



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 Code of 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

2014 Communication on Progress

The following overview of our 2014 progress against the 10 principles is supplemented by references to information contained on our external website, www.alcoa.com.

Principles	2014 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 more than 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. We began implementing a third-party supplier due-diligence program with our supplier base. This program	Vision & Values → go Human Rights Policy → go

	<p>includes specific survey questions related to child labor and human trafficking and is expected to be introduced to the majority of our suppliers in 2015.</p> <p>We deployed to every employee an updated, comprehensive Alcoa Code of Conduct available in 19 languages. The new code, <i>Advancing with Integrity</i>, provides clear and easy-to-navigate information and guidance on ethics, compliance, and human rights.</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>We have a robust and mature Integrity Line available 24 hours a day, seven days a week in multiple languages for employees and external stakeholders to report alleged violations of laws and our policies on a confidential basis. Reports also can be filed online.</p> <p>A portion (10%) of our variable compensation for managers and executives was based on progress in achieving diversity and inclusion objectives in each of our businesses and in every region throughout the world.</p>	<p>Integrity Line → go</p> <p>Inclusion → 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</p>	<p>Human Rights Policy → go</p>

	<p>ourselves.</p> <p>We began implementing a third-party supplier due-diligence program with our supplier base. This program includes specific survey questions related to child labor and human trafficking and is expected to be introduced to the majority of our suppliers in 2015.</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 2014, 100% of our manufacturing locations had implemented the framework and met with key stakeholders to review common initiatives, including human rights protections.</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>We worked cooperatively and in good faith with many labor unions that represent groups of our employees in various facilities throughout the world.</p>	<p>Human Rights Policy → go</p> <p>Labor Relations → go</p>
4. Businesses should uphold the elimination of all forms of forced and compulsory labor.	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.	Human Rights Policy → go

	<p>We began implementing a third-party supplier due-diligence program with our supplier base. This program includes specific survey questions related to child labor and human trafficking and is expected to be introduced to the majority of our suppliers in 2015.</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>Supply Chain → go</p>
5. Businesses should uphold 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>We began implementing a third-party supplier due-diligence program with our supplier base. This program includes specific survey questions related to child labor and human trafficking and is expected to be introduced to the majority of our suppliers in 2015.</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. Businesses should uphold 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>Human Rights Policy → go</p> <p>Equal Employment Opportunity Statement → go</p>

	<p>Our company Values include “respect”—we treat all people with dignity and provide a diverse, inclusive work environment.</p> <p>A portion (10%) of variable compensation for managers and executives was based on progress in achieving diversity and inclusion objectives in each of our businesses and in every region throughout the world.</p> <p>We met our 2014 goals to have women hold 21.3% of our global executive positions (achieved 21.8%) and U.S. minorities hold 16.1% of our U.S. executive positions (achieved 16.4%).</p> <p>We received top ranking in the Human Rights Campaign Foundation’s Corporate Equality Index for the sixth consecutive year.</p>	<p>Vision & Values → go</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 25.9% 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 21% versus 2005 levels.</p> <p>We reduced our landfilled waste by 23% versus 2005 levels.</p> <p>We met our 2020 goal of a 15% reduction in bauxite residue land requirements per</p>	<p>Strategic Sustainability Targets → go</p> <p>Climate Protection → go</p> <p>Water → go</p> <p>Emissions & Waste → go</p>

	unit of alumina produced—seven years ahead of schedule—and continued reductions in 2014.	
8. Businesses should 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 2014 variable compensation program.</p> <p>Alcoa Foundation invested 30% of its 2014 funding in environmentally focused programs around the world.</p> <p>Among our employees, 58% participated in the 2014 Month of Service employee outreach campaign. Many of the activities were focused on the environment.</p> <p>We have established a closed-loop recycling system for the new aluminum-intensive Ford F-150 truck.</p> <p>We developed an aerospace recycling model to overcome logistics barriers to establishing closed-loop systems with customers.</p> <p>We built a second recycling facility that uses Hertwich furnace technology to recycle aluminum wheel scrap into billet for new wheels.</p> <p>Alcoa Foundation became the first committed funding partner of The Recycling Partnership, a new public/private partnership to increase packaging recycling rates in the United States.</p>	<p>Strategic Sustainability Targets → go</p> <p>Sustainability Strategy → go</p> <p>Climate Protection → go</p> <p>Alcoa Foundation → go</p> <p>Month of Service → go</p> <p>Recycling → go</p>

	<p>Alcoa and Alcoa Foundation invested approximately US\$6.5 million between 2007 and 2014 to develop community-based recycling programs.</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. Businesses should encourage the development and diffusion of environmentally friendly technologies.	<p>Alcoa 951 bonding technology, which received the prestigious R&D 100 Award in 2014, enables the mass production of aluminum-intensive vehicles like the F-150 truck.</p> <p>Automotive parts made with the new Alcoa Micromill® material will be twice as formable and 30% lighter than parts made from high-strength steel.</p> <p>We introduced four specialty foundry alloys that enable lightweighting and boost performance in automobiles.</p> <p>The new Ultra ONE™ heavy-duty truck wheel helps trucks shed weight for increased payload and fuel efficiency.</p> <p>We entered into a joint development agreement with Phinergy to further develop electric vehicle batteries that run on air and aluminum.</p>	<p>Products → go</p> <p>Press Release → go</p> <p>Case Studies → go</p>
Anti-Corruption		
10. Businesses should work against corruption in all its forms, including extortion and bribery.	<p>Our global Integrity Line and web reporting capability provide employees and external stakeholders with the opportunity to confidentially report any potential violations of law, regulations, and company policies and procedures 24 hours a day,</p>	<p>Integrity Line → go</p>

	<p>seven days a week. Reports also may be made via letter, fax, email, and online to our Compliance organization or management.</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 Code of Conduct, which was updated in 2014 and deployed to every employee, and the Alcoa Supplier Standards discuss our zero tolerance for bribery and 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 that is available in 16 languages and includes anti-corruption training. Employees who do not participate in the online training program complete annual shop floor training.</p> <p>In addition to annual online anti-corruption training, employees meeting certain criteria receive annual in-person or web-based anti-corruption training where they have an opportunity to ask questions and participate in discussion.</p> <p>We began implementing a third-party supplier due-diligence program with our supplier base that includes managing risk related to anti-bribery and corruption.</p>	<p>Anti-Corruption Policy → go</p> <p>Ethics & Compliance Program → go</p> <p>Supply Chain → go</p>
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Archived Reports

[2013 Communication on Progress](#)
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[2011 Communication on Progress](#)
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