitigation Hierarchy and in accordance with the site's Facility Waste Standard. Waste figures are recorded in the Sustainability Report: <a href="https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</a>
6.5b Waste management and reporting (disclosure)	Conformance	The Entity has implemented a waste management plan in accordance with a Waste Mitigation Hierarchy and in accordance with the site's Facility Waste Standard. Waste figures are recorded in the Sustainability Report: <a href="https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2018-Sustainability-Report.pdf</a>
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 has implemented a Spent Pot Lining (SPL) management plan. SPL is removed 100% from all processed pots and stored in specially designed shipping containers before being shipped. The Entity has a contract with a government managed facility in Norway (NOAH), which is licensed to store SPL in a disused mine facility. No carbon or product recycling is undertaken on SPL.

CRITERION	RATING	COMMENT
		<p>During the site visit, the potroom and pot relining workshop was visited. The quantity of SPL has significantly increased compared to previous years due to pot relining activities. At present, all SPL is shipped to the licensed Norwegian facility and Alcoa carried out a due diligence audit and review of the facility's operating permit to ensure controlled landfilling and prevention of leachate to the environment.</p>
<p>6.7b Spent Pot Lining (SPL) (recovery and recycling)</p>	<p>Conformance</p>	<p>The Entity is currently sending its SPL carbon and brick materials to an authorised operator, NOAH in Norway, to an area used for mine rehabilitation. The Entity is working with industry experts, suppliers and partners to seek alternatives and recycle the SPL for use in other industries.</p> <p>Alcoa Fjarðaál optimises processes for the recovery of carbon materials which includes detailed work instructions for workshop personnel to remove the carbon layer and prepare the carbon and refractory materials for further processing outside the plant. The Entity regularly reviews optimisation requirements depending on the recovery/recycling route available for the SPL, working with Alcoa European management team and other Alcoa smelters in Europe.</p> <p>The Entity carried out a due diligence audit at the operator's site to ensure SPL, as a Hazardous material is treated, avoiding any leachate to soil, groundwater or aquatic environments.</p>
<p>6.7c Spent Pot Lining (SPL) (Untreated SPL)</p>	<p>Conformance</p>	<p>The Entity carried out a due diligence audit in 2018 of the government managed waste facility in Norway (Langøya island), NOAH, and reviewed the environmental and operational permits and the methods used for treating SPL before landfilling as part of mine rehabilitation efforts,</p> <p>The fluorides from SPL are stabilized through precipitation with Calcium ions to form Calcium fluoride (CaF<sub>2</sub>) which has low solubility in pH neutral water. The data reported by NOAH show a significant reduction of fluorides in the leachate test after treatment at Langøya, preventing potential adverse environmental effects.</p>
<p>6.7d Spent Pot Lining (SPL) (review of alternatives)</p>	<p>Conformance</p>	<p>The Entity is regularly reviewing alternatives to landfilling of SPL and is participating in pilot assessments with German operators to recycle SPL materials. The Entity has established regular review meetings with the Alcoa European environmental management team and other Alcoa Smelters and</p>

