



ESG Overview – ARCONIC INC & ARCONIC-KÖFÉM



2021 Corporate ESG Report Highlights

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Safety

↓ **24%**

days away, restricted and transfer rate

↓ **7%**

total recordable incident rate

Environmental

↓ **5.5%**

Scope 1 greenhouse gas emissions intensity

↓ **21.5%**

Scope 2 greenhouse gas emissions intensity

Diversity and Inclusion

20%

female employees

24%

female management

40%

female executives

22%

ethnically diverse employees

13%

ethnically diverse management

30%

ethnically diverse executives

UN Global Compact Engagement

Target Gender Equality Accelerator Initiative
Women's Empowerment Principles

Other Highlights

Formed Sustainability & ESG Council that provides recommendations to the Board Governance and Nominating Committee to drive and guide sustainability progress

GROW TOGETHER INITIATIVE

>4,300

employee actions to advance inclusion, diversity and social equity

HUMAN RIGHTS CAMPAIGN FOUNDATION

score = **100**

Corporate Equality Index
(Best Places to Work)
13 years running

Our Sustainability Journey – together with Arconic Corporate

Arconic will drive sustainability as a key collaborator within the value chain by:

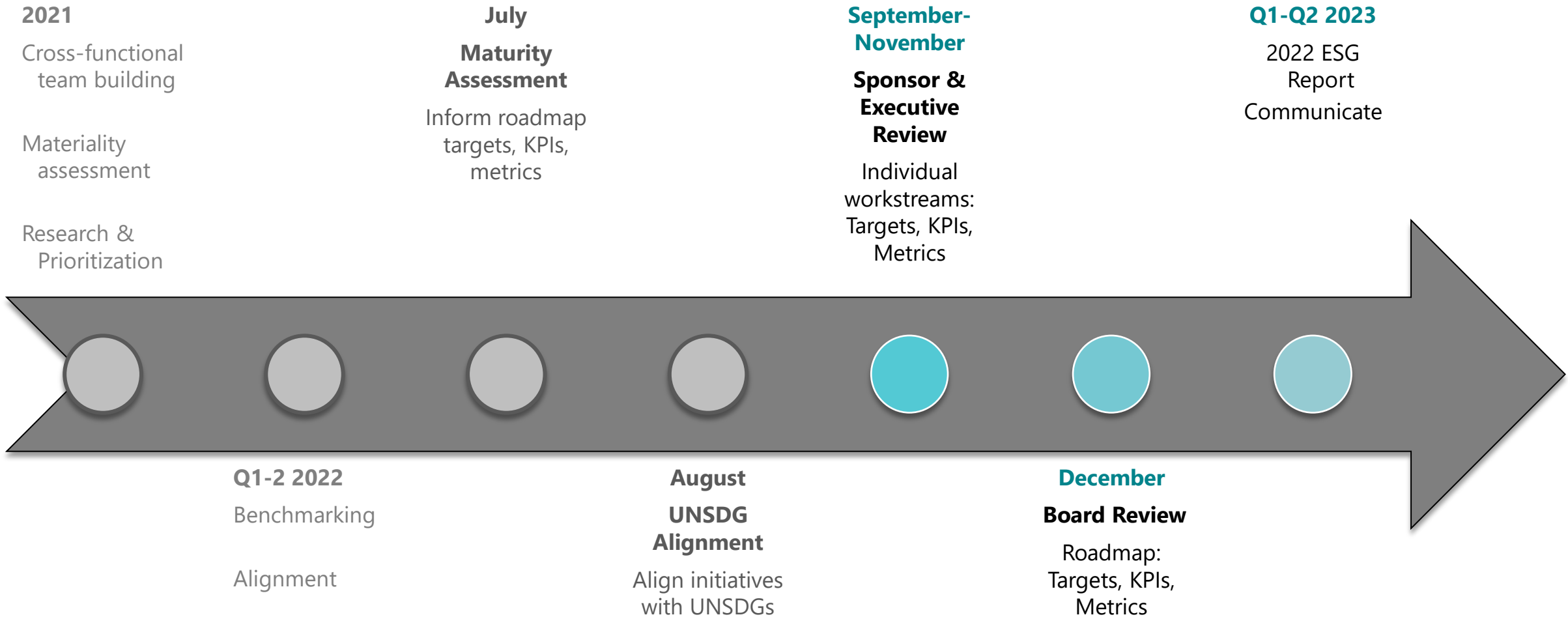
- Implementing a 2030 roadmap to address:
 - Emissions (Scopes 1, 2 and 3) and energy
 - Product innovation
 - Our people
 - Responsible supply chain principles
- Leveraging partnership opportunities
- Participating in industry initiatives
- Improving ESG reporting and transparency

