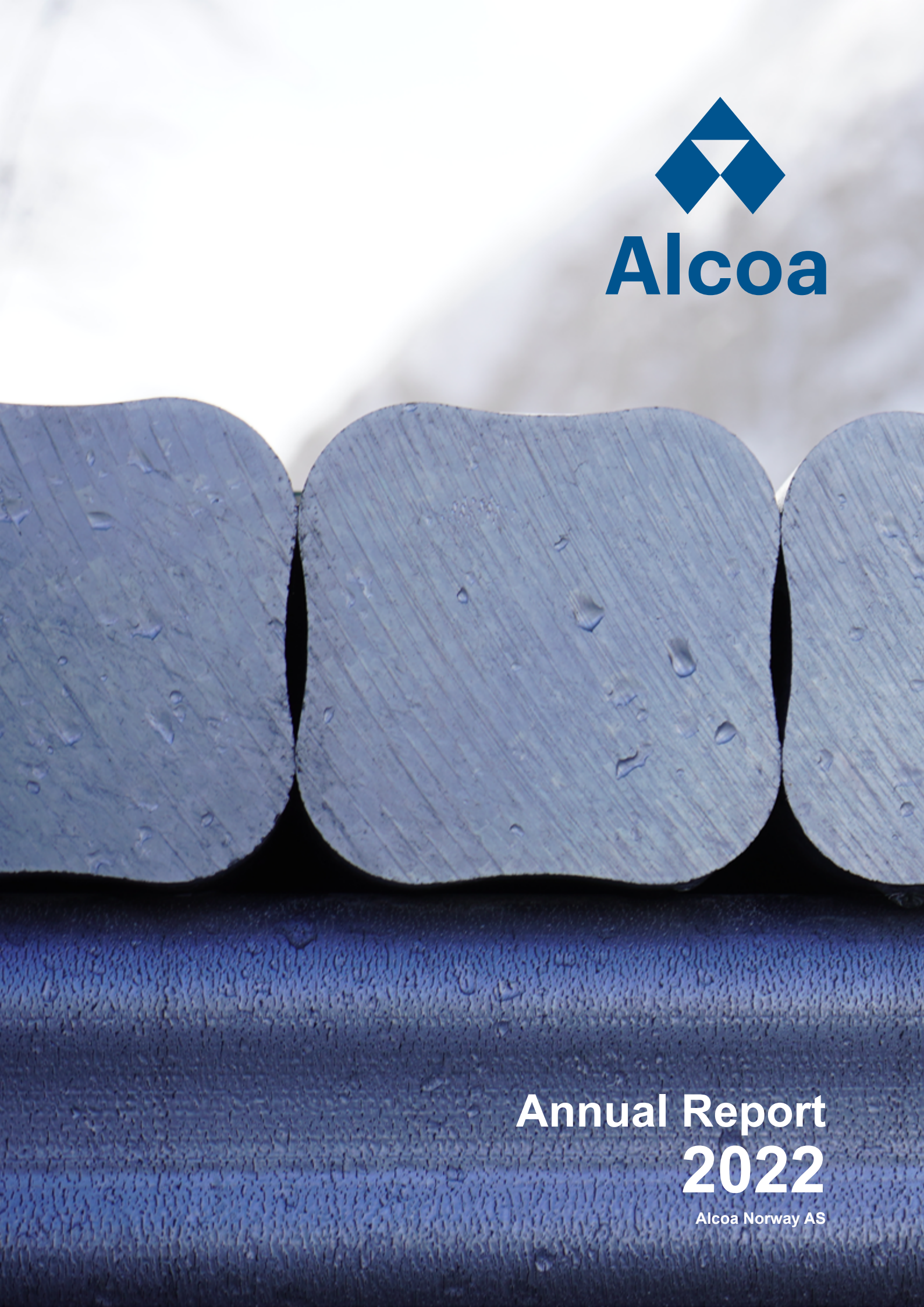


Annual Report 2022

Alcoa Norway AS

Contents

Annual report

(All numbers in brackets are corresponding 2021 figures.)

On 30 December 2022, the general meeting of Alcoa Norway AS resolved to increase the company's share capital by a contribution in kind of transferring the entire business of Alcoa Norway ANS to Alcoa Norway AS. The transfer of Alcoa Norway ANS' includes all assets, rights and obligations.

There was only one day with aluminium production in Alcoa Norway AS in 2022, profit and loss statement has therefore been reported in Alcoa Norway ANS.

The cash-flow statement is based on opening balance as of 30 December 2022 and shows a liquid reserve of 1,300 mill. NOK.

Market development

Throughout its entirety, 2022 was a year characterised by considerable uncertainty and volatility. Strong fundamental market characteristics during first weeks were amplified by the Russian invasion of Ukraine in February. The innovation, Russia's curtailment of gas supply and the impact of numerous sanctions drove energy costs to unprecedented levels, inflation to peaks not seen in many years and growth to a slow-burn. Growth in aluminium demand in many sectors suffered correspondingly.

Higher energy costs were a key reason for numerous curtailments of European production capacity. The resulting shortfall was matched with increased production in other parts of the world, notably China, even though Chinese economic growth was lower than it has been for many years.

Global demand for primary aluminium rose by 0,4% to 69,2 million tons in 2022, according to CRU. Primary aluminium consumption in China grew by 1,2% year-on-year. Global demand outside China declined 0,8% due to lower economic growth and Chinese covid restrictions. China's share of overall global aluminium demand therefore increased to 59%, one percentage point higher than in 2021.

European demand was hit by Russia's invasion of Ukraine. Russian hostilities prompted macroeconomic impacts, most notably in Europe. Inflation and energy costs soared, triggering a downturn in important downstream aluminium sectors such as construction and household appliances. CRU reports a 3,3% reduction in total European demand for primary aluminium compared to 2021.

Global aluminium supply increased to 69 million metric tons, 2,5% higher than in 2021. Higher output was recorded in China, the Middle East and Brazil. According to data from CRU, western European smelter production fell by 2,8% compared to the year before.

The average 3-month delivery LME[1] price was USD 2,718 per ton, 230 dollars per ton higher than the corresponding average in 2021. Regional European premiums (P1020 ingot from Rotterdam warehouses) increased from 268 dollars per ton in 2021 to 461 dollars per ton in 2022, an increased driven by general market developments across the Continent.

Alcoa Norway's business concept is to supply customised products to meet customer specifications. The prices obtained by Alcoa Norway are based on the LME quotation for primary aluminium with an additional product premium, dependent on the specific product to be delivered to the customer. This product premium varies with alloy and shape. All exports from Alcoa Norway to the end customers are managed by Alcoa Nederland Holding B.V., a Dutch company.

Shipments of metal processed in Alcoa Norway's casthouses totalled 345,297 tons in 2022 (373,958). The slight downturn in shipments were a result of weaker demand for billets and cast-alloys and reduced production capacity in casthouses.

Operations

Total production from Alcoa's potrooms at Lista and Mosjøen was 282,571 tons, 10,613 tons less than in 2021.

On Augst 30 2022 Alcoa announced the curtailment of a third of potroom capacity at Lista, an effort to curb excessive energy costs for the smelter. The curtailed pots on the smelter's Line 2 remained out of operation throughout 2022. Lista's potroom production totalled 81,937 tons in 2022, considerably lower than 92,757 tons the year before.

Mosjøen's pre-bake smelter achieved a record annual output level of 200,634 tons in 2022 on the back of higher pot lineage, better energy yields and good production stability throughout the year. Potroom projection at Mosjøen has been consistently good for several years. Total production from the anode plant was 297,000 tons.

[1] LME = London Metal Exchange, where a considerable share of global aluminium is traded. The LME price is the commonly used reference price for the global aluminium market.

Casthouse production totalled 346,349 tons in 2022, 27,306 tons lower than in 2021. Lista's casthouse output has been stable for a number of years, but 2022 billett production fell by around 14,000 year-on-year due to weaker product markets and lower potroom output because of the curtailment. Mosjøen's 2022 casthouse production fell by 13,000 tons year-on-year from softer cast-ally markets and reduced casthose capacity for ingot production.

Alcoa Norway's two casthouses are flexible units capable of efficiently delivering high-value products. Total casthouse production capacity is approximately 380,000 tons of aluminum products, mainly billets and ingots. This exceeds potroom capacity. Lista's and Mosjøen's casthouses supplement potroom metal with melting and re-casting cold (recycled) metal. In 2022 Alcoa Mosjøen comleted the installation of a new induction furnace that uses renewable electricity, instead of natural gas, to recycle scrap metal, saving energy and increasing metal circularity.

Total man-hours at end-2022 was 839, 15 more than previous year-end.

Financial results

The Norwegian krone depreciated against US dollar from 8,60 in 2021 to 9,62 in 2022.

Alcoa Norway's working capital at 1 444 mill. NOK end-year 2022 was higher than it was at the start of the year, 1,343 mill. NOK. Falling metal prices and reduced production capacity in the fourth quarter curved the value of account receivables. Raw material stocks rose.

Liquidity reserves at the end of 2022 were 1,300 mill. NOK (525).

Total equity at year-end was 8,726 mill. NOK. The equity ratio was 83%.

The financial statement has been prepared under the assumptions of continued operations.

Financial risk

Through several periods in 2022, Alcoa's most significant cost component was energy. This is not the norm. Raw materials, alumina, usually incur the largest share of annual costs for Alcoa. The price of alumina, which, like energy, was higher than normal in 2022, is tightly linked to the API (Alumina Price Index), an internal pricing mechanism based on a weighted average of last month's daily spot prices from three different indexes.

Over the last five years Alcoa Norway has signed multiple long term power purchase agreements (PPAs), fixing the power price for approximately 50% of the smelters' expected consumption from 2020 to 2035. The remaining 50% are currently purchased on shorter-term bilateral agreements, forward contracts or the spot market. In July 2022 the company signed a fixed-price PPA for Lista starting fourth quarter 2022 and ending December 31 2023. This agreement was later modified by changing the price and lowering the supplied volume.

Alcoa's eligilibility for indirect carbon cost exposure mitigation entitles the company to a partial financial reimbursement of the CO_2 price impact on power prices, in line with EU regulations and Norwegian CO_2 compensation framework conditions.

Alcoa Norway has secured access to physical deliveries of coke and pitch through contracts with the Alcoa Corporation.

Aluminium is quoted in USD in all markets. Changes in the USD exchange rates affect prices denoted in local currency. Most of Alcoa Norway's exports are invoiced in Euro while major raw materials are invoiced in USD. The currency risk is managed at group level.

Alcoa Norway does not insure its credit risk. Most sales are intercompany transactions.

As of June 2022, Alcoa Norway assets are no longer held as collateral for a 1,250 mill USD credit facility to which Alcoa Nederland Holding B.V. is the creditor. Alcoa Norway remains guarantee resonsible for this credit facility and for bond credits issued by the company.

Directors' liability insurance

The company has signed a directors' liability insurance for its managing director and other management team members. The insurance is provided for by an financially solid insurer with satisfactory financial viability/credit rating.

Alcoa's social and environmental efforts and targets

Alcoa's operations are both resource- and energy-intensive and affect local communities as well as national climate indicators and targets. The company therefore has a social responsibility compelling it to conduct business and make products in the least impactful way possible. Alcoa follows strict rules and regulations set by the Norwegian Environmental Authority, certifies its products according to best achievable criteria and actively engages in local community activities. The company's social target is to generate as much value for local communities as possible with the lowest possible impact.

Alcoa Corporation's, and Alcoa Norway's, environmental achievement ambitions are categorized to the UNs Sustainability Goals. In sum, Alcoa Corporation's ambitions and achievements are summarised in Table 1 below:

The remainder of this section presents an up-to-date assessment of sustainability work and targets for both Alcoa Corporation and Alcoa Norway.

Table 1: Alcoa Corporation's long term environmental ambitions represented through UN Sustainability Goals

Environmental goal	Achievement so far
1: From a 2015 baseline, reduce emissions in tCO_2/ton by 25% in 2024 and 50% in 2030	23,9% reduction compared to 2015
2: From a 2015 baseline, reduce water consumption by 5% in 2025 and 10% in 2030	Consumption reduced by 1% compared to 2015
3: From a 2015 baseline, reduce waste by 15% in 2025 and 25% in 2030	36% reduction compared to 2015
4. From a 2015 baseline, curb bauxite residue land requirements per metric ton of alumina produced by 15% in 2030	14,8% reduction compared to 2015
5. Maintain a corporate-wide running five-year average ratio of 1:1 or better for active mining disturbance (excluding long-term mining infrastructure) to mine rehabilitation	0,82:1 ratio for active mining disturbance to mine rehabilitation for the 2017-21 period
6. Zero fatalities and serious injuries (life threatening or life-altering injuries and illnesses)	Zero fatalities and three serious injuries in 2021
7. Attain an inclusive everyone culture that reflects the diversity of the communities in which we operate	Increased percentage of women in our global employee population from 15,6% to 17,2% The percentage of new hires from underrepresented populations was 38% in 2021
8: By end-2022, implement a social performance management system at all locations, including the definition of performance metrics and long-term goals to be accomplished by 2025/2030	Launched SP360 in 2021 – Alcoa Social Management System implemented through 2022

Source: Alcoa Corporation, 2021 Sustainability Report

Diversity and EHS

Environment, health and safety

Safety

Alcoa's safety culture is expressed as follows: "safety first – above operation, above profitability, above all". Each briefing from management starts off with a safety review.

Early 2022 Alcoa set clear improvement targets intended to reduce the number of injury-causing incidents. This initiative was spurred on the back of a highly unwanted increase in first aid injuries in 2021.

One example of efforts put in place was for each department at Alcoa Lista to be tasked with identifying any silent exceptions[2] possibly taking place in their place of work. This effort included putting efforts and commitments in place to end silent exception cases. The number of first aid injuries have declined substantially as a result.

Alcoa Mosjøen's efforts and targets include working closely with management to raise health and safety know-how and awareness and raise the number of critical controls. Efforts began in autumn 2022, later than anticipated due to prolonged impacts from the covid pandemic. Whether the work has been successful or not is too soon to say. The number of serious incidents is stable while first aid injuries

[2] «Silent exceptions» (in Norwegian: «stille avvik») describes a situation where breach of procedure are so engrained they have become standard practice.

have increased somewhat. According to numbers from the Federation of Norwegian Industries (Norsk Industri), rising numbers of first aid injuries is an unfortunate trend in the industrial sector.

An overview of health and safety incidents in 2022 is presented in the table below:

Table 2: Injuries at Alcoa's Norwegian smelters 2022, 2021 in brackets

	Alcoa Norge	Alcoa Lista	Alcoa Mosjøen
H1-incidents[3]	4 (3)	1 (1)	3 (2)
H2-incidents	10 (12)	3 (4)	7 (8)
H3-incidents	49 (67)	17 (38)	32 (29)

Sources: Alcoa Lista and Alcoa Mosjøen

Alcoa developed and introduced a new observation tool to improve critical controls in 2022. The tool is designed to make the company better able to verify to what degree different work-tasks involve risks to health and safety. The verification procedure involves replying to questions posed in Alcoa's safety standards. Users include all management and service chains and there needs to be at least one verification per week, ensuring that all work-tasks in Alcoa are regularly scrutinised. As all employees are encouraged to report all events, the access to better and more complete data makes problem-solving easier. Alcoa also has guidelines to ensure that no employees feel concern or hesitate to report unwanted incidents that could lead to potential risk.

Alcoa's list of efforts include continous work to improve training of safety representatives. In 2022 Alcoa Lista initated a process to better understanding of how both national and internal rules are to be understood and applied. The company held several sessions intended to improve understanding of the Working Environment Act, EHS expectations and common practice. Despite the material being well-known, Alcoa wants employees' familiarity to be constantly refreshed. Employee training will continue throughout 2023 to ensure continued familiarity with all standards and rules.

Health

Alcoa Lista's 2022 sick leave was 5,61 %, a small increase compared to the previous year (5,44%). Sick leave at Alcoa Mosjøen in 2022 was 6,87%, a one percentage point increase. Most of employees' absence at the start of year was due to covid. In the second half of the year the impact of covid waned, making flu and other seasonal illnesses the main reason for employees' sick leave.

Throughout 2022, Alcoa continued to make multiple improvements to the working environment. One such improvement is to ensure employees' awareness of health impacts. All undertaken work-tasks are continuously monitored and employees continuously trained in how to carry them out safely and with minimum impact to their health. The company's Good Work Design programme (GWD) triggered 17 actions at Alcoa Lista and 13 at Alcoa Mosjøen, most intended to reduce physically challenging work and making numerous workplaces more ergonomically efficient.

Alcoa routinely undertakes EHS audits. The audits are performed by a group consisting of local HSE experts, consultants, occupational health services, and employee representatives.

[3] H1 is injuries which cause temporary absence from work, while H2 injuries require medical treatment and/or reassignments to other worktasks. H3 injuries require first aid.

Environment

Alcoa wants to avoid any environmental impact employees may become exposed to in their day-to-day operations. One example is exposure to welding smoke. Among the several working environment improvement efforts undertaken in 2022, employees were educated in health hazards from exposure to welding fumes. In addition, Alcoa has started purchasing welding equipment with direct suction, and has enforced strict requirements to wear facial protection equipment with purpose-designed filters.

Another example is working with chemicals. Alcoa has set up programmes to educated employees on the chemicals used by the company, and how these chemicals should be handled. Moreover, Alcoa consistently uses chemicals with the lowest possible impact on the working environment.

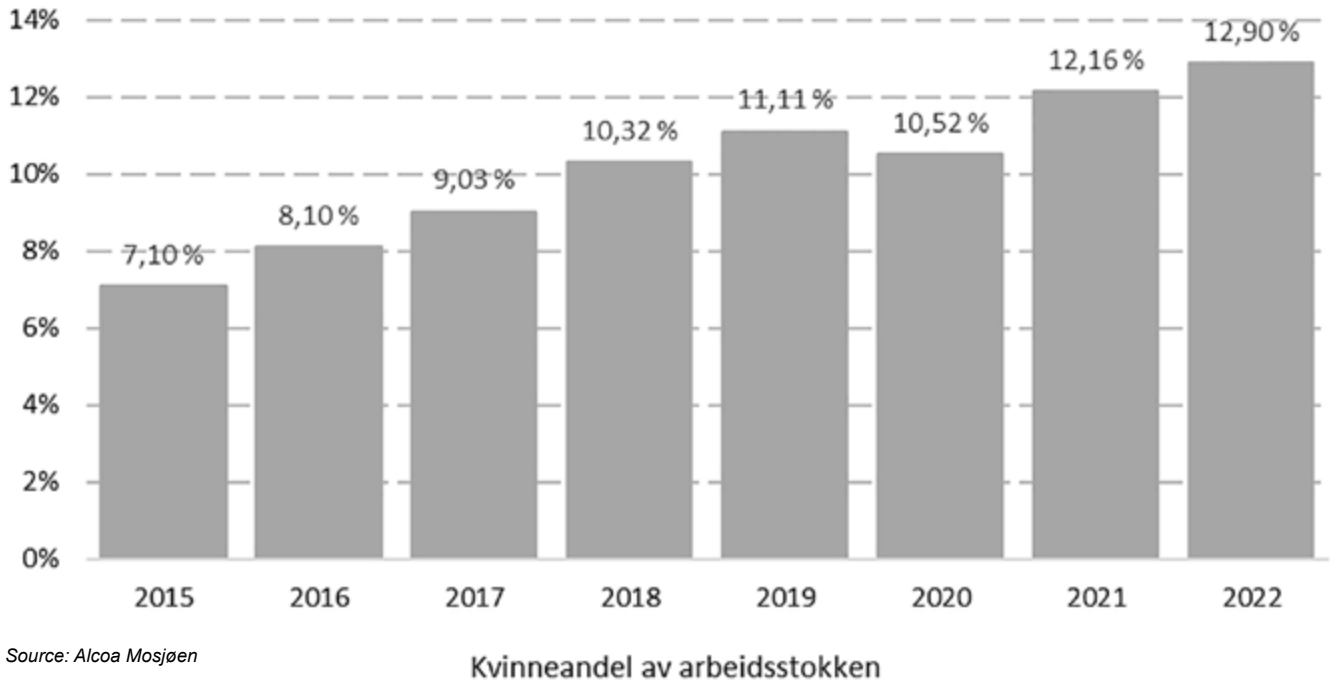
Alcoa is attentive to working conditions becoming physically challenging and has routines in place to prevent workers' fatigue. All employees are handed information on fatigue symptoms and taught how to avoid them.

Equality, diversion and discrimination

Alcoa offers an inclusive workspace where employees thrive, are safe, trust each other, and have equal opportunities regardless of race, culture, gender, age, and sexuality. Our employees are treated with openness and respect, they feel accepted and valued. Alcoa has no tolerance for discrimination or sanctions of any kind against individual employees.

An inclusive workplace is a process that is never complete. No matter how many successful efforts Alcoa implements there will always be room for improvement. Alcoa Lista and Mosjøen both have considerable improvement potential when it comes to raising the share of female employees. This share has grown consistently, but as the numbers for Mosjøen show below the share remains too low.

Figure 1: Share of women in workforce, Alcoa Mosjøen 2015-22



Source: Alcoa Mosjøen

Lista's share of female employees is also modest. Only 27 of 309 full-time employees, 9%, are women. The total share of women employees at both smelters was 11,5% in 2022, slightly higher than in 2021. Among process operators the share is 10%, among office-workers it is 15%. Approximately 30% of holiday replacement workers are female. Alcoa Norway has few part-time employees. The ones that work part-time do so voluntarily, and 16% of those are women.

Alcoa considers diversity a commercial benefit. A low female representation in the workforce is, as such, a shortcoming in both inclusion and in commercial matters. While there is no single reason for the low share of female employees, it is presumably at least partly influenced by Alcoa's operations being regarded as a male-dominated environment. Alcoa believes more targeted recruitment efforts are needed, and that females should be actively encouraged to apply for jobs in operations. Alcoa also recognises the need to recruit women for management positions, both in operations and in administration.

When considering whether own targets for an inclusive working environment with high participation from people with under-represented backgrounds, Alcoa measures diversity in both workforce, applicants and retained workers. In addition, Alcoa measures pay equality. Alcoa has its own Global Inclusion & Diversity Council, consisting of several members of leadership teams.

The council has set up the following inclusion groups:

- Alcoa Women's Network **(AWN)**
- Employees at Alcoa for Gay, Lesbian, Bisexual and Transgender Equality **(EAGLE)**
- Alcoans Working Actively for Racial-Ethnic Equality **(AWARE)**

Alcoa initiated a gender pay-gap analysis in 2021, intended to unveil any possible wage differences between women and men for identical work. Results reveal a clear difference at both administrative and operational levels. Men's salaries were on average 3,1% higher than women's at Alcoa Mosjøen. Differences at Alcoa Lista were lower. At Alcoa Mosjøen, the difference was highest in administration, with women earning on average 6,9% less than men, while the differences at operational level were 1,3%. In 2022 differences in base salaries were considerably reduced, even though differences prevail in certain parts of the organisation.

Reducing the environmental impact

Emissions to air

Emissions to air are regulated through permits issued by the Norwegian Environment Agency. Alcoa Mosjøen's permits were renewed in June 2022, Lista's in September 2022. The Environment Agency's permits confirm that emissions to air at both Alcoa's operations do not exceed permissable levels. These emissions include airborne particles from polycyclical aromatic hydrocarbons (PAHs), fluorides, dust and sulphur dioxide. Permits also regulate emission limits for heavy metals such as arsen, lead and nickel. In addition to specifying emission limits, the permits include instructions for improvement measures where these are considered to be needed, either because of non-compliance or minor deviations.

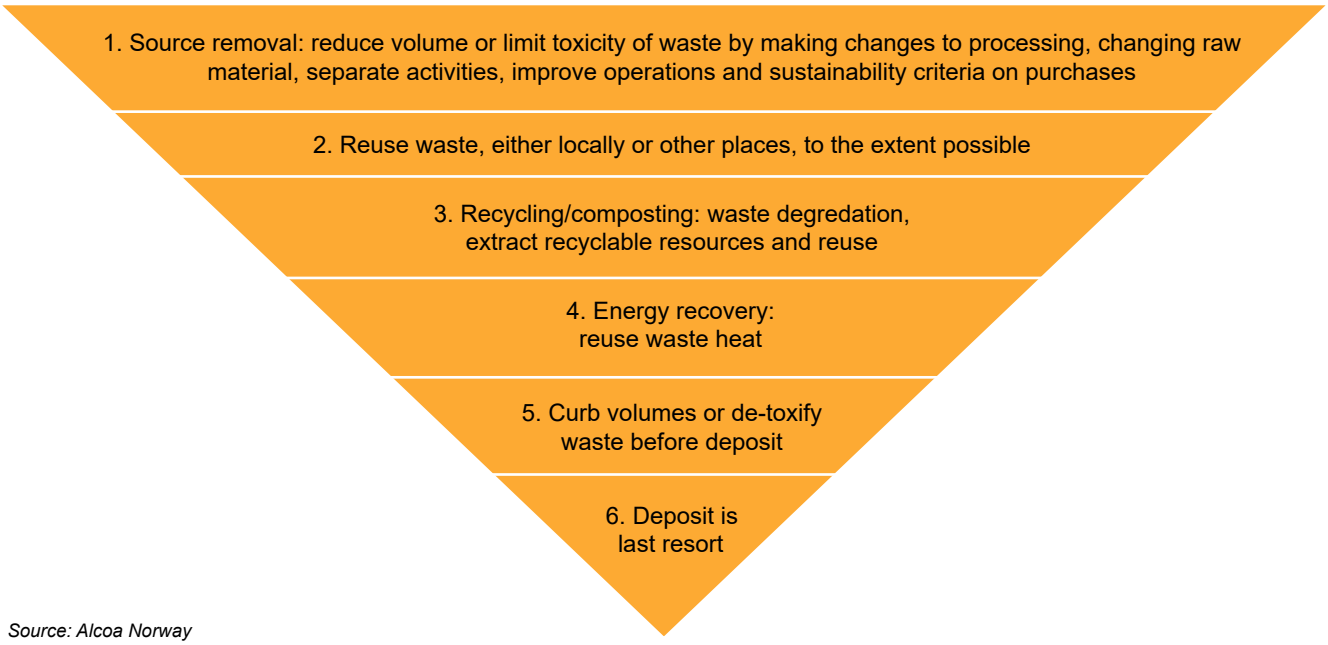
Alcoa adheres to Environment Agency permits and regulations, and strives to minimise emissions to air to the highest degree possible. In 2022, the company applied, alongside Hydro, for research funds to achieve this and to ensure that Alcoa's emissions monitoring and improvement could spur further research in the field. Another slightly more tangible undertaking in 2022 was the renewal of anode gas filters.

Noise pollution is considered a proxy to emissions to air. The making of primary aluminium greatly requires mechanical processes, loading and the use of ventilation systems, which all make noise. Being located directly in or very close to dwellings, health services, places of education, nurseries etc, Alcoa has to be very considerate and mindful of the noise the company makes. Environmental permits restrict outdoor noise to 50 dB(A) all hours of the day. Alcoa's noise is below this limit, but the company still pursues ways to reduce it. One example is construction work taking place inside Alcoa's fences. Alcoa wants to limit noise from construction work as much as possible despite construction being exempted from the aforementioned noise regulation.

Waste treatment

Waste is an unwanted byproduct from producing primary aluminium. Alcoa makes concerted efforts to reduce, remove or reuse waste products. All raw materials and resources are to be used for as long as and as many times as possible before being deposited to landfills or recycled. Alcoa uses a step-wise approach for waste handling. The first step is to reduce waste from the source, the second is to use waste in an environmentally sustainable way. A more detailed explanation of the process can be illustrated as follows:

Figure 2: Alcoa's approach to waste treatment



Source: Alcoa Norway

Alcoa participates in a range of projects where the aim is to reduce waste and increase reuse of leftover material from aluminium production. Through these projects, Alcoa cooperates with numerous other industries in areas such as monitoring waste streams eligible for reuse in other industrial processes.

Polluting waste from Alcoa's processes can in a broadbrush sense be grouped into three categories:
1) polluting refractory/carbon materials
2) polluting dust from filter processes and
3) polluted metal.

All categories contain valuable materials, and polluting waste is not necessarily synonymous with hazardous waste. The common features of the forms of waste is that they contain valuable materials, but that separation and extraction of these materials is exceptionally difficult.

The amount of waste and waste processing at Alcoa's Norwegian smelters is presented in Table 2 below. More than half of hazardous waste is recycled at both smelters.

Table 3: Waste and waste processing at Alcoa's Norwegian smelters in 2022, tons

	Energy recycling	Material recycling	Deposits
Lista			
Hazardous waste	325	2 184	6 397
Ordinary/non-hazardous waste	134	3 916	347
Total Lista	459	6 100	6 744
Mosjøen			
Hazardous waste	67	8 048	5 946
Ordinary/non-hazardous waste	529	3 375	2 126
Total Mosjøen	606	11 423	8 076
Total Alcoa Norway	1 065	17 523	14 820

Source: Alcoa Norway

Land use and biodiversity

Neither Alcoa Lista nor Alcoa Mosjøen exceeded any emission limits listed in the Norwegian Environment Agency's permits. The Environment Agency uncovered some minor infringements. Alcoa Lista received three specific violation remarks and requests to impose adequate follow-up measures:

1. Outdoor storage of dross
2. Use of fire extinguishing foam containing PFAS at site used for fire-training
3. Use of a small amount of scrap metal containing chain-oil

The violations above are considered «minor» and not serious enough for emission permits to be withdrawn. But they require rectifying measures. All these violations involved some form of material recycling or storage of certain compounds outdoors, making these a form of land use infringements.

Landfills

Depositing waste at landfills is strictly regulated. Both Norwegian smelters deposit waste this way, mostly in external landfills or waste facilities. Lista and Mosjøen have their own landfills and are responsible for maintaining closed deposits according to Environment Agency rules. Alcoa's landfills are closely monitored. Both operations are in the process of restoring the landfills to nature, while assessing how the biodiversity can be improved while not being exposed to any landfill effects.

The local high school in Mosjøen is involved in suggesting which species to introduce in the area, mapping what species are already there and surveying the area. Students were tasked to find out how biodiversity could be increased over the closed Store Åsnevdal landfill. The project is ongoing with, so far, encouraging results.

The Environment Agency carried out final assessments of the closed landfill at Lista in 2021. No irregularities were uncovered. Similar assessments were carried out for Alcoa Mosjøen the same year. One irregularity was found; a chemical tank in the casthouse, used to store chloride gas, was found to be insufficiently monitored and treated.

Energy consumption and efficiency

Energy consumption

Production of primary aluminium is a highly energy-intensive process. Electricity is the main energy carrier. The electricity consumption is, in turn, used as an input to electrolysis, and not strictly for energy purposes. The role of the electricity is to separate oxygen from aluminium in alumina, the raw material used to make aluminium. No energy carrier can replace electricity for this purpose. This is why Alcoa, like all other metalurgical industries in Norway, does not pay electricity taxes.

Some electricity is used for energy purposes. Mosjøen put a new induction furnace into operation in 2021. Induction furnaces use electricity rather than gas to remelt scrap metal. Both smelters also use gas for energy purposes, such as in the casthouse and, in the case of Mosjøen, the anode plant. The gas is transported to Alcoa as Liquefied Natural Gas, LNG. In addition, both Alcoa Lista and Alcoa Mosjøen use propane for certain purposes, for instance for pre-heating of cathodes. Lista's and Mosjøen's 2022 annual energy consumption is presented in Table 4 below.

Table 4: Energy consumption Lista and Mosjøen 2022

	Lista	Mosjøen	Total
Electricity, GWh	1 515	3 044	4 559
Gas - LNG, GWh	57	280	337
Gas - LPG, GWhl	1	2	3
Total, GWh	1 573	3326	4 899

Source: Alcoa Norway

The total electricity consumption at more than 4,5 TWh makes Alcoa Norway's second greatest consumer of electricity, after Hydro. With this level of consumption, both on electricity and gas, Alcoa is naturally very attentive to any ways in which energy can be saved and energy use can be made more efficient.

Both Alcoa's Norwegian operations are ISO 50001-ceritified. This certification confirms that Alcoa regularly conducts energy management work as instructed by the certificate. The energy management work includes mapping of energy consumption, documentation of how oversight and planning is carried out and identification and quantification of all forms of energy loss. It also includes requirements for improvement efforts if needed.

Water use and emissions to water

Industrial facilities such as Alcoa Lista and Alcoa Mosjøen both need cooling water for a big range of processes. Both Alcoa's smelters og through relatively large water volumes each year for cooling and other purposes, such as purification and scrubbing. Casthouse and rectifier cooling account for the greatest share of water use.

More seawater than freshwater is used. Sea water is released into the, for Lista and Mosjøen respectively, Huseby bay area and Vefsn-fjord, where the sea water came from. Before the water is let back into the fjords it must be processed and purified, so that the used water has the level of purity the Environment Agency requires. Proximity to the sea, where the water is relatively clean at the offset, makes for a very good access to water. Still, Alcoa continuously looks for ways to curb water use. The Alcoa Corporation's goal is a reduction in water use of, respectively, 5% in 2025 and 10% in 2030 compared to 2015 levels in areas where water is scarce. To achieve these goals, Alcoa needs equipment that measures water use as accurately as possible, and monitors water purity at the same time. Alcoa installed several water meters in 2022. Many places had not had such meters before. Lista has installed reduction valves on some processes, an important reason why the smelter has been able to reduce its water use considerably.

Table 5: water use Alcoa Lista and Alcoa Mosjøen, 2015 and 2022, thousand litres

LISTA	2015	2022	Change in %
Sanitary water	290 710	78 348	- 73,05 %
Industrial water, ex casthouse	770 902	516 050	- 33,06 %
Industrial water, incl casthouse	2 743 069	2 650 000	- 3,39 %
Total fresh water	3 804 681	3 244 398	- 14,73 %
Sea water	40 821 784	23 859 021	- 41,55 %
MOSJØEN	**2015**	**2022**	**Endring i %**
Total fresh water	12 380 738	15 004 031	26,2%
Sea water	43 677 864	42 202 947	- 3,38%

Source: Alcoa Norway

Industrial water is fresh water sourced from nearby lakes or reservoirs. Lista's industrial water comes from Kråkenesvannet (not drinking water). Sanitary water is water used for drinking and showers.

Alcoa compels all operations to find and use all possible ways to recycle water. At Lista industrial water is used as many times as possible before being purified and released back to Kråkenesvannet. Consumption of sea water has fallen markedly since 2015. Installation and use of sand filters at hall gas scrubbers has made recycling water easier. At Mosjøen fresh-water consumption has increased over the same period. This trend is expected to be reversed once new meters are installed.

Alcoa has taken numerous measurements of water and biota in Huseby Bay and Vefsnfjorden in 2022, as per Environment Agency instructions. NIVA reports from Huseby Bay in 2022 showed PAH-values in shells exceeding threshold limits (EQS) in the water framework directive. Despite emissions to water being lower than ever, improvement work is still carried out. A successful pilot involving coagulation substances to improve Alcoa's sand filter systems proved successful. This project will now be expanded.

Greenhouse gas emissions

Production of primary aluminium is essentially separating oxygen from aluminium. As for most other electro-chemical reduction processes, carbon is used to remove the oxygen from the process. In an electrolysis cell, carbon merges with oxygen under heat, producing airborne carbon dioxide (CO_2). Aluminium production also generates other greenhouse gases in small amounts, such as perfluorocarbons (PFCs).

As a producer of primary aluminium, Alcoa is part of the European Union's Emission Trading Scheme (ETS) directive. ETS is a cap-and-trade scheme where greenhouse gas emitters each year must purchase emission allowances corresponding to actual emissions. Alcoa annually reports both actual emissions and surrendered allowances to the EU Commission via the Norwegian Environment Agency. Since aluminium production is on the list of sectors deemed to be exposed to the risk of carbon leakage, a term which refers to the risk of European industry curtailing because of one-sided climate costs only to be replaced by similar industries in countries with anemic climate policies, Alcoa receives the majority of its allowances free of charge.

The Alcoa Corporation's ambition is to reduce greenhouse gases by 25% CO_2-equivalents[4] in 2025 compared to emission levels in 2015. The corresponding target for 2030 is 50%. By 2050 the company targets being completely emission-free. The target applies to both direct emissions («Scope 1») and indirect emissions from supply of electricity («Scope 2»). All emission targets are specific, which means they are reported in tons of CO_2 per ton of produced aluminium. Possible curtailments therefore do not count as emission reductions.

Going emission-free requires new technologies for all parts of the value chain. Alcoa's technology roadmap presents a set of strategic procurements and in-house developed technologies to help the company achieve this. Put together, these developments imply a significant change to all our processes, where the end-result is aluminium without any form of Scope 1 or Scope 2 greenhouse gas emissions. Alcoa's technology roadmap includes the following main elements:

- Zero Scope 2 emissions; in the long term, all Alcoa operations will be supplied with electricity generated from renewable sources
- Refinery of the future providing solutions to direct refinery emissions using «Mechanical Vapour Recompression (MVR)»-technology and electric calcination
- Elysis™; use of inert anodes instead of carbon-based anodes, allowing production of primary aluminium without any CO_2 emissions
- Astraea™, innovative remelting technology creating high purity aluminium from post-consumer scrap

Emissions from Alcoa's Norwegian operations will be removed once either Lista or Mosjøen, or both, are retrofitted with Elysis. Alcoa Corporation plans to have its first industrial sized Elysis-cell in operation in 2024 and retrofit its first smelter before 2030. The first retrofitted smelter will most likely be one of Alcoa's Canadian operations. Installing the Norwegian smelters with Elysis would take place at a later stage.

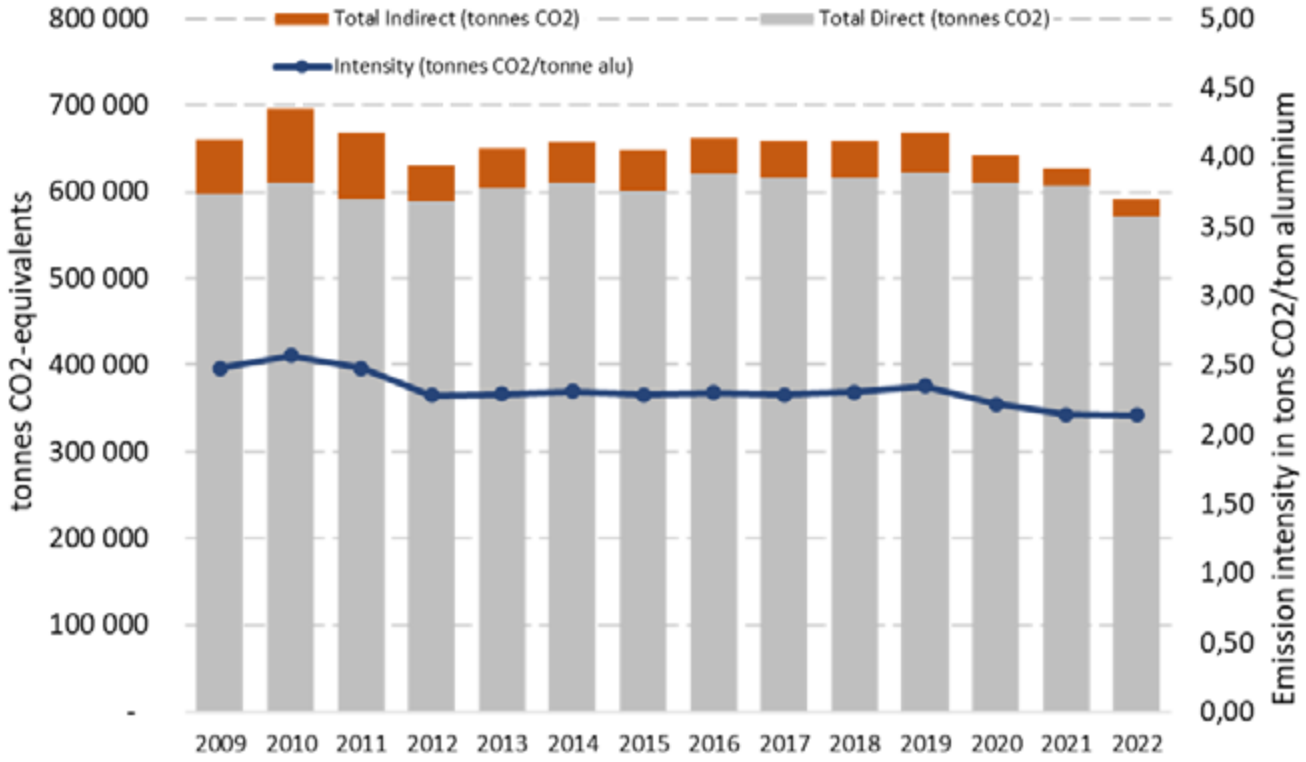
[4] CO_2-emissions are labelled as CO_2-equivalents, which besides CO_2 include perfluorocarbons (PFC), methane og nitrous oxides.

CO_2-emissions and PFC-emissions

Direct emissions (Scope 1) in 2022 were, respectively, 149 000 tons CO_2-equivalents at Lista and 423 209 tons CO_2-equivalents at Mosjøen. Most emissions stem from the use of carbon, a mix of pitch and petroleum coke, in the electrolysis cells while a lower proportion comes from using natural gas and propane in the casthouses and for manufacturing anodes. Greenhouse gas emission intensity, measured as tons of CO_2-equivalents per ton of produced aluminium, has steadily fallen over the the last few years. This reduction is the result of multiple improvements, better use of resources and better raw materials (see Figure 3 below). The curtailment of a third of Lista pot room operations meant that Alcoa's overall emissions in 2022 were markedly lower than the year before.

Emissions per ton are low compared to Alcoa's global peers of similar size. This is mostly due to Alcoa's Norwegian smelters using renewable electricity, making indirect emissions close to zero, but Alcoa also has comparably low direct emissions.

Figure 3: CO_2-equivalent emissions in Alcoa, tons og tons CO_2 per ton aluminium, 2009-2022



Source: Alcoa Norway

Emissions from Alcoa's operations are grouped in three categories: energy consumption for heat (natural gas and propane), mass balance and perfluorocarbons (PFCs). Mass balance is the calculation of carbon content in materials used in the electrolysis and, for Mosjøen, anode manufacturing. Mosjøen's emissions from anode manufacturing are calibrated in accordance with Mosjøen shipping a large share of produced anodes to Alcoa's smelter in Fjardaal, Iceland. Emission numbers in 2022 were as follows:

- Energy consumption = 14%
- Mass balance = 83%
- PFC = 3%

The mass balance is mostly made up of petroleum coke and pitch. Both are relatively carbon-intensive materials. With the installation of Elysis, carbon-intensive materials are replaced with inert anodes, turning emissions from CO_2 to oxygen.

EU's climate policies and the impact on Alcoa

The 2015 Paris agreement kick-started a noticable shift in EU climate policies, raising climate targets and bringing important milestones closer in time. In parallel with more ambitious targets, the EU introduced in 2022 a new legislation aimed to improve European clean industry competitiveness and simultaneously incentivize non-EU countries to introduce climate policies of their own. The policy is called the Carbon Border Adjustment Mechanism (CBAM), which applies to six industrial sectors, primary aluminium included. It overlaps with the new ETS directive on many elements. Both directives will have an impact on Alcoa

The new emission allowances directive, or the ETS Directive for short, will be introduced in 2023. There are several adjustments compared to the existing version. The most important change is a new collective emission target for all ETS sectors – in 2030, ETS emissions are to be 62% than in 2005. The current target is 43%. Raising the target means that fewer emission allowances are issued to the market. The number of issued allowances from the EU Commission will be reduced by 4,3% per year from 2024 to 2030, a significant change from the 2,2% annual reduction from 2021-2023. Many factors influence ETS prices, but a significantly lower supply is likely to generate substantially higher price levels than was the case before 2021, reducing the competitiveness of European industry.

Primary aluminium production is highly exposed to the risk of carbon leakage. Being exposed to this risk means Alcoa is entitled by the Commission to receive most of its emission allowances free of charge. The company received approximately 87% of its required allowances for free in 2022. This number will most likely decline marginally up to 2025.

As of 2026, Alcoa's share of free allowances will start decreasingly markedly with the introduction of CBAM. Although the legislation is incomplete, it specifies how free allowances will be cut back each year. In 2034, Alcoa will no longer receive free allowances. Alcoa's annual costs of buying emission allowances will increase as a result. On the other hand, importers having to pay CBAM fees when they bring their products to the EU will most likely have a positive impact on premiums.

Both the ETS and CBAM directives confirm that the CO_2 compensation scheme will remain in place for primary aluminium production at least up to 2030. CO_2 compensation is a partial reimbursement Alcoa receives from having to pay for emission allowance costs embedded in power prices. The scheme is essential in upholding the competitiveness of European industries vis-a-vis competitors who face no emission allowance costs indirectly through power prices.