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		seeks to find alternatives to landfilling and to boost recycling options, in line with the Waste Mitigation Hierarchy.
6.7e Spent Pot Lining (SPL) (marine and aquatic environments)	Conformance	The Entity does not discharge any SPL to marine or aquatic environments.
6.8a Dross (recovery)	Conformance	The Entity has developed and implemented policies, systems, procedures and processes that conform to the Dross requirements. Dross generated onsite is processed to maximise aluminium recovery by external companies. All Dross generated is processed by specialised external companies and licenses and associated compliance documents were reviewed. The site tour covered inspection of Casthouse production processes, Dross generation and shipment.
6.8b Dross (recycling)	Conformance	The Entity has developed and implemented policies, systems, procedures and processes that conform to the Dross requirements. Dross generated onsite is processed to maximise aluminium recovery. All Dross generated is processed by specialised external companies and licenses and associated compliance documents were reviewed.
6.8c Dross (review of alternatives)	Conformance	The Entity has developed and implemented policies, systems, procedures and processes that conform to the Dross requirements. Dross generated onsite is processed to maximise aluminium recovery. All Dross generated is processed by specialised external companies, licenses and associated compliance documents were reviewed.
PRINCIPLE 7 WATER STEWARDSHIP		
7.1a Water assessment (mapping)	Conformance	The environmental impact of the Hydro Power Scheme and the water usage on site are described and reported in the Community Report. The Entity's water usage is all from a municipal supply which is supported by the operating license. Water impacts are recorded at the East Iceland Sustainability Initiative website: <a href="http://www.sjalfbaerni.is">http://www.sjalfbaerni.is</a>
7.1b Water assessment (risk assessment)	Conformance	The Entity uses only municipality water in its processes and recycles all its process water. There is no discharge to sea. In Iceland there is no water scarcity and risk of overuse of water to process is negligible. Close to the Smelter are streams and

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		<p>rivers that were diverted during construction. A study of water impact was undertaken during the EIA process in 2005 with no environmental impacts reported with regards water supply or surface water in the vicinity of the Smelter.</p> <p>Community engagement is via a Stakeholder Committee. Please see: <a href="http://www.sjalfbaerni.is">http://www.sjalfbaerni.is</a></p>
7.2a Water management (management plans)	Conformance	<p>The environmental impact of the Hydropower Scheme and the water usage on site are described and reported in the Community Report.</p> <p>The Entity's water usage is all from a municipal supply, which is supported by the operating license. Water impacts are recorded at the East Iceland Sustainability Initiative website: <a href="http://www.sjalfbaerni.is">http://www.sjalfbaerni.is</a></p> <p>There is a water management plan in place.</p>
7.2b Water management (monitoring)	Conformance	<p>The environmental impact of the Hydropower Scheme and the water usage on site are described and reported in the Community Report.</p> <p>The Entity's water usage is all from a municipal supply, which is supported by the operating license. Water impacts are recorded at the East Iceland Sustainability Initiative website: <a href="http://www.sjalfbaerni.is">http://www.sjalfbaerni.is</a></p>
7.3 Disclosure of water usage and risks	Conformance	<p>The environmental impact of the Hydropower Scheme and the water usage on site are described and reported in the Community Report.</p> <p>The Entity's water usage is all from a municipal supply, which is supported by the operating license. Water impacts are recorded at the East Iceland Sustainability Initiative website: <a href="http://www.sjalfbaerni.is">http://www.sjalfbaerni.is</a></p>
PRINCIPLE 8 BIODIVERSITY		
8.1 Biodiversity assessment	Conformance	<p>The Entity's operating permit requires an environmental monitoring plan which includes elements of biodiversity including local flora and fauna. The environmental monitoring plan is approved by the environmental authorities. The monitoring plan includes investigations of vegetation in the vicinity of the Entity, on livestock and on surface water. Part of the monitoring program is an investigation on coastline ecological studies in the Fjord which is completed every fifth year. All results are presented at the East Iceland Sustainability Initiative website:</p>

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		<a href="http://www.sjalfbaerni.is">http://www.sjalfbaerni.is</a> The Entity has recently (June 2020) commissioned the 'Alcoa Fjarðaál Biodiversity Action Plan', which provides improvement and monitoring targets for all elements of biodiversity.
8.2a Biodiversity management (biodiversity action plans)	Conformance	The Entity has recently (June 2020) commissioned the 'Alcoa Fjarðaál Biodiversity Action Plan', which provides improvement and monitoring targets for all elements of biodiversity.
8.2b Biodiversity management (consultation and mitigation hierarchy)	Conformance	The Entity has recently (June 2020) commissioned the 'Alcoa Fjarðaál Biodiversity Action Plan', which provides improvement and monitoring targets for all elements of biodiversity. This plan is designed in accordance with Biodiversity Mitigation Hierarchy.
8.2c Biodiversity management (reporting)	Conformance	The Entity has recently (June 2020) commissioned the 'Alcoa Fjarðaál Biodiversity Action Plan', which provides improvement and monitoring targets for all elements of biodiversity. This plan is designed in accordance with Biodiversity Mitigation Hierarchy and requires a review.
8.3 Alien Species	Conformance	The Biodiversity Action Plan identifies that the highest risk of invasive species is related to ballast water exchange from the ships importing alumina into Reyðarfjörður. Ship Masters are instructed that the discharge of ballast water is prohibited within Icelandic territory unless it is cleaned or treated. This is in accordance with IMO MARPOL regulations to which Iceland is a signatory.
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	Alcoa's Human Rights Policy is committed to abiding by international Human Rights Principles encompassed in the Universal Declaration of Human