Arconic will build its ESG leadership position and plans to communicate:

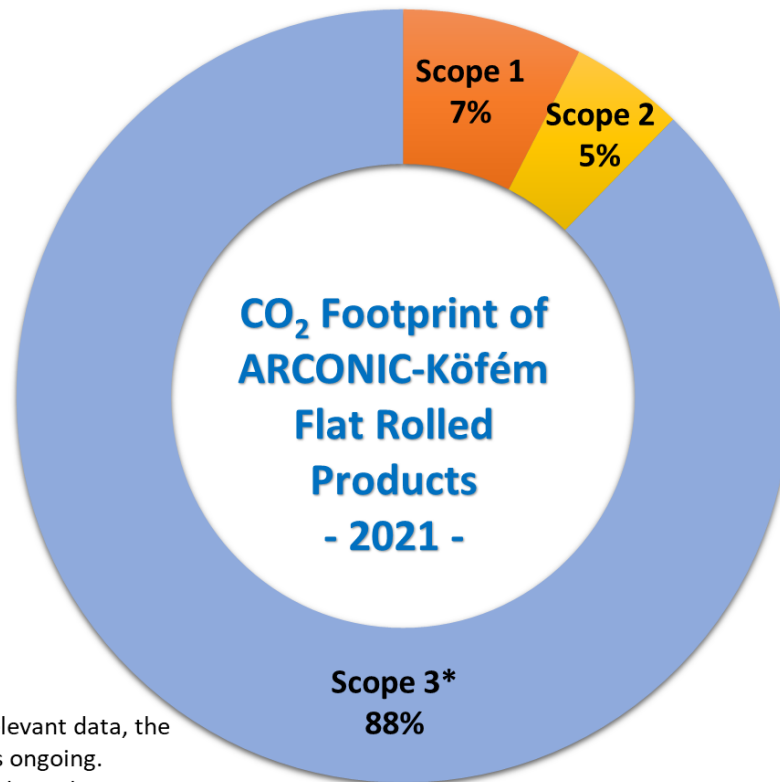
- Emissions targets covering Scopes 1, 2 and 3 for 2030/2050 upon completion of internal data assurance evaluation
- Alignment of 2030 roadmap with the United Nations Sustainable Development Goals (UNSDGs)
- Development of measurable 2023 executive compensation targets for ESG performance



2030 Corporate Roadmap Development



Arconic-Köfém's Flat Rolled Products Carbon Footprint



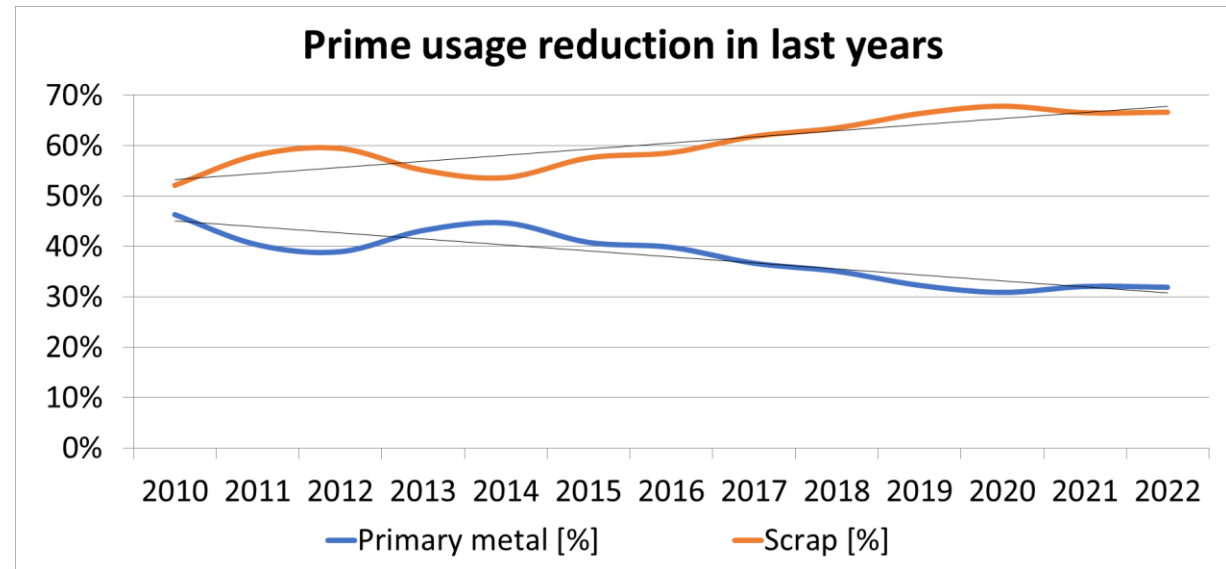
*Due to lack of some relevant data, the calculation of Scope 3 is ongoing. The reported data includes only the CO₂ footprint of the Purchased goods & Services. Arconic will work to add the missing categories to its scope for calculations, to support customers to reduce climate impacts.