Innovation and social responsibility

Research, innovation and climate projects

The global market for primary aluminium has been extremely competitive for decades. Alcoa's way of dealing with increased competition has been, and remains, keeping resource costs in check, making as much use of all resources as possible and minimizing all forms of emissions and waste. Greenhouse gases are an example of the latter. For that reason, Alcoa has always pursued and devoted resources to technological improvements and research projects, frequently related to waste handling. Many such research projects have been undertaken In Norway, with its access to competent research institutions,

The table below summarises a set of research and innovation projects Alcoa has participated in and is still involved with.

Table 6: Research and innovation projects at Alcoa's Norwegian operations in 2022

Project	Description
Norwegian processing of bi-products from the aluminium industry (NoBAI)	Residual metal from aluminium production, also known as «pot pads», is aluminium left over at the bottom of the pots after the pots are closed for maintenance/repairs. NoBAI is a collaborative research project between Alcoa, Hydro, Real Alloy and Sintef intending to improve processing of dross and pot pads from pot room production. The intention is to make dross and pot pads better suited for internal metal recovery.
NodeSPol – reduce deposits of Spent Pot Lining	Spent Pot Lining (SPL) is carbon and refractory materials left over in «exhausted» (spent) pots. This is hazardous waste normally deposited in closed sites. Some SPL can be reused in other processes, e.g. production of cement. Alcoa participates in a research program intended to purify SPL making it suitable for graphite or anode production.
BadEland – prevent deposits of bath materials	Electrolyte bath (cryolite) is a recyclable bi-product from the electrolysis process. In 2020, Alcoa, Hydro and Noralf initiated a research project to turn the cryolite into aluminium florides, improving the recyclability.
Recycling refractory materials	Alcoa Mosjøen recycles two thirds of refractory materials to producers of the material. Alcoa participates in research projects inteded to improve sorting of these materials. Assembly methods of outer cathode walls was changed in 2022 allowing for use of recycled materials.

Prosjekt	Beskrivelse
Induction furnace Mosjøen	Installed autumn 2021. The furnace, which remelts scrap metal, uses electricity instead of natural gas, reducing GHG emissions by roughly 4 400 tons CO^2 per year.
AGATHE – purification technology enabling energy saving and recycling	Together with Sintef and REEL Norway, Alcoa completed the piloting of a novel compact purification process (PIA TM) in 2022. REEL will construct, test and certify the new technology when it is ready.
HighEFF	HighEFF is a broad collaborative research project striving to develop a research centre for industrial energy efficiency. According the Sintef Energy, the project's coordinator, HighEFF targets a reduction of industrial energy consumption by 20-30% and a reduction of emissions by 10%. Several workshops took place in 2022.

Source: Alcoa Norway AS

The list in the table above is not exhaustive. Both Lista and Mosjøen participate in a wide range of projects, big and small, intended to improve EHS, functionality or financials, or various combinations of these. At present, Alcoa is planning to carry out 20 different climate projects, including everything from recycling, to energy efficiency and emission abatement.

A relevant example of a successful climate project is Lista's work to curb anode effects a minute per pot day. This phrase describes the unwanted reaction when dosage of electrolysis ingrediens is not optimal. When this happens, the electrolysis generates CF4 and C2F6, two potent greenhouse gases. Through determined efforts, Lista, a Soderbergh smelter, managed to reduce anode effects from 0,39 minutes per pot day in 2018 to 0,27 in 2022. This is no par with what pre-bake smelters achieve.

Alcoa' indigenous peoples policy

Our approach to sustainability obliges Alcoa to bring value to the local communities we belong to. This means Alcoa must have a good and compliant relationship with those around the company's operations. This applies in particular to indigenous communities. Alcoa's social performance standard, inspired from the same standard developed by the Aluminum Stewardship Initiative (AS), obliges Alcoa to comply with the requirements contained therein.

Alcoa adopted a new self-developed social performance management system in 2021. This system is designed to find out whether, and to what extent, Alcoa fulfills its social responsibilities. A significant part of the system concerns human rights, cultural heritage and indigenous rights. Alcoa turns this into practice by being accessible, honest and responsible in all dealings with indigenous peoples and indigenous interests. When Alcoa's activities affect the interests of indigenous peoples, Alcoa must act in accordance with established regulations and legal practice by fulfilling requirements for free and informed consent (FPIC) and other statutes laid down in ILO Convention 169 on indigenous peoples and UN Convention 27 on the civil and political rights of indigenous peoples.

In April 2020, Norske Samers Riksforbund (NSR), an interest association for Norwegian indigenous peoples, contacted Alcoa regarding the development of the Øyfjellet wind power project. The wind power plant is located in along a trekking route for reindeer to one of the Jillen-Njaarke reindeer district's winter grazing areas. NSR expressed concern that Alcoa, which buys power produced at Øyfjellet, would be in breach of our own indigenous policy. The Jillen-Njaarke reindeer herding district later motioned for a temporary injunction in court. The court ruled in favour of the project developer.

In response to the inquiry from NSR, Alcoa initiated a third-party assessment of whether the company had breached its own policy. The conclusion was that Alcoa had entered into a power agreement with a project with a legally binding licence and was not to be regarded as a breach of international law.

In October 2021, the Norwegian Supreme Court refused to rule in a court appraisal case between the Fovsen-Njaarke reindeer district and Fosen Vind. The reason for the ruling was that the Supreme Court saw Fosen Vind's establishment as a disproportionately large encroachment on winter grazing areas, and was thus to be considered incompatible with the UN Convention's Article 27 on the civil and political rights of indigenous peoples. The Supreme Court therefore concluded that the concession to Fosen Vind was invalid. In 2022, Alcoa received an inquiry from a representative of an environmental NGO arguing that the similarities to Fosen Vind were substantial enough to merit that Alcoa should withdraw from its agreement with Øyfjellet. A legal assessment commissioned by Alcoa concluded that the differences between the two projects meant a direct comparison was inaccurate.

The transparency law

The Transparency Act[5] was made legally binding in Norway in 2022. The purpose of the Act is to "promote businesses' respect for basic human rights and decent working conditions in the production of goods and the provision of services, and to ensure the public has access to information

[5]«Lov om virksomheters åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold», LOV-2021-06-18-99.

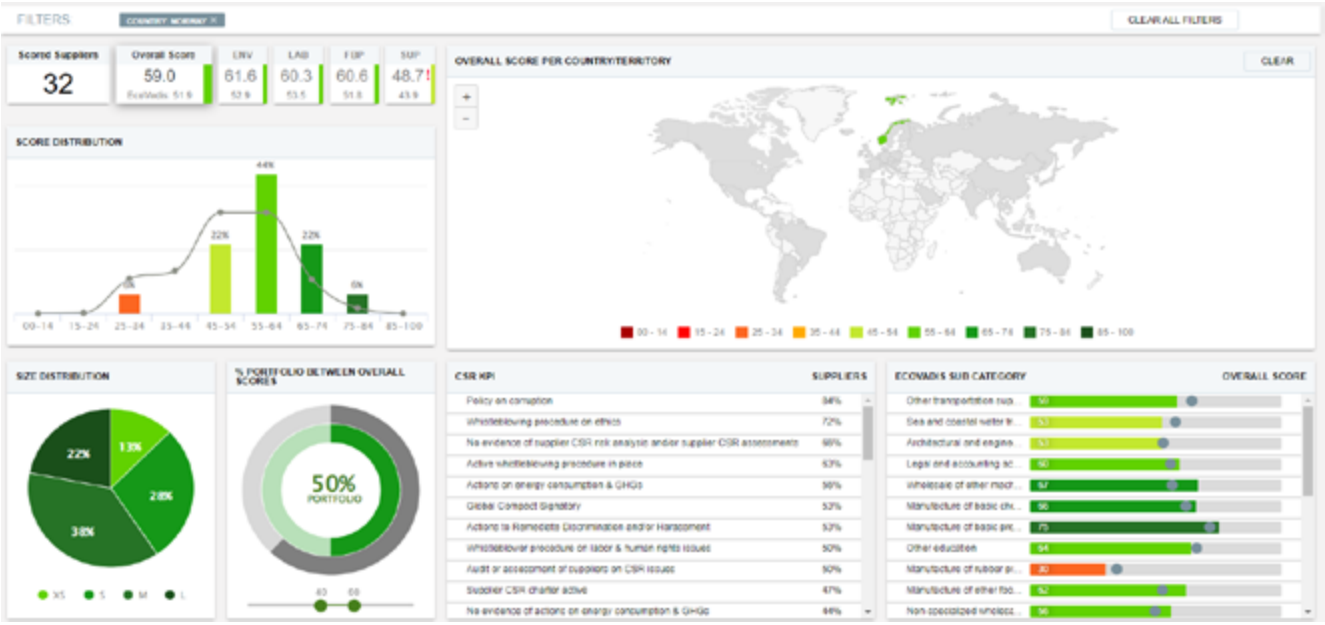
about how businesses deal with and ensure basic human rights and decent working conditions."

The Transparency Act applies to all businesses over a certain size as specified in section 1-5 of Norwegian accounting law. As it applies to Alcoa, the company is required to carry out due diligence assessments and to inform about all activities that could affect basic human rights and decent working conditions. The due diligence assessments must be in line with the OECD's guidelines for multinational companies and imply that the company's responsibility must be embedded in the company. All relevant parts of the company must be aware of the human rights responsibilities the company has, which management systems exist and whether these are followed. Overall responsibility formally sits with the board. Second, Alcoa is required to map the possible damage the business can cause to its own employees, other people and the environment, and how to seize, prevent and reduce damage as well as monitoring whether measures are effective. Finally, Alcoa must be open about what damages the company may cause and how to restore damages and provide compensation.

Alcoa's due diligence practice is defined in the company's guidelines for social responsibility, ethics and compliance, as presented in the company's Sustainability Report[6]. This report describes how Alcoa communicates, educates, reports and examines requirements for social responsibility and whether they are complied with. Requirements for ethics and compliance are anchored in Alcoa's board of directors. In addition, Alcoa has developed its own practice for responsible conduct and ethics ("Code of Conduct and Ethics[7]") as well as a list of requirements our suppliers must follow ("Alcoa's Supplier Standards").

Alcoa surveys and monitors all its suppliers' compliance with Alcoa's social responsibility requirements. The monitoring tool used, Ecovadis, contains an interface that gives a good overview of all Alcoa's suppliers and how well they comply with Alcoa's requirements. The company's own sustainability department assesses all suppliers continuously, for example by using surveys, news items and the suppliers' self-reporting. The valuation of each individual supplier is very traceable, and any matter of concern, such as possible violations of human rights and decent working conditions, becomes easy to discover and follow up.

Figure 4: Snippet of Ecovadis interface



Source: Ecovadis

All requirements for due diligence assessments, social responsibility, ethics and compliance, as documented in the group's sustainability report, also apply in their entirety to Norway. Employees must be familiar with Alcoa's guidelines and the systems used. Alcoa regularly ensures that employees are familiar with the ethics and compliance requirements applying to the company and suppliers. Employees in the purchasing department attend courses every year to understand and uncover risk elements in our value chain. From 2023, participation in these courses will also be compulsory for plant management and other individual employees outside the purchasing department. Guidelines for human rights, indigenous considerations and responsible behavior are prerequisites for being certified by the Aluminum Stewardship Initiative (ASI, discussed in more detail in the next chapter). Both Alcoa Lista and Alcoa Mosjøen are ASI-certified. The certification is twofold; ASI Performance Standard (responsible production) and ASI Chain of Custody Standard (responsible procurement). Obtained certification confirms approved practices for due diligence assessments, socially responsible behaviour, respect for human rights, respect for decent working conditions and environmental management. Alcoa also has its own management system for social responsibility, the Social Performance Management System, discussed in the chapter above.

[6]https://www.alcoa.com/sustainability/en
[7]https://www.alcoa.com/global/en/who-we-are/ethics-compliance/code-conduct

In addition to due diligence assessments, the Transparency Act requires Alcoa to hand over information about the business, including value and supply chains, guidelines for social responsibility and degree of compliance, description of products and services, etc., upon request. The request must be within reasonable limits, for example in the form that we cannot share information that is considered company secrets or stock exchange sensitive. Contact information for questions covered under the Transparency Act can be found on the company's website. The responsibility sits with Alcoa's communications manager.

Aluminium Stewardship Initiative and other certifications

Both Lista og Mosjøen are certified according to the Aluminium Stewardship Initiative's (ASI) Performance Standard. ASI certification confirms the company meets requirements concerning environmental management and socially responsible conduct are met. It thereby confirms that Alcoa's aluminium production is done in a way environmentally and socially responsible way. This proves that Alcoa manages resources according to strict requirements for consideration for surroundings, and that Alcoa minimizes all types of emissions and takes biological diversity into account.

All aluminum produced at Alcoa's Norwegian smelters is also certified according to ASI's Chain of Custody standard, which complements Alcoa's Sustana™ certification. Alcoa's Sustana™ products include the Ecolum™ standard, which both Norwegian plants achieve with good margin. Ecolum products must have a carbon footprint below 2.5 tons of CO_2 per ton of aluminium, 75% lower than the global average for aluminum production. Alcoa Mosjøen also meets the Ecodura™ standard for cast aluminum products, where the requirement is that at least 50% of the content of the aluminum product must come from recycled content.

In June 2022, Alcoa Mosjøen received a renewed permit under the Pollution Act from the Norwegian Environment Agency, in line with the BREF/BAT regulations. The same permission was renewed for Lista in September of the same year.

Alcoa Lista and Mosjøen are ISO 50001 certified, which means that both plants meet requirements for energy management. Both works also hold ISO 14001 and ISO 9001 certification, and therefore meet requirements for environmental management and quality management respectively.

Both works are certified according to standards set by the International Automotive Task Force (IATF), a certification for delivery to the automotive industry.

Local community support

Alcoa Norway is keen to return value to its local communities by sponsoring a wide range of activities and projects. All forms of sponsorship are facilitated through three programmes.

Alcoa Foundation

The Alcoa Foundation is a US-registered foundation owned and operated by the Alcoa Corporation. Its original purpose was to provide support for educational initiatives in the United States. In recent years, the Alcoa Foundation has been expanded both geographically and thematically. The Alcoa Foundation had its 70th anniversary in 2022.

The Alcoa Foundation's contributions can be both large and small. Larger contributions are awarded through Alcoa Foundation Grants. These contributions are handed out over a 3-year period and only to organizations involved in humanitarian disaster relief, training/education and/or environment/sustainability. Funding is transferred directly from the foundation to the recipient. Alcoa's local businesses in Lista and Mosjøen act solely as application recipient agencies.

The following organizations were either on-going recipients of previously awarded funds or awarded Alcoa Foundation funds for the first time in 2022:

- Kirkens Bymisjon; work programme for challenged individuals (Mosjøen)
- Barn fra Ukraina; humanitarian aid for Ukraine (Lista)
- Forskerfabrikken; summer lab for youth and children (Mosjøen and Lista)
- Helgeland Friluftsråd (Helgeland Open Air Council); outdoor activities for youth and children (Mosjøen)
- Ungt entreprenørskap; entrepreneurial development programme for youth and children (Mosjøen and Lista)
- FFE (Foundation for Environmental Education); small-scale support to environmental projects (Mosjøen and Lista)

Alcoa ACTION Grants

ACTION, or Alcoans Coming Together In Our Neighborhoods, is a purpose-development sponsorship scheme directed at making Alcoa employees more actively engaged in their local communities. Such activities may include sports clubs, charitable organisations, volunteer groups or other organised non-professional activities. In order to be eligible for donations, at least 8 current or retired Alcoa employees must offer at least 4 hours of voluntary work. Successful applicants receive a lump-sum payment up to 3 000 USD, or approx. 30 000 NOK.

The following organisations received ACTION Grant funding in 2022:

- Lista; Dugnad Sykkelpark, Motorbåtforeningen, Filatelistforeningen,
- Mosjøen; Halsøy IL, Ner-Drevjo Bygdelag, Andås Velforening, Mosåsens venner, Termik, Hjartåsens venner, Amcar Mosjøen, Vefsn og Mosjøen Skolekorps, Mosjøen Sanitetsforening, NMK Grane, Vefsn Jeger- og Fiskeforening, KorZy, Mosjøen Skytterlag, Mosjøen IL

Direct sponsorship

Alcoa has the opportunity to award sponsorship on top of the smelter's budgets. Such support is restricted only to charitable projects which, for various reasons, are ineligible for Alcoa Foundation or Alcoa ACTION grant support. The following organisations and activities received direct sponsorship in 2022:

- Lista; FLIK-avtalen, Pride-paraden, Lista atletklubb, Lista skytterlag,
- Mosjøen; Pride Mosjøen

Alcoa Norway awarded in total 2 130 000 NOK in direct sponsorship in 2022.

Development and prospects

The average 2023 LME price so far is 2,460 dollars per ton. Product premiums have fallen compared to 2022 levels but remain higher than the historical average. Demand has picked up somewhat after instability in the second half of 2022 and the first quarter of 2023. Market segments like transport, electrical installations and packaging are expected to push aluminium demand upwards. Restarting curtailed pots at Lista has so far been postponed. Revisting the power procurement strategy is a priority for the smelter. The impact of the Russian invasion of Ukraine remains uncertain.

Alcoa Corporation's main priorities are sustainable growth, improve operations and raise revenue. The company will devote considerable attention to in-house tools such as Alcoa Business System and complete on-going automation efforts- As always, the company will strive to improve operational skills, and improve safety and environment.

Restructuring of Alcoa Norway ANS

On December 30 2022 the general assembly of Alcoa Norway AS voted to increase the company's share capital through property contributions from Alcoa Norway ANS to Alcoa Norway AS. The transfer includes all Alcoa Norway ANS' assets, rights and obligations.

On the same date, Alcoa Norway AS submitted a fully coordinated register notification to the Norwegian Register of Business Enterprises ("Foretaksregisteret"), as well as notifying the registry of the increased share capital.

The share capital increase was made public by the registry on January 19 2023.

Distribution of profits

There is no transfer of profit as the there is no profit or loss reported in the accounts.

Mosjøen, 26 April 2023

for Alcoa Norway AS

Grethe Hindersland
Chair of Board

Jens Albrektsen | Roy Hammer | Stian Nordal Jensen | Henrik Tveten

Comprehensive income

Amounts in NOK million	2022
Sales primary	0
Other sales	0
Sales	0
Raw materials and energy	0
Salaries, wages and related costs	0
Depreciation and write-downs	0
Other operating costs	0
Other gains and losses	0
Operating costs	**0**
Income from operations	**0**
Intercompany interest income	0
Intercompany interest expenses	0
Foreign exchange gains/ (-) loss	0
Other financial income/ (-)expenses	0
Net financial items	**0**
Net profit	**0**
Other comprehensive income	
Cash flow hedges	0
Remeasurement net pension liabilities	0
Total comprehensive income for the year	**0**

Balance sheet

Amounts in NOK million	Note	2022
ASSETS		
Tangible assets	2,3	3,142
Total fixed assets		**3,142**
Long term receivables	4	40
Long term financial derivatives	1	251
Other long-term receivables		**291**
Inventories	5	1,891
Accounts receivable	6	721
Short term receivables	7	4,222
Short term financial derivatives	1	203
Cash and short term deposits		2
Total current assets		7,039
Total assets		**10,473**
EQUITY AND LIABILITIES		
Share capital	8	1
Company capital	8	8,725
Owners equity		**8,726**
Pension Liabilities	9	5
Other long term accruals	10	144
Accrued deferred tax	14	25
Accrued liabilities		173
Long term financial derivatives	1	87
Other long-term liabilities		87
Accounts payable	11	1,143
Other current payables	12	285
Short term financial derivatives	1	1
Current liabilities		1,487
Total equity and liabilities		**10,473**

Mosjøen, 26 April 2023
for Alcoa Norway AS

Grethe Hindersland
Chair of Board

Jens Albrektsen | Roy Hammer | Stian Nordal Jensen | Henrik Tveten

Cash flow Statement

Amounts in NOK million	Note	2022
Cash and short term deposits		1,300
Net cash flow from financing		**1,300**
Net change in liquid reserves		**1,300**
Liquid reserves 1 January		0
Liquid reserves 31 December		**1,300**
Cash and short term deposits		2
Group bank account	7,12	1,297
Undrawn portion of credit facilities		0
Liquid reserve including credit facilities 31 December		**1,300**

On 30 December 2022, the general meeting of Alcoa Norway AS resolved to increase the company's share capital by a contribution in kind of transferring the entire business of Alcoa Norway ANS to Alcoa Norway AS. The transfer of Alcoa Norway ANS' includes all assets, rights and obligations.

The cash flow statement in Alcoa Norway AS is based on opening balance 30.12.2022


YASKAWA

ACCOUNTING PRINCIPLES

The Financial Statements have been prepared in accordance with the Norwegian Accounting Act § 3-9 and regulations relating to IFRS adopted by the Ministry of Finance 21 January 2008. This essentially means that the recognition and measurement follow international accounting standards (IFRS) and the presentation and disclosures are in accordance with Norwegian Accounting Act and generally accepted accounting principles in Norway.

The Company has adopted the following simplifications of recognition and valuation rules in IFRS:

- IFRS 1 D6 on the continuation of the cost of investments in subsidiaries, associated companies and joint ventures.
- IFRS 5 is not applied.
- IAS 10.12-13, IAS18.30 and IFRIC 17.10 are waived so that dividends and group contributions are recognized in the financial statements according to the Norwegian Accounting Act.
- IAS 9 are waived so that the contracts for the purchase of physical power to use in the company's own production is not accounted for as investment contracts in the company accounts.
- Financial assets and liabilities designated at fair value under IFRS 9 have been expanded to include financial instruments in which the criteria are met in overhead accounts.

Corporate accounts are based on the principles of historical cost accounting, with the exception of the following accounting records:

- Financial instruments at fair value, financial instruments available for sale are carried at fair value.

All amounts are in million Norwegian kroner, unless otherwise indicated.

CONVERSION OF ALCOA NORWAY ANS

On 30 December 2022, the general meeting of Alcoa Norway AS resolved to increase the company's share capital by a contribution in kind of transferring the entire business of Alcoa Norway ANS to Alcoa Norway AS. The transfer of Alcoa Norway ANS' includes all assets, rights and obligations.

There is only on day of ordinary operation in Alcoa Norway AS in 2022, and all operation- and cash flow transactions are therefore reported in Alcoa Norway ANS. The transfer of Alcoa Norway ANS' assets to Alcoa Norway AS took place 30th December 2022. Balances pr year end 2022 will be 0 in Alcoa Norway ANS and full value reported in the balance of Alcoa Norway AS.

On 30 December 2022, Alcoa Norway AS notified the Norwegian Register of Business Enterprises (the NRBE") of the share capital increase by submitting a coordinated register notification form.

The share capital increase in Alcoa Norway AS was registered and published 19 January 2023.

ACCRUAL, CLASSIFICATION AND VALUATION PRINCIPLES

Assessments of the individual items in the financial statements are based on the current IFRS standards.

The accounts are primarily based on a historical cost basis except for derivative financial instruments which are carried at fair value. Fixed assets are recorded at the lower of book value and fair value. Fair value is measured as the highest of the assets value in use and sales value less cost to sell.

Provisions are made when there is an actual liability, it is likely that it will be paid and the cost can be estimated reliably. Estimates and underlying assumptions are reviewed on an ongoing basis.

Revisions to accounting estimates are recognized in the period the changes occur, if they apply the current or previous periods. If the change applies future periods, the revision affects both current and future periods. Classification of balance sheet items as current or non-current is based on a 12 months period. Items that have a lifespan of more than 12 months are long term, while other items are current. This applies to both assets and liabilities.

REVENUES

Revenue is the expected remuneration from sale of goods and is recognized as income after a pattern that reflects the transfer of control over goods or services to the customer, that is, revenue from sale of goods is recognized when title is transferred to the buyer, that is according to the agreed delivery terms. Revenue related to sale of services is accounted in accordance with the degree of completion. Revenues are net of VAT, discounts and bonuses.

MAINTENANCE COSTS

Ongoing maintenance costs are expensed as incurred. Recurring maintenance jobs (periodic maintenance), replacements and upgrades of assets are classified as investments and recognized in the balance sheet.

RESEARCH AND DEVELOPMENT COSTS

Research costs are expensed as incurred, while expenditure on development is capitalized if the criteria according to IAS 38 are met.

ENVIRONMENTAL COSTS

Imposed environmental investments that are essential for continued operations is treated as an investment and capitalized. Estimates for the costs of repairing damage to the environment resulting from construction of new facilities are included in the cost price and depreciated with the actual plant. Costs of repairing damage to the environment arising out of production are expenses as incurred.

PENSION COSTS AND COMMITMENTS

Pensions are accounted for in accordance with IAS 19. Pension costs and pension liabilities for defined benefit plans are calculated according to linear service charges based on assumptions about discount rates, future salary increases, pensions and social security benefits, and actuarial assumptions regarding mortality, voluntary retirement etc. The discount ratio is based on long term covered bonds at the balance date adjusted for expected duration of pension liabilities. Changes in liabilities due to changes in pension plans are recognized in full when determined and publicized. Changes in liabilities due to changes in assumptions (actuarial gains and losses) are recognized directly in OCI with a finite amount.

CURRENCY

The company's functional and presentation currency is Norwegian Krone (NOK). Transactions in foreign currencies are recorded at the rate on the transaction date, while monetary items in foreign currencies are remeasured to the end of period currency rate on the balance sheet date. Foreign exchange gain/losses, including translation differences are recognized as financial items. For hedge accounting, see derivatives.

DERIVATIVES

The company uses derivative financial instruments to hedge the exposure of currency and price risk relating to finished goods, raw materials and other major purchases. Derivatives are recognized initially at cost and are valued in the following periods at fair value and recorded as assets or liabilities. Gains and losses resulting from sale or changes in fair value are recognized in profit and loss if the derivatives are not part of a hedging portfolio that meets the criteria for hedge accounting. Gains and losses on derivatives that are part of a hedging relationship are recorded simultaneously and classified consistently with the transaction that is hedged. This means the effects related to hedging of future transactions (cash flow hedge) is recognized temporarily in equity and recognized in the income only when the hedged transaction is realized. Gains and losses on derivatives treated as fair value hedges are recorded in profit and loss and offset wholly or partly changes in value of the hedged item.

RECEIVABLES

Accounts receivable and other receivables are recorded at nominal value less provision for doubtful debts. Provisions for losses are based on an individual assessment of each receivable.

INVENTORIES

Inventories are valued at the lower of average historical cost and net realizable value. Net realizable value is measured as expected selling price minus selling costs. For raw materials and work in progress net realizable value is calculated to net sales value of finished goods reduced for the remaining production costs. The cost of manufactured products includes direct materials and wages, plus a proportionate share of overhead cost based on normal operating capacity.

FIXED ASSETS AND DEPRECIATION

Fixed assets are valued at historical cost less depreciation. Depreciation is calculated on the basis of cost less any residual value and is distributed linearly over the estimated useful life of each asset. Cost includes direct planning and project costs, and interest incurred during construction. Depreciation starts when the asset is ready for use and is revised annually.

LEASING

IFRS 16 regulates the recognition, measurement, presentation and disclosure requirements relating to leases and requires that leases be capitalized in the accounts of the lessee in the form of a lease obligation (obligation to pay rent) and an asset that represents the lessee's right to use the underlying asset. This is as accounting of financial leases under IAS 17. The standard allows leases that are short term (up to 12 months) or where underlying assets have a low value (must be made a material valuation) to

be expensed. At initial recognition, the liability is measured as the present value of future lease payments during the lease term. The right to use the asset is measured at cost. In retrospect, the usage right is depreciated and interest expense on the liability is expensed under finance costs. The lease payments ("installments") reduce the carrying amount of the lease.

CASH FLOW STATEMENT

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

INCOME TAX

Taxable time of effect for Alcoa Norway AS is 01.01.2023, hence tax calculations are done in Alcoa Norway ANS as of 31.12.2022.

Accrual of deffered tax is booked to accrured liabilities.

NEW AND AMENDED STANDARDS AND INTERPRETATIONS ADOPTED

Classification of Liabilities as Current or Non-current – Amendments to IAS 1

The narrow-scope amendments to IAS1 Presentations of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the “settlement” of a liability.

The amendments could affect the classification of liabilities, particularly for entities that previously considered management’s intentions to determine classification and for some liabilities that can be converted into equity.
They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Property, Plant and Equipment: Proceeds before intended use – Amendments to IAS 16

The amendment to IAS 16 Property, Plant and Equipment(PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is “testing whether the asset is functioning properly” when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment.

Entities must disclose separately the amounts of proceeds and costs relating to items produce that are not an output of the entity’s ordinary activities.

Reference to the Conceptual Framework – Amendments to IFRS 3

Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions. Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognized at the acquisition date.


Alcoa
3M

Notes to the accounts

1 FINANCIAL MARKET RISK - RISK FACTORS

In addition to the operative risk, Alcoa Norway is exposed to risk in the product and input factor markets, as well in foreign exchange.

Aluminium and alumina
From 1 March 2021 all exports from Alcoa Norway has been done through the Dutch Alcoa company Alcoa Nederland Holding BV. The sales prices between the two entities reflect the sales prices to the end customers less a selling fee.

The alumina is supplied from Alcoa Corporation based on an internal index price.

Currency risk
Fluctuations in the value of Norwegian kroner against other currencies are important to Alcoa Norway's net income beacuse the company exports the majority of its product to markets where the price is fixed in a foreign currency. Aluminium is quoted in USD in all markets, and changes in the USD exchange rates have an impact of the price realized in local currency. In addition, fluctuations in NOK also affects the prices of raw materials.

As a result of IFRS 9, all derivative contracts are recognised at fair value. When calculating the fair value, all derivative contracts are measured against the observed forward exchange rate on the balance sheet date day.

For fair value hedges, any changes in the value of derivative contracts are reported in the income statement. The same applies to the currency element of the underlying hedged items.

Power
Beginning 2017 Alcoa Norway entered into several long-term power purchase agreements, which secured approximately 50% of the necessary power for the Norwegian smelters for the period 2020-2035. The remaining 50% is currently purchased under short-term contracts. Financial compensation of the indirect carbon emission costs passed through in the electricity bill is received in accordance with EU Commission Guidelines and the Norwegian compensation regime. During 2022, the company acted to mitigate spot energy pricing at the Lista smelter. In July 2022 the company entered into a ficxed price power agreement for the fourth quarter of 2022 through 31 December 2023. In February 2023 the agreement was amended with improved fixed pricing and lower volume commitments. The company is continuing to review operating levels wiht changes in market conditions.

In December 2022 Alcoa Norway entered into a financial contract for the purpose of managing the price exposure of the variable spot market price for the reselling of power. The contract has been designated a derivative that qualifies for cash flow hedge accounting and changes in value are reported in equity.

DERIVATIVES
All derivatives are booked at fair value. The original contract is measured against the relevant market rates at year-end. Consequently, fair value is unrealised gain/loss on derivatives.

	Change Nominal value cash flow hedges	31.12.2022 Fair value	Nominal value
Fair value hedge			
Currency forwards, currency swaps		(114)	630
Cash flow hedge			
Embedded derivatives in energy contract	203	203	0
Other derivatives			
Power contracts		219	0
Total	**203**	**308**	**630**

Classification of financial assets and liabilities

31/12/2022	Financial instruments measured at fair value through profit or loss	Financial instruments measured at amortized Cost	Financial instrumnents measured at fair value through OCI (derivatives used for hedging)	Total
Assets				
Receivables from customers (note 7)	0	721	0	721
Other current receivables (note 8)	0	4,222	0	4,222
Derivatives (note 1)	251	0	203	454
Cash and short term deposits	0	2	0	2
TOTAL FINANCIAL ASSETS	**251**	**4,945**	**203**	**5,399**
Liabilities				
Payables to suppliers (note 11)	0	1,143	0	1,143
Other current payables (note 12)	0	285	0	285
Other long term liabilities (note 17 and 19)	0	173	0	173
Long term debt (note 18)	0	0	0	0
Derivatives (note 1)	0	0	0	143
TOTAL FINANCIAL LIABILITIES	**146**	**1,601**	**0**	**1,747**

Fair value hierarchy

The company uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the following valuation techniques:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques, for which all inputs that either directly or indirectly have a significant effect on the recorded fair value, are observable.

Level 3: Techniques that use inputs that have a significant effect on the recorded fair value, but which are not based on observable market data.

As of 31.12.2022 the company held the following financial instruments measured at fair value:

Financial assets and liabilities measured at fair value	31/12/2022	Level 1	Level 2	Level 3
Currency forwards	(114)	(114)	0	0
Power contracts	219	219	0	0
Embedded derivatives	203	0	203	0

During the reporting period ending 31 December 2022, there were no transfers between Level 1 and Level 2.

2 LEASES

This note provides information for leases where the Company is a lessee of objects in categories machine, vechicle, building, structure and land. The Company follow the exception in IFRS16 for short term lease (less 12 months) and low value lease (less USD 5000). Hence such lease is not booked to balance sheet.

The balance sheet shows the following amounts relating to leases:

Right of use assets	**2022**
Building and fixed structures	13
Machine / vehicle	51
Property and land	40
Other	2
	106

Lease liabilities	**2022**
Current	14
Non-current	40
	53

One contract is considered substantial with annual payment above 1 MNOK and duration above 5 years.

Category	**Description**	**Annual lease MNOK**	**Duration**	**Extension right**
Property and land	Main Land	1	31/12/2057	99 years

Estimated rent payment all lease:

Due date:	**1 year**	**2-5 years**	**> 5 years**	**Total**
Nominal value	13	24	34	85
Net present value	12	22	16	50

3 FIXED ASSETS

Cost price and net book value	Machinery	Buildings & structures	Land and depletable asset	Construction work in progress	Software	Total
Cost price:						
Balance 01.01	0	0	0	0	0	0
Additions	0	0	0	0	0	0
Retirements	0	0	0	0	0	0
Conversion to Alcoa Norway AS	8,072	2,764	77	514	40	11,466
Balance 31.12	8,072	2,764	77	514	40	0
Of which capitalized interest expences on tangiblefixed assets of own production	0	0	0	0	0	0
Depreciation and Write-down:						
Balance 01.01	0	0	0	0	0	0
Retirements	0	0	0	0	0	0
Ordinary depreciation	0	0	0	0	0	0
Write-down	0	0	0	0	0	0
Conversion to Alcoa Norway AS	(6,361)	(1,968)	(19)	0	(38)	(8,386)
Balance 31.12	(6,361)	(1,968)	(19)	0	(38)	(8,386)
Net book value:						
Balance 01.01	0	0	0	0	0	0
Balance 31.12	1,710	795	58	514	2	3,080
Economic life	5-20 år	25-50 år	0-20 år	-	5 år	
Depreciation method	Linear	Linear	Linear	-	Linear	

4 MORTGAGES AND GUARANTEES

	2022
Assets pledged as security:	
Fixed assets	0
Inventory	0
Trade debtors	0
Total	**0**

Effective June 2022, Alcoa Norway assets are no longer pledged as security for USD 1.25 billion Revolver Credit Agreement where Alcoa Nederland Holding B.V. is the borrower. Alcoa Norway remains a subsidary guarantor of the Revolver Credit Agreement in addition to Alcoa bonds.

Guarantee liabilities	83
Restricted account	40

5 INVENTORIES

	2022
Finished goods	218
Work in process	529
Raw materials	1054
Operating materials	91
	1,891

6 ACCOUNTS RECEIVABLE

	2022
Receivables from external customers	28
Receivables from Alcoa customers	692
	721

7 CURRENT RECEIVABLES

	2022
Other current receivables	
Alcoa group - Financial account	1,420
Other current receivables	
Alcoa Group	2,089
Other current receivables	713
	4,222

8 EQUITY

	Share capital	Other compre-hensive income	Other equity	Totalt
Opening balance 14.02.2022	0.03	0	0	0.03
Share capital increase 30.12.2022 * *	0.97	0	8,725.29	8,726.26
Equity 31.12. 2022	**1.00**	**0**	**8,725.29**	**8,726.29**

Opening balance of NOK 30 000. On 30 December 2022, the general meeting of Alcoa Norway AS resolved to increase the company's share capital by a contribution in kind of transferring the entire business of Alcoa Norway ANS to Alcoa Norway AS. The transfer of Alcoa Norway ANS' includes all assets, rights and obligations.

On 30 December 2022, Alcoa Norway AS notified the Norwegian Register of Business Enterprises (the NRBE") of the share capital increase by submitting a coordinated register notification form.

The share capital increase in Alcoa Norway AS was registered and published 19 January 2023.

9 PENSION PLANS

The pension costs show the future pension entitlement earned by employees in the financial year. This may be in the form of an annual contribution to the employee pension plans (contribution plan) or the entitlement to a specified future pension (defined benefit plan) earned during the year.

Defined contribution plans
Defined contribution plans comprise arrangements whereby the company makes annual contributions to the employee's pension plans, and where the return on the pension plan assets will determine the amount of the future pension.

Defined benefit plans
Defined benefit plans comprise of a multi employer plan. The pensioncost is booked similarly as a defined contribution cost. The company have granted additional pensions for some of the pensioners. The defined benefit obnligations relating to these pensioners are included in the balance sheet.

The company follows the IAS 19 requirements for pension. Hence the unfunded pension obligation is measured at fair value in the balance sheet and all accumulated gains and losses during year are recognised in Other Comprehensive Income.

The company's pension schemes are in accordance with Norwegian pension law.

Changes in net pension liabilities through the yea	**2022**
Net pension liability ending balance previous year	0
Change in accounting principle IAS 19	0
Net pension liability opening balance	0
Net pension cost for the year	0
Contributions	0
Conversion from Alcoa Norway AS	5
Remeasurements loss (gain)	0
Net pension liability 31.12	**5**

Components of net periodic pension cost incl payroll tax	**2022**
Current service cost (incl. social tax)	0
Interest cost on pension liability	0
Net periodic pension cost	**0**
Defined contribution plan	0
Multi-employer plan - New early retirement scheme	0
Pension cost, total	**0**

The net total of pension liability	**2022**
Gross pension liabilty /funded and unfunded plans (PBO)	5
Pension fund (fair value)	0
Net pension liability /-fund	5
Unrecognised actuarial gains and losses	0
Net pension liability /-fund	**5**

Economic assumptions	**2022**
Dicount rate	3.20%
Assumed salary increase	3.75%
Assumed pension increase	2.00%
Assumed adjustment in National Insurance base rate (G)	3.50%

The company's pension scheme covers 1400 full- and part time employees and 80 retirees as of 31.12.2022

10 LONG TERM ACCRUAL

In Mosjøen the plant has received a new permit for the operation of the landfill in Store Åsnevdal until 2030. Cost of closing this landfill was capitalized in 2018 and there is a corresponding long term liability of NOK million 19 that payments will be booked against. In 2022 NOK million 4 was accrued for future demolition costs of the old paste plant in Mosjøen.

At year-end 2022 NOK 31 million received as prepayment for future deliveries to one major customer has been booked as other deferred credits. The balance will be reduced with deliveries in a 5-year agreement that started late 2021.

In addition Alcoa Norway has NOK 4 million stock option liabilities towards the employees and NOK 40 million in long term leasing liabilities booked, see also note 19.

11 ACCOUNTS PAYABLE

	2022
Payables to suppliers	1,008
Intercompany current payables Alcoa	135
	1,143

12 CURRENT PAYABLES

	2022
Other current payables Alcoa group - Financial account	122
Other current payables Alcoa group	0
Value added tax, vacation pay and employee tax payables	142
Other current payables	20
	285

13 SALARIES, WAGES AND RELATED COSTS

Stock-based compensation benefits are provided to certain employees through the issue of shares/options in the listed ultimate parent entity Alcoa Corporation. Alcoa Norway ANS recognizes the compensation expenses according to IFRS 2 Share-based payment. Stock options under Alcoa's stock-based compensation plans have been granted at exercise prices that are not less than market prices at the dates of grant. Stock option features are as follows:

Grant date	Vesting	Term	Reload feature	Method of Settlement
2010 and forward	3 years (1/3 each year)	10 years	None	Equity

Alcoa granted restricted share units (stock awards) vest in three years from date of grant.

	Stock options	Restricted share units
Outstanding at December 31.12. 2022 NOK 1000	123	3,316

14 TAXES

Taxable time of effect for Alcoa Norway AS is 01.01.2023, hence tax calculations are done in Alcoa Norway ANS pr 31.12.2022.

Accrual of deferred tax is booked to accrued liabilities

15 OWNERSHIP STRUCTURE

Company name:	2022
Alcoa Norway ANS	100%
	100%

16 MAJOR OCCURENCES AFTER 31.12.2022

There are no known events after the balance sheet date.

To the General Meeting of Alcoa Norway AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Alcoa Norway AS (the Company), which comprise the balance sheet as at 31 December 2022, the comprehensive income and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with simplified application of international accounting standards according to section 3-9 of the Norwegian Accounting Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with simplified application of International Accounting Standards according to the Norwegian Accounting Act section 3-9, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

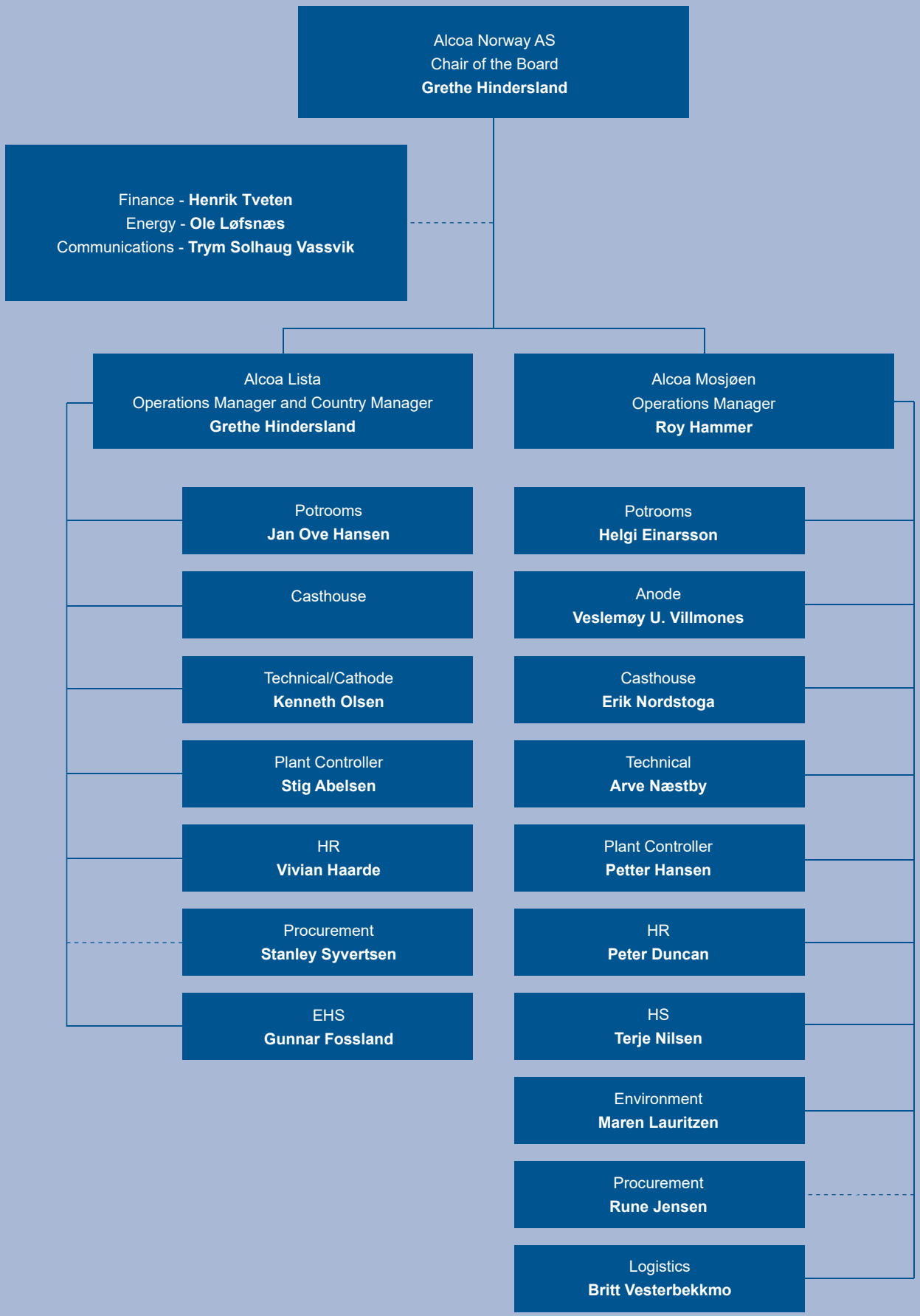
For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: https://revisorforeningen.no/revisjonsberetninger

Mosjøen, 9 May 2023
PricewaterhouseCoopers AS

Silja Eriksen
State Authorised Public Accountant

Note: This translation from Norwegian has been prepared for information purposes only.

Organization



Alcoa Norway AS
Postboks 750
NO-8651 MOSJØEN
+47 75 17 91 00

www.alcoa.com/norway