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		<p>Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact and the United Nations Guiding Principles on Business and Human Rights. Please see below the link to access Alcoa's Human Rights Policy (last updated in March 2019):</p> <p><a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/human-rights-policy/human-rights-policy-en.pdf">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/human-rights-policy/human-rights-policy-en.pdf</a></p> <p>The Policy is available in Icelandic language and is part of Alcoa's employee and contractor onboarding training.</p>
9.1b Human Rights Due Diligence (process)	Conformance	<p>Human Rights Due Diligence assessments are carried out at corporate level, with the involvement of the local site. The Entity's Human Rights risk assessment was based on methodology developed by the Danish Institute for Human Rights. The self-assessment identified rightsholders in the local context. External stakeholders were consulted during the assessment, including the local Mayoral Office and Labour Union representatives. As a result of the assessment, no actual or potential impacts on Human Rights were identified resulting from the Entity's activities.</p> <p>However, due to the nature of the industry in which the Entity operates, key material risks were identified related to working conditions and gender equality. These aspects are addressed via various Human Rights procedures, programmes and initiatives.</p>
9.1c Human Rights Due Diligence (remediation)	Not Applicable	<p>The Entity has not caused or contributed to adverse Human Rights impacts. Alcoa Corporation developed corporate procedures to address remediation processes where such a situation occurs.</p>
9.2 Women's Rights	Conformance	<p>Diversity and inclusion have been at the core of the Entity and incorporated into the Vision and Values of the Entity. Alcoa adopted an Equal Employment Opportunity Policy which is available on the Alcoa's website:</p> <p><a href="https://www.alcoa.com/global/en/careers/pdf/Alcoa-EEO.pdf">https://www.alcoa.com/global/en/careers/pdf/Alcoa-EEO.pdf</a></p> <p>Please see Alcoa's 2019 Sustainability Report, page 45, for further details on how Alcoa promotes gender diversity:</p> <p><a href="https://www.alcoa.com/sustainability/en/pdf/2019-Sustainability-Report.pdf">https://www.alcoa.com/sustainability/en/pdf/2019-Sustainability-Report.pdf</a></p> <p>Further actions and initiatives by Alcoa Fjarðaál have included:</p>