- Purchased goods and services (prime aluminum, scrap, alloying materials, etc.) represent ~88% of Arconic-Köfém's total carbon footprint, captured in Scope 3 emissions
- Sustainable **sourcing of prime aluminum** and **increasing recycled content** will have the greatest reduction impact on decarbonization
- **Operational energy efficiency** and **sourcing improvements** will reduce Scopes 1 & 2 and support decoupling emissions and growth

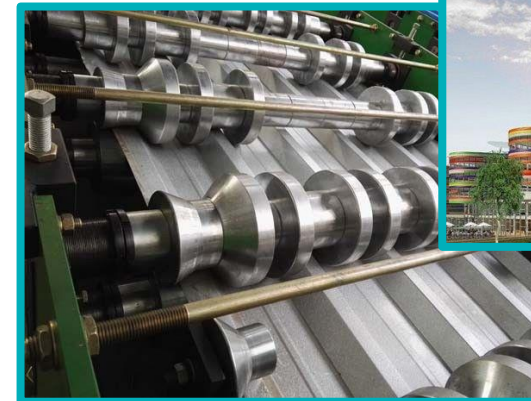
Arconic-Köfém's Solutions on the Way of Sustainable Operation

- ✓ **Sourcing** prime aluminium *from „Green Smelters”* – e.g. **Alouette** (1,97 tCO₂e/ton of prime) or **Fjardaal** (2,03 tCO₂e/ton of prime) [Global intensity of prime production: 16,1 tCO₂e/ton of prime]
- ✓ Continuously **increasing scrap ratio** in our rolling slab and billet product portfolio
- ✓ Developing **alloys with very high scrap content**, designed for different applications – pots & pans, rolled profiles, painted sheets & strips – **rolled products with even less than 1 tCO₂e/ton carbon intensity***

Average compositions (2022 production data)				
	3003 + Fe	4017	4025	High scrap rate 5754
Prime Al	0%	1%	0%	7%
Internal scrap	56%	79%	98%	71%
Purchased scrap	43%	19%	1%	21%
Alloying	1%	1%	1%	1%



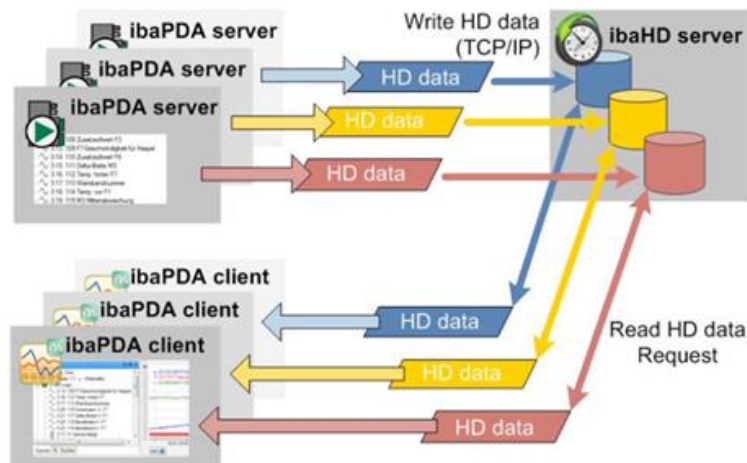
* Sum of Scope 1 and 2 emissions, as well Scope 3 emissions of Purchased goods & Services - including only primary aluminium, remelted scrap and alloying elements.



Arconic-Köfém's Solutions on the Way of Sustainable Operation

- ✓ **Sourcing „green electricity” – solar panel installations** on the rooftops are under evaluation
- ✓ **Fume filtering by modern chimneys** on Casthouse – very low** dioxin and dust emissions
(** Conform with the latest EU regulations)
- ✓ **Use the residual heat energy of fume** – under evaluation for replacing steam on some machines
- ✓ **Reducing the direct and indirect emissions** by increasing **operational efficiency** – examples:
 - ❑ **FEM assisted process development on furnaces** – improved firing control program to reduce heat loss (direct emissions) and to improve the uniformity of product's properties
 - ❑ **Pre-scheduled shutdowns** of different supplying systems **on rolling mills under downtimes** – decreasing the electricity consumptions (indirect emissions)

Energy-related data acquisition:



Heat treatment modelling:

