



United Nations Global Compact

Alcoa is a values-based company, and we uphold the highest standards of respect for the protection of human rights for all stakeholders.

We are a participant in the [United Nations Global Compact](#). The compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with 10 universally accepted principles in the areas of human rights, labor, environment, and anti-corruption.

Statement of Support

Alcoa is fully committed to the United Nations Global Compact. Integrity and respect for people are [core Values](#) for Alcoa, and we believe that financial success, social responsibility, and protection of the environment are totally aligned and absolutely essential for long-term sustainability.

The [Alcoa Guide to Business Conduct](#) outlines our commitment to be open, honest, and trustworthy in all of our dealings with all stakeholders. Our [policies and procedures](#), which apply to Alcoa-controlled operations globally, specifically incorporate our commitment to human rights, freedom of association, and excellence in environment, health, and safety. In addition, our policies clearly communicate that we will not tolerate forced, compulsory, or child labor; discrimination of any kind; or any forms of corruption and bribery in our global operations.

Klaus Kleinfeld
Chairman and Chief Executive Officer

2013 Communication on Progress

The following overview of our 2013 progress against the 10 principles is supplemented by references to information contained on our external website, www.alcoa.com.

Principles	2013 Progress	References
Human Rights		
1. Businesses should support and respect the protection of internationally proclaimed human rights.	Alcoa's Human Rights Policy is available in 20 languages on our corporate intranet and internet sites. We respect all internationally proclaimed human rights standards in our operations throughout the world. Treating each person with dignity and respect is one of our core Values. We value diversity and inclusion in all of our operations. In 2013, 10% of incentive compensation for managers and executives was based on progress in achieving diversity and inclusion objectives in	Vision & Values → go Human Rights Policy → go Inclusion → go

	<p>each of our businesses and in every region throughout the world.</p> <p>We offer a 45-minute human rights course to managers and professional employees that educates them about the human rights principles of the United Nations Global Compact and emphasizes that all actions taken on behalf of the company must respect and support human rights.</p>	<p>Human Rights Policy → go</p>
2. Businesses should make sure that they are not complicit in human rights abuses.	<p>We seek to understand fully all aspects of how business is conducted where we have our operations throughout the world. Our standard is to contractually require our contractors and suppliers to adhere to the same internationally proclaimed human rights protections and guarantees to which we hold ourselves.</p> <p>Our Global Supplier Sustainability Program assesses the performance of key suppliers against varied criteria that include human rights components.</p> <p>We continued the global implementation of the Alcoa Community Framework, which requires each of our locations to engage with key stakeholders in and around our facilities. Human rights is a critical component of the framework.</p> <p>At the end of 2013, 97% of our manufacturing locations had implemented the framework and met with key stakeholders to review common initiatives, including human rights protections.</p>	<p>Human Rights Policy → go</p> <p>Supply Chain → go</p> <p>Stakeholder Engagement → go</p>
Labor Standards		
3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	<p>We fully support an employee's right to choose whether or not to join a union.</p>	<p>Human Rights Policy → go</p>

	We worked cooperatively and in good faith with many labor unions that represent groups of our employees in various facilities throughout the world.	Labor Relations → go
4. The elimination of all forms of forced and compulsory labor.	<p>We forbid the use of any forced or compulsory labor within our own operations and the operations of our suppliers and contractors. We have policies and procedures in place to ensure that our recruitment practices are fully consistent with our human rights requirements in this regard.</p> <p>Our Global Supplier Sustainability Program assesses the performance of key suppliers against varied criteria that include labor practices and human rights.</p>	<p>Human Rights Policy → go</p> <p>Supply Chain → go</p>
5. The effective abolition of child labor.	<p>We forbid the use of any child labor within our own operations and the operations of our suppliers and contractors. We have policies and procedures in place to ensure that our recruitment practices are fully consistent with our human rights requirements in this regard.</p> <p>Our Global Supplier Sustainability Program assesses the performance of key suppliers against varied criteria that include labor practices and human rights.</p>	<p>Human Rights Policy → go</p> <p>Supply Chain → go</p>
6. The elimination of discrimination in respect of employment and occupation.	<p>Alcoa's recruitment processes and practices ensure the protection and respect for all people and that no individual is discriminated against on the basis of race, color, religion, national origin, disability, sexual orientation, gender identity/expression, veteran status, genetic information, sex, or age (within statutory limits).</p> <p>Our company Values continue to include "respect"—we treat all people with dignity and provide a diverse, inclusive work environment.</p>	<p>Human Rights Policy → go</p> <p>Equal Employment Opportunity Statement → go</p> <p>Vision & Values → go</p>