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		<ul style="list-style-type: none"> <li>• Changes to shift models which are more family-friendly</li> <li>• #MeToo workshops and consultations with independent experts</li> <li>• 19th June, Women's Day celebration.</li> </ul>
9.3 Indigenous Peoples	Not Applicable	There are no Indigenous minority groups in Iceland. Please see: <a href="https://www.refworld.org/docid/4954ce0323.html">https://www.refworld.org/docid/4954ce0323.html</a>
9.4 Free, Prior, and Informed Consent (FPIC)	Not Applicable	There are no Indigenous minority groups in Iceland. Please see: <a href="https://www.refworld.org/docid/4954ce0323.html">https://www.refworld.org/docid/4954ce0323.html</a>
9.5 Cultural and sacred heritage	Conformance	There are no sacred or cultural heritage sites within the Area of Influence. The Entity's regulatory permit requires a detailed Impact Assessment prior to any construction work, in which cultural and sacred heritage sites would be covered in the future. Icelandic Law on cultural heritage will apply if the Entity should expand.
9.6a Resettlements (avoid or minimise)	Not Applicable	There are no projects where physical and/or economic displacement of people were required or relevant.
9.6b Resettlements (where unavoidable)	Not Applicable	There are no projects where physical and/or economic displacement of people were required or relevant.
9.7a Local Communities (rights and interests)	Conformance	<p>The Entity identified its key stakeholders, including the rights and interest of Local Communities, following Alcoa's corporate standards for stakeholder engagement. For the analysis of Alcoa Fjarðaál's stakeholders and interested parties, please see the Community Report, page 40: <a href="https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf">https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p> <p>The Entity conducts regular community sentiment surveys. For the results, please see the Community Report, page 41. Alcoa works closely with its interested parties to ensure it is meeting stakeholder expectations. For instance, a key concern to farmers is fluoride emissions and impacts of livestock grazing near the grounds of the site. The Entity established a robust monitoring programme and works with local vets and other stakeholders to monitor the fluoride levels in the fjord. No material impacts have been identified resulting from the Entity's activities.</p>

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9.7b Local Communities (impacts)	Conformance	<p>Fluoride emissions are material aspects of the Entity's operations. The Entity discloses its Emissions to Air monitoring programme in the Community Report, Chapter 7.</p> <p>The Steering Committee on Fluoride Emissions is working with employees to make sure the Entity is operating as per its standard operating procedures. For any other community complaints, an incident management system is used (MES System) to monitor the statuses and follow up with reporters. No remediation actions have been required to date as a result of the Entity's activities.</p> <p>Interviews with the local Community and farmers were undertaken.</p> <p>In summer 2021, due to the unusual summer heat and drought, fluoride emissions were higher than in previous years. Following good practice, the Entity increased the frequency of monitoring around the site (grass measurements and sampling of livestock). The Entity keeps local stakeholders, such as farmers informed about the results and ensures continuous monitoring of the issue.</p>
9.7c Local Communities (livelihoods)	Conformance	<p>The Entity together with the Landsvirkjun power company operate a project to follow up on the impact they have on the Community in the east, see here: <a href="https://www.sjalftbaerni.is/en">https://www.sjalftbaerni.is/en</a></p> <p>The Entity supports local Community livelihoods through the Alcoa Foundation and local grants. Please see the Entity's Community Report, page 46: <a href="https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf">https://uploads-ssl.webflow.com/60b8ac59d1cc976af2c4d382/60be8730be79f8715be65673_alcoa_samfelagsskyrsla_2020.pdf</a></p>
9.8 Conflict-Affected and High-Risk Areas	Not Applicable	<p>The Entity is located in Iceland, a country where armed conflict or Human Rights abuses in Conflict-Affected and High-Risk Areas is not relevant.</p> <p>At a corporate level, Alcoa implemented a supply chain Due Diligence programme to further manage risk from the supply chain related to the areas of Anti-Bribery and Corruption, trade compliance, Child and Slave Labour, criminal history, Human Trafficking and conflict minerals.</p>
9.9 Security practice	Conformance	<p>The Entity implemented the Alcoa Security Standards in its arrangements with security providers, which includes considerations for Human Rights protection. The third party security personnel have been trained on the Alcoa's Code of Conduct, applicable Human Rights law and the Risk</p>

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		Management Plan. The Entity monitors the training records internally and to date, there have been no disciplinary actions against security personnel related to Human Rights.
PRINCIPLE 10 LABOUR RIGHTS		
10.1a Freedom of Association and Right to Collective Bargaining (freedom of association)	Conformance	Freedom of association and right to collective bargaining is well organised under Icelandic law. The Entity has implemented a Human Rights Policy committing to freedom of association and right to collective bargaining: <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/human-rights-policy">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/human-rights-policy</a> Trade Unions present at the Entity have agreed a Collective Bargaining Agreement. Worker interviews with Labour Union representatives and workshop Workers were conducted to test the effectiveness of the procedures.
10.1b Freedom of Association and Right to Collective Bargaining (collective bargaining)	Conformance	Freedom of association and right to collective bargaining is well organised in Icelandic society. There are long traditions on cooperation and strong Labour Rights legislation implemented. The Entity has implemented a Human Rights Policy committing to freedom of association and right to collective bargaining: <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/human-rights-policy/human-rights-policy-en.pdf">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/human-rights-policy/human-rights-policy-en.pdf</a> Worker interviews with Labour Union representatives and workshop Workers were conducted to test the effectiveness of the procedures.
10.1c Freedom of Association and Right to Collective Bargaining (alternative means)	Conformance	Icelandic laws allow the freedom of association and collective bargaining.
10.2a Child Labour (minimum age)	Conformance	The Entity does not employ any Workers under the age of 18 as a function of Icelandic law. This was confirmed during the onsite component of the audit.
10.2b Child Labour (hazardous)	Conformance	The Entity does not employ anybody at this site under the age of 18 as a function of Icelandic law. This was confirmed during the onsite component of the audit.
10.2c Child Labour (worst forms)	Conformance	The Entity does not employ any Workers under the age of 18 as a function of Icelandic law. This was confirmed during the onsite component of the audit.

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10.3a Forced Labour (human trafficking)	Conformance	The Entity does not employ any Workers under the age of 18 as a function of Icelandic law. No agency Workers are employed. All Workers must have obtained an Icelandic social security number.
10.3b Forced Labour (deposits, fees, advances)	Conformance	The Entity does not employ any Workers under the age of 18 as a function of Icelandic law. No agency Workers are employed. All Workers must have obtained an Icelandic social security number.
10.3c Forced Labour (migrant workers)	Conformance	The Entity does not employ any Workers under the age of 18 as a function of Icelandic law. No agency Workers are employed. All Workers must have obtained an Icelandic social security number. Icelandic law prohibits Forced Labour as does the Union Collective Agreement.
10.3d Forced Labour (debt bondage)	Conformance	The Entity does not employ any Workers under the age of 18 as a function of Icelandic law. No agency Workers are employed. All Workers must have obtained an Icelandic social security number. Icelandic law prohibits Forced Labour as does the Union Collective Agreement and hence there is no Debt Bondage.
10.3e Forced Labour (freedom of movement)	Conformance	All Employees are hired under the same process and receive pay according to the Collective Bargaining Agreement, which guarantees freedom of movement.
10.3f Forced Labour (retention of identity papers, permits, certificates)	Conformance	All Employees are hired according to the Collective Bargaining Agreement, which prohibits the retention of Workers' original documentation.
10.3g Forced Labour (freedom to terminate employment)	Conformance	The Collective Bargaining Agreement under which all employees are contracted, guarantees freedom to terminate employment under conditions underpinned by Icelandic law.
10.4 Non-Discrimination	Conformance	No Discrimination was noted during interviews and employees expressed a high level of engagement in this subject. The Entity has developed and implemented an Equal Employment Opportunity Policy addressing zero tolerance to Discrimination and a Human Rights Policy, both publicly available: <a href="https://www.alcoa.com/global/en/careers/pdf/Alcoa-EEO.pdf">https://www.alcoa.com/global/en/careers/pdf/Alcoa-EEO.pdf</a> <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/human-rights-policy.asp">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/human-rights-policy.asp</a>
10.5 Communication and engagement	Conformance	The Entity has an open and inclusive communication between Management, Workers and the Union which

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		is formalised within the Collective Bargaining Agreement. The Entity has an open and inclusive communication with systems in place to raise concerns and for improvement suggestions. This was confirmed during the onsite component of the audit by Worker interviews.
10.6 Disciplinary practices	Conformance	Alcoa's corporate Code of Conduct relating to disciplinary practice shows strong compliance with international and best practice in this subject: <a href="https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/code-conduct/Code_Conduct_English.pdf">https://www.alcoa.com/global/en/who-we-are/ethics-compliance/pdf/code-conduct/Code_Conduct_English.pdf</a> The Entity has its own local rules expressed in a standard operating procedure, which reflects local law and the Collective Bargaining Agreement.
10.7a Remuneration (living wage)	Conformance	The Collective Bargaining Agreement together with strong Icelandic law assure compliance with this Criterion. All staff are under the Collective Bargaining Agreement, which assures that no pay is withheld and that all payments are made monthly directly to chosen bank accounts. There are no disciplinary processes which result in withholding of payment.
10.7b Remuneration (method of payment)	Conformance	The Collective Bargaining Agreement together with strong Icelandic law assure compliance with this Criterion. All staff are under the Collective Bargaining Agreement, which assures that no pay is withheld and that all payments are made monthly directly to chosen bank accounts. There are no disciplinary processes which result in withholding of payment.
10.8 Working Time	Conformance	Icelandic Law and the Collective Bargaining Agreement have resulted in a rigorous process whereby staff are not permitted to exceed the maximum extra shifts and total working hours per month. Shift patterns have been changed to accommodate local employees. Public holidays, Overtime hours, sick leave and annual leave are remunerated according to Icelandic law.
PRINCIPLE 11 OCCUPATIONAL HEALTH AND SAFETY		
11.1a Occupational Health and Safety (OH&S) Policy (policy)	Conformance	The Entity has developed, implemented and communicated a Health and Safety Policy endorsed and supported by senior management.
11.1b Occupational Health and Safety (OH&S) Policy (workers and visitors)	Conformance	The Entity has developed, implemented and communicated a Health and Safety Policy, endorsed and supported by senior management. The Policy is a part of induction and is posted throughout the site.

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11.1c Occupational Health and Safety (OH&S) Policy (applicable law and standards)	Conformance	The Entity has developed, implemented and communicated a Health and Safety Policy, endorsed and supported by senior management. The Policy is a part of induction and is posted throughout the site. The Entity's Policy includes 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)	Minor Non-Conformance	The Entity has developed, implemented and communicated a Health and Safety Policy, endorsed and supported by senior management. The Policy is a part of induction and is posted throughout the site. The Entity's Policy includes a reference to the right of Workers to stop unsafe work. Worker interviews in a designated part of the operation (rodshop) demonstrated that Workers felt their right to stop unsafe work was limited. It was raised that the Entity has not sufficiently communicated the long-term corrective action plan that will effectively resolve the health and safety hazard in this area following a near-miss incident in July 2021.
11.2 OH&S Management System	Conformance	The Entity has a documented Health and Safety Management System that is in conformance with Icelandic legislation. The Entity's Health and Safety Management System is part of its overall Integrated Management System which is held on a platform called 'POKA'. It is a traditional three tier hierarchical system with policy, procedure and detailed work instruction where necessary. The series of Standard Operating Procedures (SOPs) are comprehensive and are based on supporting the Alcoa requirement for 'Critical Controls' to be identified.
11.3 Employee engagement on health and safety	Conformance	The Entity engages a Health and Safety Committee, a monthly joint meeting with all the committees and the Critical Controls Committee. All employees are allowed to raise health and safety issues. All employees can enter an improvement idea into the Entity's system which are reviewed weekly by each areas process team. Employee surveys support inclusion within health and safety issues.
11.4 OH&S performance	Conformance	The Entity is certified according to OHSAS 18001, which requires performance monitoring (under Clause 4.5.1 and 4.5.2). Health and safety performance are monitored using an incident management system where all incidents, audits and verifications are registered. Lagging and leading indicators are monitored in reporting to management

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		and on smart boards throughout the site. Health and safety data are reported up to Alcoa corporate who report publicly on this in the Sustainability Report.

**Document Control and Version History**

Revision	Date	Notes
0	15 October 2020	Issued (Provisional Certification)
1	23 November 2021	Surveillance Audit – Full Certification. Auditor did not audit Criteria out of scope but revised any outdated hyperlinks for inclusion in the Public Headline Statement.