	<p>In 2013, 10% of our incentive compensation for managers and executives was based on meeting targets to improve the diversity of our workforce with respect to representation of women and protected class employees in our global operations.</p> <p>We met our 2013 goal to have women comprise 19% of our global leadership (achieved 20.8%) and were slightly under our goal of 16% of U.S. minorities holding leadership positions (achieved 15.6%).</p> <p>We earned the prestigious Catalyst Award in 2013 in recognition of our progress on recruiting, developing, and advancing women in the workplace.</p> <p>The Human Rights Campaign again named Alcoa an LGBT Best Place to Work in 2013.</p> <p>In early 2014, we received the Human Rights Campaign's Corporate Equality Award.</p>	<p>Inclusion → go</p> <p>Awards → go</p>
Environment		
7. Businesses should support a precautionary approach to environmental challenges.	<p>We support the precautionary approach to environmental challenges.</p> <p>We have aggressive 2020 and 2030 goals to drive our environmental performance against a 2005 baseline.</p> <p>We achieved a 25.5% reduction in carbon dioxide intensity (carbon dioxide equivalents per ton of production) against a 2005 baseline in our Global Primary Products business group.</p> <p>We reduced our freshwater-use intensity (consumption per unit of production) by 22% versus 2005 levels.</p> <p>We reduced our landfilled waste by 24% versus 2005</p>	<p>Strategic Sustainability Targets → go</p> <p>Climate Protection → go</p> <p>Water → go</p> <p>Emissions & Waste → go</p>

	<p>levels.</p> <p>We met our 2020 goal of a 15% reduction in bauxite residue land requirements per unit of alumina produced—seven years ahead of schedule.</p>	
8. Undertake initiatives to promote greater environmental responsibility.	<p>We have aggressive 2020 and 2030 goals to drive our environmental performance against a 2005 baseline.</p> <p>We use Sustainability Scorecards to measure each business' progress against key near-term sustainability metrics.</p> <p>We included an annual carbon dioxide reduction target as a component of our 2013 incentive compensation program.</p> <p>Alcoa Foundation invests around one third of its total annual funding to environmentally focused programs around the world.</p> <p>Among our employees, 62% participated in the 2013 Month of Service employee outreach campaign. Many of the activities were focused on the environment.</p> <p>The Green Works program supports employee efforts to address critical environmental issues.</p> <p>Alcoa and Alcoa Foundation invested more than US\$6.3 million between 2007 and 2013 to develop community-based recycling programs.</p> <p>In June 2013, we announced a closed-loop recycling program with Boeing to significantly increase the recycling of internal aluminum aerospace alloys used during the production of Boeing airplanes.</p>	<p>Strategic Sustainability Targets → go</p> <p>Sustainability Strategy → go</p> <p>Energy → go</p> <p>Alcoa Foundation → go</p> <p>Month of Service → go</p> <p>Green Works → go</p> <p>Recycling → go</p>

	<p>In 2013, the advanced recycling system at our Barberton, Ohio, USA, wheels plant was operating at full capacity. The first of its kind in North America, the Barberton process uses innovative technology to produce billet for new wheels from re-melted scrap aluminum wheels.</p> <p>Our Global Supplier Sustainability Program assesses the performance of key suppliers against varied criteria that include environmental performance.</p>	<p>Supply Chain → go</p> <p>Case Studies → go</p>
9. Encourage the development and diffusion of environmentally friendly technologies.	<p>We continued commercialization of ReadyGrit™, which is derived from bauxite residue.</p> <p>The Alcoa-designed Natural Engineered Wastewater Treatment (NEWT™) system at the Ma'aden Alcoa joint venture project in Saudi Arabia will enable the reduction of freshwater demand by nearly 25% and achieve zero wastewater discharge.</p> <p>The mass production of aluminum-intensive vehicles—which are lighter, use less fuel, and emit fewer emissions compared to steel-intensive vehicles—is significantly enabled by Alcoa 951 bonding technology, which we introduced commercially in 2013.</p> <p>Our new Ultra ONE™ heavy duty truck wheel is 47% lighter than steel wheels of the same size.</p>	<p>Bauxite Residue → go</p> <p>NEWT Case Study → go</p> <p>Automotive → go</p> <p>Commercial Transportation → go</p> <p>Case Studies → go</p>
Anti-Corruption		
10. Businesses should work against corruption in all its forms, including extortion and	Our global Ethics and Compliance Line and web reporting capability provide	<p>Ethics & Compliance Line → go</p>

bribery.	<p>employees and external stakeholders with the opportunity to report confidentially any potential violations of law or company policy. This is in addition to employees and stakeholders being able to report by sending letters to management, contacting the Compliance organization by fax or email, and submitting issues through alcoa.com.</p> <p>Our Anti-Corruption Policy prohibits facilitation, or “grease” payments, and commercial bribery in addition to bribery of public officials.</p> <p>The Alcoa Guide to Business Conduct and Alcoa Supplier Standards include information on anti-corruption.</p> <p>At the time of hire, all employees are expected to complete “Do What’s Right!” training, which contains anti-corruption elements.</p> <p>Alcoa employees who meet certain criteria must participate in online ethics and compliance training, available in 16 languages. Employees who do not participate in the online training program complete annual shop floor training.</p> <p>In October 2013, we launched our Integrity Champion Network to better integrate our Ethics and Compliance Program into business operations.</p>	<p>Anti-Corruption Policy → go</p> <p>Ethics & Compliance Program → go</p>
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