

**KAISER
ALUMINUM**

Corporate Sustainability Report

2020



SUSTAINABILITY AND ESG AT KAISER ALUMINUM

At Kaiser Aluminum, our corporate values of being a preferred investment, a preferred supplier, a preferred employer, a preferred customer, and a valued corporate citizen serve as the foundation of our strategic initiatives and reflect our “tone at the top” which is embedded in our culture and continues to drive our behavior.

Our 2020 Sustainability Report summarizes our focus and initiatives as we continue to manage our business for long-term success in a manner that is economically, environmentally and socially responsible. With this as our foundation, Kaiser Aluminum’s legacy has spanned more than 75 years and our commitment to sustainability will continue to drive us forward for further success in the years ahead.

As we continue to improve and expand on our sustainability and environmental, social and governance (“ESG”) metrics and disclosures, we have incorporated additional data in our 2020 report which we will continue to monitor and measure based upon the Sustainability Accounting Standards Board (“SASB”) guidelines, with the objective over time of more fully aligning

with the SASB framework and the Task Force on Climate-Related Financial Disclosures (“TCFD”).

In November 2020, we announced the acquisition of Alcoa Warrick LLC (“Warrick”) in Newburgh, Indiana, a leading producer of aluminum can stock for the beverage and food packaging industry, further enhancing our role in promoting the inherent sustainability of aluminum and the products we produce for the end markets we serve. Although our commentary includes information about our Warrick facility, the acquisition was completed at the end of the first quarter 2021, and as a result the metrics and data provided in our 2020 Sustainability report do not include the impact/benefit of the packaging operation unless otherwise indicated.

FORWARD LOOKING STATEMENTS

The information contained in this report includes statements based on management's current expectations, estimates and projections that constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements include statements regarding our anticipated financial and operating performance, relate to future events and expectations and involve known and unknown risks and uncertainties, including, but not limited to, the impact of extraordinary external events, such as the current COVID-19 pandemic, and their collateral consequences and effects on our efforts to achieve our strategic objectives and goals.

We caution that such forward-looking statements are not guarantees of future performance or events and involve significant risks and uncertainties and actual events may vary materially from those expressed or implied in the forward-looking statements as a result of various factors. For a summary of specific risk factors that could cause results to differ materially from those expressed in the forward-looking statements, please refer to the reports we filed with the Securities and Exchange Commission, including our most recent Forms 10-Q and 10-K. All information in this report is as of the date of the report. We undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in our expectations except as may be required by law.



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INTRODUCTION

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MESSAGE FROM OUR CEO



Keith A. Harvey
President and
Chief Executive Officer

At Kaiser Aluminum, we recognize that long-term excellence requires sustainable business practices and strong stakeholder governance. Our long-standing corporate values reflect a shared commitment to all of our stakeholders as we continue to strive to be a preferred – investment, supplier, employer, customer and a valued corporate citizen. These values continue to drive our strategy and ensure the continuity of our culture and the long-term

sustainability of our company for all of our stakeholders.

Our shared commitment starts with our employees. Our employees and the talent of our workforce are key components for our continued success. Ensuring the health and safety of our employees is both strategic and a key tenet of our commitment to being a preferred employer. Through their dedication and

commitment in 2020, we successfully navigated the impact of the COVID-19 pandemic on our employees, their families and our operations, as well as rapidly changing market conditions. We also achieved record safety performance while continuing to maintain our high level of customer satisfaction. I am proud of our team as they continue to execute our strategies to position us for long-term growth while working safely and diligently.

Over the years, we have positioned Kaiser Aluminum as a leading producer of aluminum mill products for applications in the aerospace, automotive and general industrial end markets. Inherently sustainable and infinitely recyclable, our products are part of the carbon solution and efforts to limit global warming to below a 2° C threshold by 2050, by facilitating increased fuel efficiency and light-weighting of aircraft, passenger vehicles and light-trucks and a broad range of general industrial applications. Our continuing effort to increase use of recycled scrap to produce secondary aluminum produces less than 10% of the greenhouse gases associated with primary aluminum production, and reduces our purchase of primary aluminum. In addition, our research and development investments continue to focus on enhancing the

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Our long-standing corporate values reflect a shared commitment to all of our stakeholders as we continue to strive to be a preferred – investment, supplier, employer, customer and a valued corporate citizen.

quality of our products and producing our products to even tighter specifications, which further enhance the machinability of our products and reduce waste throughout the value stream.

We recently re-entered the North American aluminum packaging industry through the acquisition of the Warrick rolling mill, which provides another opportunity to support significant growth in an end market driven by sustainability trends and the secular shift to aluminum in the beverage and food packaging industry. Our Warrick rolling mill is one of only four dedicated rolling mills in North America for beverage and food packaging and is the first facility of its type in this market to achieve Aluminium Stewardship Initiative Performance Standard certification for responsible sourcing and stewardship of aluminum.

In 2020 we focused our efforts on identifying and understanding the business impacts of reducing our

future greenhouse gas (“GHG”) emissions to achieve long-term global warming targets and developing our GHG reduction targets and a strategy to achieve them. In 2021, as described further in the environmental section of this report, we implemented long-term goals to reduce our Scope 1 and 2 GHG emissions intensity by 20% compared to 2019 levels by 2030; reduce our estimated Scope 3 emissions intensity by more than 35% compared to 2019 levels by 2030; and reduce our overall Scope 1, 2 and 3 estimated emissions intensity by more than 30% compared to 2019 levels by 2030.

In order to continue to advance our sustainability as a company, we recognize that we must remain diligent in our efforts and ensure our strategies and investment decisions continue to incorporate initiatives that reduce our environmental impact and, in turn, reduce the environmental impact of our customers while creating a positive economic impact for all of our stakeholders. We expect to play a significant role in achieving a future – low carbon economy and support emissions reductions pathways that utilize dependable, energy-efficient manufacturing and technology innovations. While increasing operating efficiencies and our use of aluminum scrap, we will also continue to identify and invest in new initiatives to reduce the carbon intensity of our products and actively evaluate new technologies as they become available.

In addition to investing in our business, we continue to invest in our most valuable asset - our people - and in the communities in which they live and work. We invest heavily in the training and development of our employees and maintain strong relationships with all our employees, including our union represented employees and their union representatives. While diversity, equity, inclusion and belonging have always been part of being a preferred employer, with the addition of our Warrick team, we intend to leverage and incorporate Warrick’s well-established best practices with ours as we continue to move forward.

We remain focused on adhering to our values and ensuring we maintain our corporate culture, while we continue to develop and execute our strategy for long-term growth. We will continue to be a valued corporate citizen and a good steward of capital and invest in a manner that supports the sustainability of Kaiser Aluminum, our employees and their families, the environment and interests of all of our stakeholders.

Sincerely,



Keith A. Harvey
President and Chief Executive Officer



MESSAGE FROM OUR BOARD OF DIRECTORS

Dear Stakeholders,

As a board we remain actively focused on overseeing and supporting the long-term growth and sustainability of the enterprise through the development and execution of Kaiser Aluminum's long-term strategy, balanced capital allocation and effective risk management – including environmental, social and governance (“ESG”) matters.

Kaiser Aluminum's commitment to sustainable practices remains a critical and integral part of the company's corporate strategy. The board contributes to the oversight, development and execution of management's strategic plans, actively engaging in robust discussions about the company's priorities, risks and opportunities through our regularly scheduled meetings, including dedicated annual strategic planning and enterprise risk management meetings. We remain committed to including sustainable priorities and the perspective of the company's stakeholders in boardroom and management discussions.

Although ESG has been an integral part of the board's overall risk management oversight, in 2021, recognizing the increasingly important areas of focus for the company's stockholders and stakeholders around ESG activities and initiatives, we chose to expand the scope of duties and responsibilities of our former

Talent Development Committee, now known as the ESG Committee, to provide more focused oversight of the company's ESG activities and strategic initiatives, while continuing to provide oversight of executive succession planning, human capital development, and diversity of management and the workforce. The board, led by our ESG Committee, will continue to engage with management on ESG matters in more detail, including the company's internal metrics and goals, key ESG strategies and initiatives to achieve or exceed those goals, the company's performance, and the associated risks and opportunities as well as emerging trends and investor expectations regarding ESG topics.

Overseeing the company's activities related to its ESG programming and initiatives facilitates the board's ability to evaluate risks and opportunities for the company's long-term sustainability and value creation for its stakeholders while ensuring consistency with the company's culture and long-standing corporate values. We believe that achieving and sustaining business excellence is intrinsically tied to leading by example through corporate responsibility that reflects our commitment to stakeholder engagement and transparency.

Kaiser Aluminum's annual Sustainability Report captures

the highlights of its ESG programming, broader business development, and culture. We look forward to continuing to deliver value to the customers, employees, suppliers, investors, and communities of Kaiser Aluminum.

Sincerely,

Kaiser Aluminum's Board of Directors

Jack A. Hockema

Michael C. Arnold

Leo W. Gerard

Emily Liggett

Teresa M. Sebastian

Thomas M. Van Leeuwen

Kevin W. Williams

Member of the ESG Committee

Alfred E. Osborne Jr., Ph.D.

David Foster

Keith A. Harvey

Lauralee E. Martin

Donald J. Stebbins

Brett E. Wilcox

EXECUTIVE SUMMARY

Kaiser Aluminum Corporation is a leading producer of semi-fabricated aluminum products. Manufacturers and major suppliers around the world look to Kaiser to deliver highly engineered solutions for their most demanding aerospace, packaging, automotive and industrial applications. We adhere to the same strong commitments to quality, innovation and service today as when the company was founded in 1946.

Kaiser operates 13 production facilities across North America. Collectively, these facilities allow us to produce an impressive range of value-added plate, sheet, coil and extruded products. This latter category includes extruded shapes as well as rod, bar, tube, forged stock and wire products.

Additionally, we have a facility that focuses on multi-material advanced manufacturing methods and techniques, which include additive manufacturing, multi-axis computer numerical control machining, welding and fabrication.

Each of our facilities specializes in manufacturing products for specific industries, allowing us to not only develop a deeper understanding of each market but also differentiate our processes and products to more efficiently meet the needs of our customers operating in those markets. Our commitment to continuous improvement is a big reason customers turn to Kaiser Aluminum to deliver effective innovative solutions.



COMPANY OVERVIEW

- Leading North American producer of highly engineered aluminum mill products
- Focus on demanding applications for aerospace, packaging, automotive and general industrial end-markets
- Integral "pass through" business model to mitigate the impact of aluminum price volatility
- Long-standing customer relationships – original equipment manufacturers (OEMs), tier 1 suppliers, metal service centers and beverage and food packaging manufacturers
- Differentiation through broad product offering and "Best in Class" customer satisfaction
- Disciplined management of liquidity and debt leverage to provide financial flexibility through business cycles
- Strong operating leverage and manufacturing efficiency
- Strong diversified portfolio – secular demand growth for aerospace, packaging, and automotive with solid market dynamics continuing to support growth in general engineering applications

ENVIRONMENTAL

- Sustainability is an integral part of our corporate values
- We manage our business for long-term success in a manner that is economically, environmentally and socially responsible
- Our products are part of the carbon solution, facilitating light-weighting and increased fuel efficiency for transportation and increasing the use of recyclable aluminum in beverage and food packaging
- Aluminum is infinitely recyclable and we have continued to increase our use of recycled scrap as production of aluminum from recycled metal saves more than 90% of the energy generally required by primary production
- Our investments increase our manufacturing efficiency and reduce our environmental impact and the environmental impact of our customers



2020 HIGHLIGHTS



21%

SCOPE 1 AND 2 GHG EMISSIONS INTENSITY OF OUR PRODUCTS FROM 2010



41%

ELECTRICITY CONSUMED FROM RENEWABLE SOURCES

20%

FRESHWATER WITHDRAWAL FROM 2016





SOCIAL

- Continue to expand recruiting strategy to include more diverse candidates
- Continue to attract, develop, promote and retain people from all cultures and segments of the population based on ability
- Developed and continue to monitor internal benchmarks and metrics to identify opportunities to increase diversity and monitor progress
- Focus on talent development across the organization to attract, motivate and retain productive and engaged employees and to ensure consistency of culture and strategic direction
- Incorporating diversity, equity, inclusion and belonging training and awareness into training and development programs and platforms
- Enhanced Human Rights Policy and formalized Diversity, Equity, Inclusion and Belonging Policy consistent with our corporate values and Code of Business Conduct and Ethics

13% FEMALE EXECUTIVES (VICE PRESIDENT OR HIGHER)

16% EXECUTIVES WHO IDENTIFY AS MEMBERS OF MINORITY GROUPS

23% U.S. FEMALE SALARIED EMPLOYEES

29% U.S. EMPLOYEES WHO IDENTIFY AS MEMBERS OF MINORITY GROUPS

2020 HIGHLIGHTS



RECORD SAFETY PERFORMANCE

0

FATALITIES



36%

TOTAL CASE INCIDENT RATE



27%

LOST-TIME CASE INCIDENT RATE

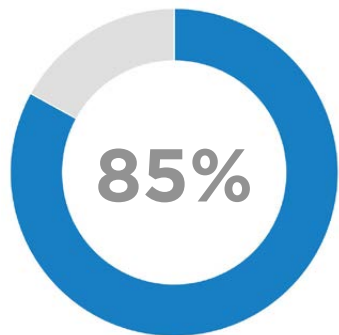
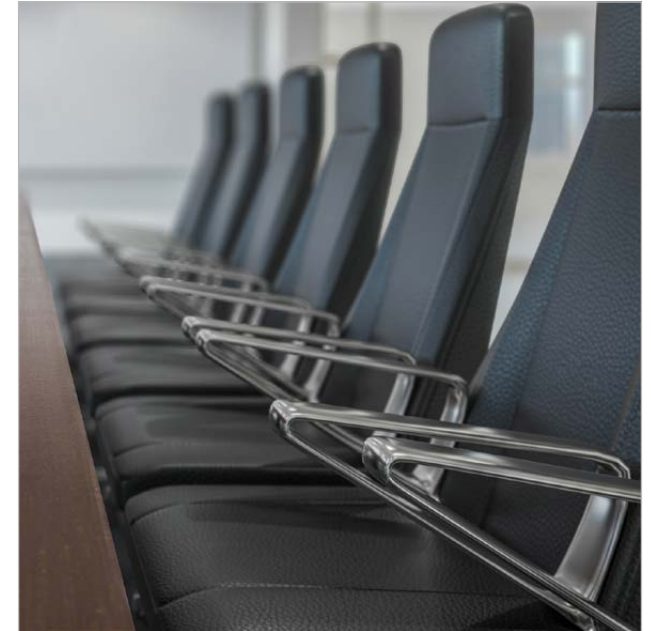


47%

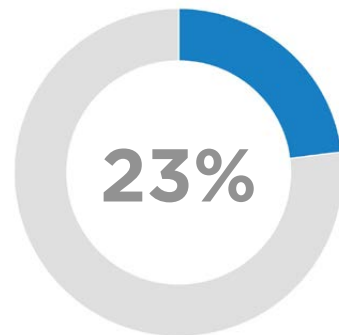
DAYS AWAY, RESTRICTED AND TRANSFER RATE

GOVERNANCE

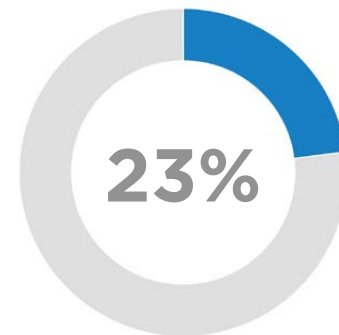
- Diverse and highly independent board
- Ongoing commitment to refreshment
- Our board expanded the duties and responsibilities of the former Talent Development Committee (now known as the ESG Committee) to include oversight of our ESG activities and strategic initiatives, while continuing to provide oversight to our executive succession planning, human capital development, and the diversity of our management and workforce
- Continued development of internal benchmarking and goals to help ensure that ESG principles continue to be integrated into our strategies and initiatives
- Robust and multi-tiered board and committee annual assessment process
- Continued focus on identifying critical board skills needed to support our company strategy and succession planning
- Strong support from our board for continued proactive shareholder engagement (>50% annually)
- Rigorous director nomination process including directors nominated by United Steelworkers (USW) under our Director Designation Agreement (right to generally nominate 40% of the members of our board)



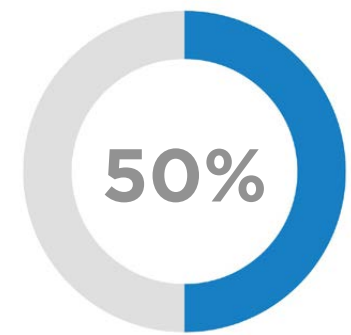
INDEPENDENT DIRECTORS



FEMALE DIRECTORS

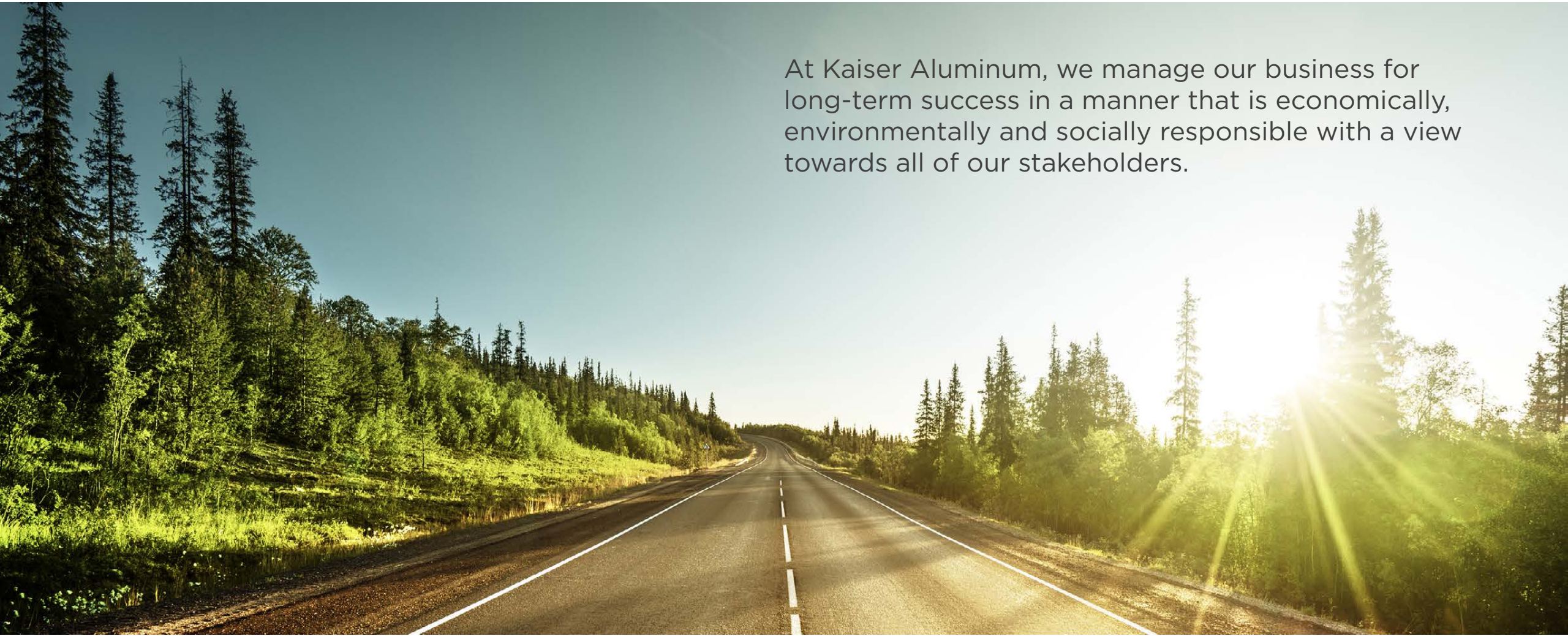


DIRECTORS WHO IDENTIFY AS MEMBERS OF MINORITY GROUPS



TENURE OF <5 YEARS

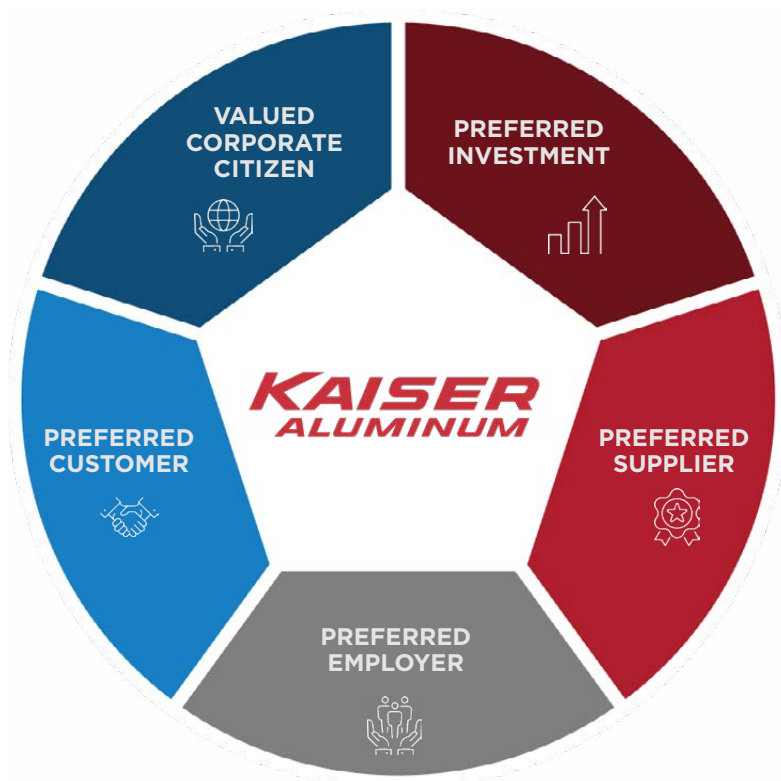
SUSTAINABLE VALUE CREATION



At Kaiser Aluminum, we manage our business for long-term success in a manner that is economically, environmentally and socially responsible with a view towards all of our stakeholders.

CORPORATE VALUES

Our corporate values are the principles by which we operate. Our values support and serve as the foundation for our strategic initiatives and truly reflect the company’s “tone at the top” which is embedded in our culture and continues to drive our behavior.



PREFERRED INVESTMENT

Honesty, transparency, discipline, and value-creation are the foundation of our Preferred Investment value. Creating and delivering long-term value to our shareholders is the heart of being a preferred investment and we do this by employing disciplined capital allocation priorities, maintaining financial strength and flexibility, creating and sustaining a defensible competitive position, and proactively engaging with and communicating a clear and simple story to investors.



PREFERRED SUPPLIER

Providing a Best-in-Class experience for our customers is the foundation of our Preferred Supplier value. Quality, delivery, value, and customer satisfaction guide our operational decision-making and the Voice of our Customers drives our process and product development initiatives.



PREFERRED EMPLOYER

Our people are the heart of Kaiser Aluminum and our Preferred Employer value is our commitment to them. Attracting, developing, promoting and retaining people from all cultures and segments of the population based on ability; treating all our employees with dignity and respect; making sure our employees return home safely every day; providing an environment

of diversity, inclusion, belonging, empowerment, responsibility and accountability; developing and maintaining a positive relationship with all employees and their designated representatives; and offering competitive and equal pay and benefits that attract and retain employees are all part of our Preferred Employer value and guide our workplace behavior as is defined by respect, responsiveness, communication, learning, and empowerment.



PREFERRED CUSTOMER

Being a Preferred Customer guides our relationships with our suppliers. Integrity, collaboration, communication, and accountability are integral components of our purchasing processes and standards. We commit to paying a competitive price for the value our suppliers provide. Our suppliers are our trusted partners and we value these relationships.



VALUED CORPORATE CITIZEN

Being a Valued Corporate Citizen guides our environmental, social, and governance decisions. We are committed to being socially responsible and active members of our industry and the communities in which we operate and our employees and their families live.

Visit the [Corporate Values](#) page of our website for more details.

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PRODUCTS AND OPERATIONS

A key tenant of our core values and our competitive strategy is to position Kaiser Aluminum as a preferred supplier in our chosen end markets providing highly engineered solutions for aerospace and high-strength, packaging, custom automotive, and other general industrial applications. We believe that our broad product offering and focus on continuous improvement ingrained throughout the organization make us the supplier of choice for our customers, and have allowed us to achieve differentiating product quality and Best-in-Class customer satisfaction.

Our engineers, metallurgists, and sales personnel work collaboratively with our customers to help our customers design products for challenging applications where product performance is critical. Our enterprise-wide Kaiser Production System (KPS), a unique and integrated application of the tools of Lean Manufacturing, Six Sigma and Total Productive Manufacturing, underpins our continuous effort to advance sustainability, reducing waste through the value stream while advancing superior customer service through the consistent, on-time delivery of superior quality products. Furthermore, our Centers for Excellence are devoted to product and process development within our production operations, focused on controlling the manufacturing process, maximizing the use of recycled aluminum, improving product quality,

and ensuring consistency and enhanced product attributes.

Our aluminum mill products are part of the carbon solution. Aluminum is a very sustainable material. It requires less than 10% of the energy to recycle aluminum, compared with the original mining of bauxite, refining of bauxite into alumina and the electrolysis of alumina into aluminum.

Our aluminum products help our customers in at least three specific ways.

1. Reducing our customers' Scope 1 and 2 emissions with increased efficiency by using our **KaiserSelect**® products with tighter specifications which enable our customers to use less energy through increased productivity and reduced scrap
2. Reducing our customers' Scope 3 emissions through reduction of the carbon footprint of our products by reducing our Scope 1, 2 and 3 estimated emissions
3. Reducing final customer product lifetime emissions through light-weighting and sustainable recycling

Our aluminum mill products are part of the carbon solution.

- Enabling improved performance of consumer products
- Light-weighting in applications such as aircraft and transportation improving fuel efficiency
- Increasing the use of recyclable aluminum beverage and food packaging

Overall, we remain focused on providing solutions that meet the needs of our customers for demanding applications. Through our advanced process technologies and highly recyclable aluminum products, we continue to advance sustainability driving greater operating efficiencies, less waste and lower energy utilization in our facilities and a lower overall carbon footprint throughout the value stream.

Markets Served

AEROSPACE AND HIGH STRENGTH

Serving the leading aerospace original equipment manufacturers (“OEMs”) and their suppliers for commercial aerospace, military, business jets, space and industrial applications, Kaiser Aluminum produces a broad product offering for structural applications that offer protection and light-weighting for improved safety and mobility. Aluminum’s high strength-to-weight ratio makes it the ideal material for many of these applications.

The aerospace industry remains focused on producing aircraft that deliver greater fuel efficiency and reduced GHG emissions while eliminating waste and advancing the sustainability of the value stream. The opportunity to capture and recycle material in a closed loop partnership process reduces the need for primary aluminum, eliminates waste and enhances the process of reducing the overall carbon footprint through lower energy utilization.

As an example, for the past eight years, Kaiser has partnered with Boeing to revert scrap from several of its locations back to our Trentwood rolling mill in Spokane, Washington (“Trentwood”). This closed loop process allows both parties to benefit as the metallurgical properties of material are retained and can be utilized in future production processes, significantly reducing the requirement for primary aluminum and significantly reducing our Scope 3 emissions. In addition to working with other customers through similar arrangements, our procurement, operations and research and development teams continue to enhance our production processes to increase the use of recycled scrap while adhering to the demanding specifications of the OEMs.



**PACKAGING**

Our recent acquisition of our Warrick rolling mill provides a significant opportunity for us driven by sustainability trends and the secular shift to aluminum in North American beverage and food packaging industry. The average beverage can is made with about 70% recycled content and further reduces GHG emissions with ideal shipping properties. The demand for infinitely recyclable aluminum packaging has surged due to a shift in consumer preference for sustainable packaging and as one of only four dedicated can sheet mills in North America, we expect to become an even more significant participant in the supply chain solution in meeting growing North American demand.

In addition to announcing major investments in capacity expansion, our customers and their customers have established sustainability targets to increase the recycled content from the industry leading 73% to ensure aluminum beverage cans and bottles remain the most sustainable packaging on the market. In order to support the demand growth and achieve higher levels of recycled content, the Can Manufacturers Institute and its members, beverage can manufacturers and aluminum can sheet producers, have recently established several initiatives to increase U.S. recycling of used beverage cans. Currently at a rate of 45% in 2020, the initiatives are to achieve a rate of 70% by 2030 to improve the circularity of the aluminum can reducing its carbon footprint as the use of recycled materials results in more than 90% less GHG emissions than a container produced with primary aluminum.

AUTOMOTIVE

Kaiser Aluminum has been serving the automotive industry for more than two decades embracing a strong automotive culture and offering technical and manufacturing competence through our dedicated applications engineering team. We remain an ideal solution to the automotive industry's focus to achieve higher fuel efficiency, reduce carbon footprints and increase safety performance, as aluminum is lightweight, high-strength, energy crash absorbent, durable, corrosion resistant, easily formable and infinitely recyclable.

According to The Aluminum Association's Aluminum Transportation Group, a 5% to 7% fuel savings can be realized for every 10% in vehicle weight reduction when steel is replaced with lightweight aluminum.

Working in partnership with our Tier 1 suppliers, our aluminum extruded products are transformed into complex shapes with tight tolerances to achieve the demanding and often safety critical structural applications. The inherent properties of aluminum also make it an ideal solution for electric or hybrid vehicles to achieve light-weighting while improving performance and meeting safety targets.

Global consumption of recycled aluminum in vehicle production is also rising due to its higher values and reduced energy footprint.



**GENERAL ENGINEERING**

Kaiser Aluminum's products can be found in everything from the armor used in military vehicles and ordnance to manufacturing cells for semiconductors and electronic devices to aftermarket motor sports parts.

Aluminum's light weight, strength, corrosion resistance and conductivity enable it to increase sustainability in a wide range of applications. Our products are also used in the manufacture of tooling plate, parts for machinery and equipment, and all types of bolts, screws, nails and rivets. Many of these products must also stand up to the demands of further fabrication requiring superior machinability, structural strength, and often critical mechanical or ballistic properties. Our **KaiserSelect®** line of products are engineered and manufactured to provide superior consistency resulting in better performance, lower waste and, in many cases, lower production costs for our customers.

Production Processes

We conduct our operations in a sound environmental manner and seek to continually improve our product quality and manufacturing efficiency through processes and capital investments to reduce our environmental impact and, in turn, reduce the environmental impact of our customers.

Our products are differentiated based on the metallurgy and physical properties of the metal and special characteristics that are required for particular end uses. We strategically choose to serve technically challenging applications that allow us to deploy our core metallurgical and process technology capabilities to produce highly engineered aluminum mill products.

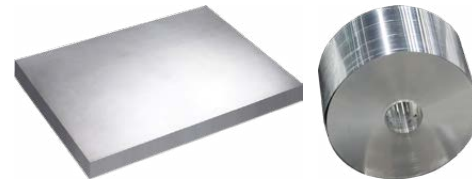
CASTING

Primary, recycled and scrap aluminum is melted, alloyed with elements selected to achieve desired characteristics and then cast into ingots and billets for use in the rolling or extrusion processes



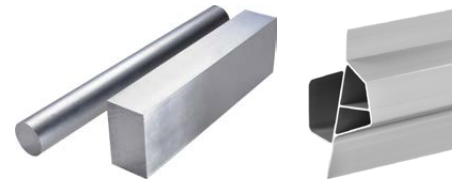
ROLLING

Rolling reduces the thickness of cast ingots and produces long, flat aluminum sheet, plate or coil.



EXTRUSION

Extrusion pushes cast billets through a die opening and produces long sections of rod, bar, tube or custom shapes



DRAWING

Drawing is an additional process that pulls extruded tube through a die to reduce the size, change the shape or harden the material



END USE APPLICATIONS

Rolled, extruded and drawn products produced by Kaiser Aluminum are further fabricated by customers before being used in various end use applications



Scrap Utilization



Recycling aluminum saves more than 90% of the energy needed to create a comparable amount of the metal from raw materials.

For many years, we have been increasing our use of recycled aluminum from scrap, including painted scrap, in our manufacturing process and working to identify new sources of scrap and processes to reuse it. Recycling aluminum saves more than 90% of the energy that would be needed to create a comparable amount of the metal from raw materials. The scrap we utilize includes scrap purchased from traders and distributors, as well scrap from customers and internal operations. A majority of the aluminum and other alloying metals we use is scrap.

We continue to evaluate opportunities to increase our use of recycled materials for use within our operations. Our aerospace/

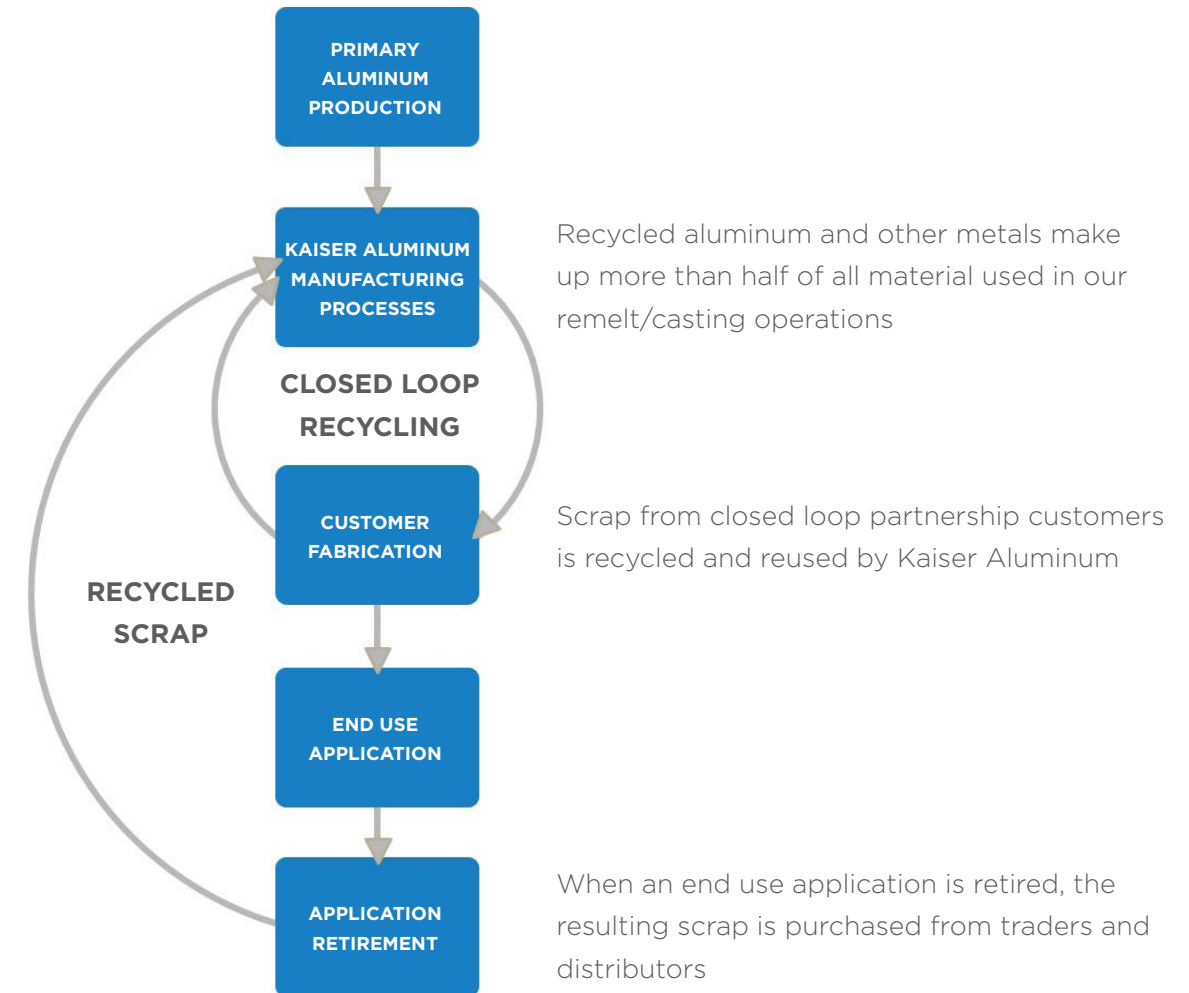
high strength applications, generally utilize more primary aluminum than scrap or recycled material, however, we maximize the opportunities to participate in closed loop recycling arrangements with our customers to reduce the need for primary aluminum.

Within our general engineering product offering, we utilize scrap and recycled aluminum for the majority of the input material and, to a large extent, for our automotive extruded products. We have strong relationships with scrap dealers for market purchases and continue to secure more closed loop arrangements with our customers. On the packaging side of our business, we have a significant opportunity to further expand our use of recycled aluminum as we continue to support the needs and requirements of our customers and their customers.

Additionally through investments in alloy development and other processing technologies, we have the potential to create a step-change in our use of recycled aluminum through our operations.

Closed Loop Recycling

We utilize closed-looped manufacturing processes where any scrap generated in the production process is recycled.



Recycled aluminum and other metals make up more than half of all material used in our remelt/casting operations

Scrap from closed loop partnership customers is recycled and reused by Kaiser Aluminum

When an end use application is retired, the resulting scrap is purchased from traders and distributors

ENVIRONMENTAL FOCUS AND INITIATIVES

Sustainability and our approach to the environment are integral parts of our business, reflected in our culture and embraced by our employees. In addition to promoting the inherent sustainability and infinite recyclability of our aluminum products, our short and long-term initiatives, strategies and investments have consistently reflected environmental initiatives, including:

- Developing new products, processes, and capabilities, as well as making significant investments, that increase our manufacturing and energy efficiency
- Implementing practices to significantly reduce carbon emissions, electrical consumption and water use
- Increasing our use of scrap/recycled aluminum and participation in closed loop scrap programs to reduce our use of more carbon intensive primary aluminum
- Expanding engagement with all stakeholders, including environmental groups, state and local government agencies, and industry and business peers to enhance our mutual understanding of opportunities, issues, concerns and challenges
- Identifying opportunities to invest in our facilities to enable them to reduce consumption or to purchase cleaner power

- Purchasing the primary aluminum required by our operations from greener sources
- Participating in customer light weighting to achieve greater fuel efficiency and correspondingly reduce GHG emissions for our customers
- Working with our customers to develop beverage and food container packaging using new or different alloys that will reduce the carbon footprint of our products
- Working closely with our suppliers to increase efficiencies and reduce environmental impacts throughout the value chain and actively source lower carbon raw material inputs
- Actively monitoring the development of existing and future technologies that have the potential to reduce the natural gas required to melt aluminum scrap and produce secondary aluminum

We regularly monitor our environmental impact. Reducing our impact on the environment is part of our business and investment planning process throughout the year. As part of that process, our board and senior leadership teams, who oversee the execution of our initiatives and strategies, are updated throughout the year. Our board is updated at least quarterly on material changes or developments and

at least one full board meeting each year is focused on enterprise risk management, which includes our approach to environmental matters and compliance. In addition, the ESG Committee of our board meets at least quarterly to provide more focused oversight of our ESG activities and strategic initiatives and the audit committee also meets at least quarterly to review our financial statements, which includes a review of our environmental accruals and the underlying issues and factors driving those accruals.

As our ESG programming, policies, commitments and external communications continue to evolve, we will continue to consult with key stakeholder groups on critical issues, including environmental best practices, industry-specific environmental opportunities, issues and concerns and developing technology.

Energy

Our manufacturing facilities require energy to cast, roll, extrude and recycle aluminum. Energy efficiency is a key consideration for all of our investments and capital projects. Our goal is to continue to reduce our energy consumption and reduce the energy intensity and carbon footprint of our products by investing in and improving our manufacturing efficiency and promoting the efficient use of energy and material resources.

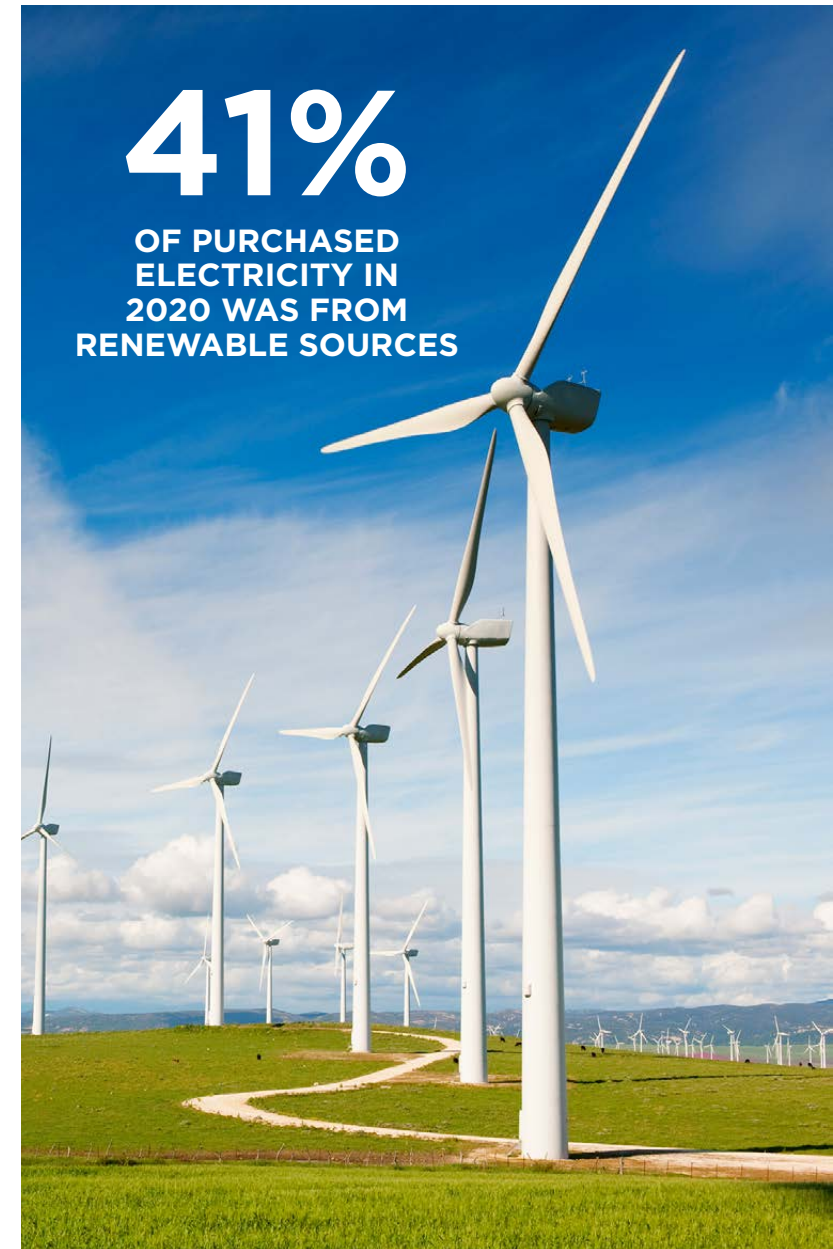
While energy efficiency improvements will continue to provide reductions of our Scope 1 emissions, our primary Scope 1 emissions come from our use of the natural gas required to melt aluminum scrap and primary aluminum. In order to make longer-term substantial changes in our Scope 1 emissions, new technology will need to be developed and commercially deployed to facilitate our ability to melt aluminum scrap and primary aluminum without using natural gas.

We continue to see opportunities to reduce our Scope 2 emissions by reviewing our network of suppliers that provide electricity to our facilities and identify providers using more dependable renewable energy sources and lower carbon fuels. We remain committed to continuing to explore opportunities to increase our use of dependable renewable energy and decrease our reliability on non-renewable and more carbon intensive energy sources responsively.

Over the years, we have continuously improved our energy efficiency. Our improvements in energy efficiency can be attributed to a wide range of investments, including:

- Our state-of-the-art, highly efficient casting complex at our Trentwood rolling mill which primarily produces sheet and plate for aerospace and general engineering applications
- The implementation of a multi-year modernization project at our Trentwood rolling mill which included the conversion of our vertical heat treat process to the more energy efficient horizontal heat treat process and the implementation of other energy focused investments
- Our continued replacement of less efficient equipment with more efficient equipment
- Lighting upgrades at our facilities to increase safety, luminosity and use life while reducing energy cost
- Operational execution focused on improving overall equipment performance and recovery

All electricity that we consume comes from the grid. The sources of renewable electricity for our locations are primarily from wind and hydro. In 2020, approximately 12% of the energy consumed by us, or approximately 41% of our purchased electricity, was generated from renewable resources.





ENERGY CONSUMPTION (IN MILLIONS OF GIGAJOULES)

	ENERGY CONSUMPTION		
	Direct*	Indirect*	Total
2020	3.9	1.5	5.5
2019	4.7	1.7	6.4
2018	4.8	1.8	6.6
2017	4.6	1.7	6.3
2016	4.5	1.7	6.2

* Data represents our consumption of natural gas and electricity. Other energy sources are immaterial and have been excluded. Corporate offices are also immaterial and have been excluded.

The metrics discussed in this report do not include the metrics from our Alexco facility in Chandler, Arizona and our Imperial Tool & Machine Co. facility prior to 2011 and 2019, respectively, as we did not acquire those facilities until 2011 and late 2018, respectively.

In 2020, our overall energy consumption was 5.5 million gigajoules, which was a 14% decrease from the prior year. While this decrease was primarily due to reduced production levels caused by the pandemic, our ongoing energy-reduction projects and activities have continued to decrease the energy intensity of our products measured against a 2010 baseline.

We calculate the energy intensity of our products using the total energy we consume per packed metric ton of product we produce. Packed metric tons produced represent the weight of finished goods ready for shipment. While using packed metric tons does not account for the impact of varying product mixes, we believe that energy intensity based on packed metric tons is a better measurement of our manufacturing efficiency, as it takes into consideration production levels and does not reduce the energy intensity of our products by including material we cannot ship.

While our 2020 energy intensity increased by 6% compared to 2019, the increase primarily resulted from inefficiencies created by the reduction in production levels as a result of the COVID-19 pandemic and the baseline energy load required to maintain our operations regardless of our lower production levels. From 2010 to 2020, we reduced the energy intensity of our products by more 12%.

Carbon Emissions

SCOPE 1 AND 2

We have been assessing a meaningful measure for natural gas and electricity usage and our GHG emissions since at least 2010 using internal electricity and natural gas usage indices. While energy consumption can increase as we increase our capacity and vary widely depending on the type of product produced, we determined that 2010 was a good baseline representation of our manufacturing operations, market conditions and product mix.

We are now measuring performance in the terms of Scope 1 and 2 emissions. Our Scope 1 emissions are primarily a result of the natural gas we use to melt and heat aluminum during the manufacturing process. Our Scope 2 emissions are primarily a result of the electricity we use in all of our manufacturing processes. While we can reduce our Scope 2 emissions through efficiency, the clean energy quality of the utility grid supplying

the electricity is a key factor in the magnitude of our Scope 2 emissions.

Our total Scope 1 and 2 GHG emissions were 346,397 metric tons in 2020, reflecting a 14% decrease from 2019 and a 15% decrease from 2010 primarily as a result of lower COVID-19 related lower production levels, particularly at our Trentwood rolling mill, and lower overall energy demand. As reflected in the table below, prior to the impact of COVID-19, our Scope 1 emissions generally increased from 2010 through 2019 as a result of higher production levels offset by increased efficiencies and lower Scope 2 emissions which also resulted from increased efficiencies and changes to our utility grids over the same period.

SCOPE 1 AND 2 GHG EMISSIONS

Metric tons of carbon dioxide equivalents

	GREEN HOUSE GAS (GHG) EMISSIONS										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Scope 1 ¹	209,588	221,300	220,168	225,808	218,853	224,986	225,556	230,262	243,743	234,744	198,500
Scope 2 ²	199,729	209,779	185,782	181,547	216,470	220,400	169,349	167,205	163,750	166,343	147,896
Total Scope 1 + 2	409,317	431,079	405,950	407,355	435,323	445,386	394,905	397,467	407,493	401,086	346,397

¹Scope 1 represents direct GHG emissions from sources that are owned or controlled by the company.

²Scope 2 represents indirect GHG emissions, including GHG emissions from the generation of purchased electricity

The metrics discussed in this report do not include the metrics from our Alexco facility in Chandler, Arizona and our Imperial Tool & Machine Co. facility prior to 2011 and 2019, respectively, as we did not acquire those facilities until 2011 and late 2018, respectively.

In addition to total GHG emissions, we also review our GHG emissions by intensity, which is the total GHG emissions per packed metric ton produced. While our 2020 Scope 1 and Scope 2 GHG emissions intensity increased 6% compared to 2019 due primarily to manufacturing inefficiencies resulting from lower production levels during the COVID-19 pandemic, it decreased 21% compared to 2010 due primarily to increasing manufacturing efficiencies and changes to our utility grids over the same period.

These reductions were achieved through a number of capital investment projects that significantly increased the efficiency of our operations, particularly at our Trentwood rolling mill. While these projects reduced emissions and intensity, there was an additional benefit in Scope 2 emissions related to the clean energy level of the utility grid. This demonstrates the need going forward for cooperation between all stakeholders towards

SCOPE 1 AND 2 GHG EMISSIONS INTENSITY

Metric tons of carbon dioxide equivalents per packed metric ton*

GREEN HOUSE GAS (GHG) EMISSIONS INTENSITY											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
GHG Intensity	1.852	1.746	1.554	1.586	1.621	1.572	1.395	1.386	1.338	1.382	1.467

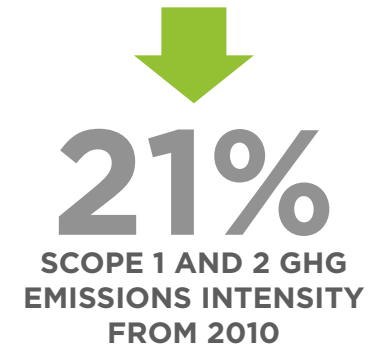
* The metrics discussed in this report do not include the metrics from our Alexco facility in Chandler, Arizona and our Imperial Tool & Machine Co. facility prior to 2011 and 2019, respectively, as we did not acquire those facilities until 2011 and late 2018, respectively.

improving the clean energy component of the utility grid while ensuring the reliability of the energy provided. We may have further opportunities to reduce our emissions as some of our processes can be converted to electricity in the future, but it will be essential that the electricity provided is clean, reliable and affordable.

As previously discussed, in 2020 there were several factors resulting from the COVID-19 pandemic that caused multiple inefficiencies and product mix changes across our facilities. Volume, product mix and staffing issues were all contributing factors to an increase in our intensity from 2019.

Going forward, our total Scope 1 and 2 emissions data will include our Warrick rolling mill which we acquired in April 2021. As the new owner of Warrick, we intend to invest, as we have before, in capital projects that will improve our efficiency and significantly improve the clean energy content of the electricity used by Warrick.

Warrick currently sources electricity from a coal-fired power plant and does not have the infrastructure to source electricity from an alternate source. We have a project underway to change this source to a utility with a much cleaner energy grid factor and access to renewable clean energy. We expect our total GHG emissions and GHG intensity to improve once Warrick transitions to a cleaner source of electricity. In addition, all of our operations will continue to make internal efficiency improvements while monitoring their local utilities to provide a cleaner source of reliable electricity, specifically to reduce our Scope 2 emissions.





SCOPE 3 EMISSIONS

Today our GHG emissions, and, more specifically, our Scope 3 emissions and the carbon footprint of our products are significantly affected by the amount and source of primary aluminum we use. While the accuracy of Scope 3 data covering sources of primary aluminum is not yet always of an auditable standard, we know that our Scope 3 emissions are primarily attributable to the primary aluminum we purchase to make our products and those emissions account for the vast majority of our Scope 3 emissions. We recognize this as a significant opportunity to reduce our overall carbon footprint and that of our products.

In March 2021, the International Aluminium Institute (“IAI”) reported that more than 90% of the carbon footprint from the aluminum industry is from the production of

primary aluminum or prime. The IAI also noted that the typical carbon dioxide equivalent for prime ingot using coal-fired power compared to hydroelectric power is approximately 18 million metric tons per million metric tons of aluminum compared to just six million metric tons per million metric tons of aluminum, respectively. We see this as an opportunity and are working on projects that will increase our use of aluminum scrap in lieu of prime and lower carbon emissions through sourcing prime with a lower carbon footprint. As

an example, our recently purchased Warrick rolling mill currently obtains much of its primary aluminum from an adjacent smelter that receives 100% of its electricity from a coal-fired power plant. As we move forward, we expect to replace the source of primary aluminum for Warrick with sources that have a substantially lower carbon footprint resulting in significant reductions in our Scope 3 and overall carbon footprint and intensities.

The primary aluminum industry is also conducting research and development of a low carbon primary product. We will be working with our primary aluminum suppliers to secure sources of low carbon prime, as they become available, that will lower our Scope 3 emissions.

Seven of our facilities have casthouses which use scrap instead of primary aluminum to make many of our

products. To achieve a goal of significantly increasing use of scrap, the scrap needs to be available.

Our sources of scrap come from recycling from our customers and scrap collection centers. To increase the amount of scrap available in the near term, the packaging industry presents a tremendous opportunity. Beverage can recycling in the United States is currently at about 45% with a life cycle in the range of 60 days. If recycling in this area could be increased in the near term, more scrap could be used making aluminum even more sustainable. Another way for us to increase the availability of scrap will be to facilitate our ability to consume scrap that we have not previously been able to use in our operations. We will continue to develop processes to enable us to use a wider range of scrap materials in our operations. We expect these projects will result in a lower carbon footprint for our company and for our products. We expect that the projects and strategies outlined above will result in a major reduction in our Scope 3 and overall emissions and a significant reduction in our products’ carbon footprint and intensity.

GHG Emissions Intensity Reduction Targets

In 2021, we implemented long-term goals to reduce our Scope 1 and 2 emissions intensity by 20% compared to 2019 levels by 2030; reduce our Scope 3 estimated emissions intensity by more than 35% compared to 2019 levels by 2030; and reduce our overall Scope 1, 2 and 3 estimated emissions intensity by more than 30% compared to 2019 levels by 2030.

We selected 2019 as our baseline year, as results for 2019 were not impacted by the COVID-19 pandemic and were more representative of our manufacturing operations, market conditions and product mix. Our baseline will also include GHG emissions from the Warrick facility, which we acquired in April 2021, as the Warrick facility is now our

largest facility and the emissions from the Warrick facility will significantly impact our future results.

Our 2019 Scope 1 and 2 total GHG emissions and emissions intensity, both including the estimated results of the Warrick facility, are 1,051,134 metric tons and 1.692 metric tons per packed metric tons, respectively. For comparison, our 2019 Scope 1 and 2 total GHG emissions and emissions intensity, excluding the results of the Warrick facility, are 401,086 metric tons and 1.382 metric tons per packed metric ton, respectively.

While we have not yet developed emissions intensity reduction goals for 2050, our products are part of the

solution and efforts to limit global warming to below a 2 degrees Celsius threshold by 2050. We are committed to global efforts to reduce global warming and believe our path to 2050 will require a combination of clean and reliable power grids, new carbon free technologies for melting and heating aluminum, cost effective carbon capture and storage, a circular economy for scrap, green prime for purity, and responsible legislation that does not result in the leakage of manufacturing and jobs to areas with larger carbon footprints. As we move forward, we expect to monitor, support and participate in each of these efforts.



Air Quality

Our manufacturing operations produce different types of air emissions depending on the manufacturing process. In addition to reducing carbon emissions, we recognize that reducing other emissions is vital to achieving cleaner air and a more sustainable future. These emissions, which include volatile organic compounds, nitrogen oxides, particulate matter and other pollutants, are regulated where we operate. However, our approach to controlling and minimizing these emissions is not only driven by the applicable regulatory requirements, but also by our own internal air management standards. Even where we may not be required to do so, we will continue to reduce these emissions through process controls with a focus on improving manufacturing efficiencies which reduce our emissions and the carbon intensity of our products.

AIR EMISSIONS* (IN METRIC TONS)

	AIR EMISSIONS					
	Carbon Monoxide	Nitrogen Oxides	Sulfur Oxides	Particulate Matter	Lead	Volatile Organic Compounds
2020	130.2	186.2	1.4	88.9	0.034	236.3
2019	155.9	218.6	1.2	100.8	0.039	355.2
2018	159.4	224.0	1.4	106.6	0.044	467.2
2017	159.1	215.2	1.7	107.2	0.045	416.6
2016	154.0	221.7	1.8	117.9	0.045	350.6

*Include data for our facilities other than Warrick that are currently required to report annual air emissions, including our Trentwood facility, which was our largest facility in 2020, and our Newark, Los Angeles, London (Ontario) and Bellwood facilities). Emissions from our other facilities are substantially smaller.

Reductions in air emissions from 2019 to 2020 are primarily due to lower production levels.



Water Consumption

While we consume very little water manufacturing our products (slightly above the evaporation rate), our seven casthouses represent our largest users of water and we are working diligently to minimize our water usage and maximize our use of recycled water across our operations. All water used by our operations comes from freshwater sources.

At all locations we operate under stringent wastewater discharge requirements set forth in regulations, permits from governmental agencies and our own internal policies and procedures. Our wastewater discharges, whether to local treatment plants or directly to surface waters in the case of our larger facilities, are also closely monitored by a wide range of stakeholders, including regulators, community groups, our employees and non-governmental organizations that also participate in the permitting process.

While our operations are designed to minimize our water consumption and use, employees charged with environmental responsibilities at many of our locations administer water management plans and pursue internal targets to further reduce our water usage and embrace the challenges and opportunities in front of us.

We have an extrusion facility in Los Angeles, California and two extrusion facilities in Chandler, Arizona that are considered to be in water-stressed areas based on our 2020 assessment using the Water Resources Institute Aqueduct Water Risk Atlas.

The aggregate amount of water withdrawn by these facilities is very small and represented less than one percent of the total amount of water withdrawn by all our facilities during 2020.

We withdrew 10.0 million cubic meters of fresh water in 2020, which was a 20% reduction from our withdrawals in 2019. While this reduction was primarily due to lower production levels in our facilities in 2020 because of the COVID-19 pandemic, our ongoing efforts to reduce water usage and discharge at our Trentwood rolling mill also contributed to the 2020 reduction.

WATER WITHDRAWAL (IN MILLION CUBIC METERS)

WATER WITHDRAWAL*				
2020	2019	2018	2017	2016
9.969	12.407	13.180	13.821	13.300

*Includes nine of the 13 facilities of the company in 2020, representing approximately 99% of the water withdrawn by the company in 2020.

Our Trentwood facility withdrew over 90% of the water withdrawn by our company in 2020. Below is the water consumption information for the Trentwood facility in 2020.

2020 TRENTWOOD WATER WITHDRAWAL, DISCHARGE AND CONSUMPTION (IN MILLION CUBIC METERS)

TRENTWOOD WATER WITHDRAWAL		
Withdrawal	Discharge	Consumption
9.323	9.322	0.001

CASE STUDY: TRENTWOOD WATER DISCHARGE PROGRAM

Our Trentwood rolling mill is one of our two largest manufacturing facilities. The facility is located in the Spokane Valley and relies on the Spokane River and the Rathdrum Prairie Aquifer to source water which is primarily used for cooling material during the casting process. Because water is a vital natural resource, Trentwood has continued to pursue initiatives to more efficiently use water and reduce discharges to the Spokane River. Those initiatives include conversion of equipment from water cooled systems to air cooled systems; reconfiguration of water supply systems to better match process water needs; installation of additional water control systems; and improvement of manufacturing efficiencies. As a result of these and other initiatives, our Trentwood facility has reduced its water use by approximately 30% and discharges to the Spokane River by approximately 40%, in each case, per packed pound of aluminum produced from 2010 through 2020.

Waste and Spill Management

One of our responsibilities as an environmental steward includes eliminating and minimizing waste products and pursuing alternative uses and recycling options. For waste products that cannot be reused or recycled, we are committed to managing the proper disposal of the waste.

Dross, which forms in aluminum melting furnaces when molten metal becomes oxidized, is our largest waste byproduct by volume. We use third party processors and converters to recycle our dross to recover the aluminum content and safely dispose of the remaining material.

The remaining waste generated from our manufacturing processes is characterized to determine safe management and disposal. These wastes are inventoried, stored, accumulated, labeled and inspected in accordance with applicable regulatory obligations and our environmental management system.

Our off-site transportation and waste management vendors must be compliant with not only regulatory obligations, but also our own internal policies. To further lower our potential environmental impact, our policies require all

commercial treatment, storage and disposal facilities and recyclers to be audited and approved before they can receive our waste and approved vendors to be re-audited between one and five years depending on perceived or potential risk.

We also aim to prevent spills and releases at and from our facilities. If a spill does occur, we respond quickly and effectively to minimize any impact. We define a significant spill as one that requires us to report to the National Response Center. We had no significant spills in 2020.



Dross recovery operation

ENVIRONMENTAL MANAGEMENT SYSTEM (“EMS”)

Our EMS allows us to organize, review and adjust our environmental goals and legal requirements, analyze our environmental impacts, and monitor and measure progress in achieving our objectives. Our senior leaders are proactively involved in our environmental compliance activities and engage in an ongoing dialogue to ensure our commitment to environmental stewardship is a focus throughout the company.

Compliance, including environmental compliance, is an important part of the foundation upon which we operate and is implicit in our values. Our employees live in the communities where we operate and we want them to be proud members of those communities. We strive to be a valued corporate citizen and responsible and active members of our industry and our communities.

We engage candidly and constructively with our stakeholders and respond to questions and concerns about our environmental actions and the impact of our operations on the environment. We are determined to earn our privilege to operate and strengthen our social contract by continuously improving our environmental performance.

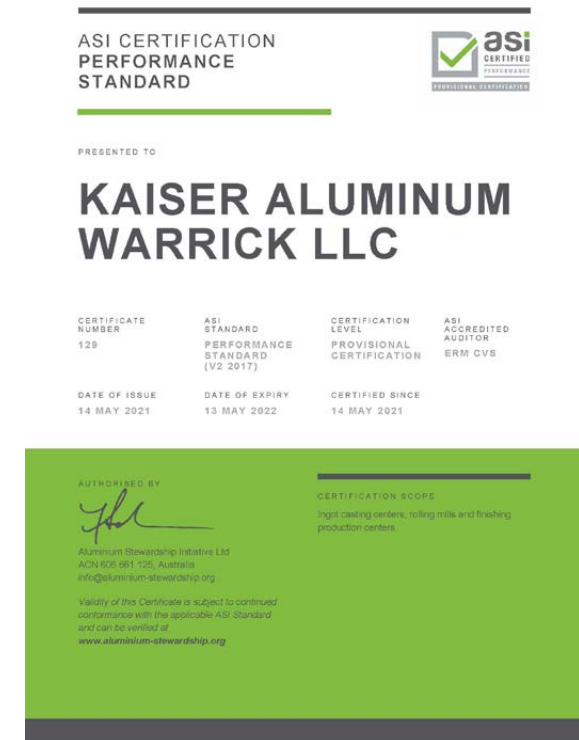
We are dedicated to conducting business in a way that demonstrates responsibility and accountability for

our impact on the environment. Consistent with our corporate values and the principles set forth in our Code of Business Conduct and Ethics, we strive to comply with all laws, rules and regulations of the places where we do business. Our environmental policy further reinforces the conduct and behavior we expect from our employees as it pertains to the environment. In addition, we require each of our facilities to comply with ISO 14001 environmental management system standards. Through the ISO 14001 process and system, we equip our employees and facilities with the information, tools and support they need to comply with environmental laws, regulations and our internal standards.

Throughout the value chain there is an increasing focus on contributions that the aluminum industry can make to continue to reduce carbon emissions. The Aluminium Stewardship Initiative (“ASI”) is a global non-profit standards setting and certification organization with the goal of bringing together producers, users and stakeholders in the aluminum value chain with a commitment to maximize the contribution of aluminum to a sustainable society. One of the ASI goals is to define globally applicable standards for sustainability performance and material chain-of-custody for the

aluminum value chain. Our Warrick rolling mill recently achieved ASI certification.

In 2020, we had zero environmental non-compliance incidents that resulted in a significant fine, which we define as greater than \$25,000.



Value Chain

We value our relationships with our suppliers. Our suppliers are our partners and play an important role in helping our customers and us create a healthier and more sustainable world. We are committed to working closely with suppliers to increase efficiencies and reduce environmental impacts throughout the value chain. As our approach to managing our carbon footprint continues to evolve, we expect to become more engaged in gaining a better understanding of the Scope 1, 2 and 3 emissions of our supply chain.

REACH

The European Union's Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") regulation aims to improve the protection of human health and the environment through better and earlier identification of the intrinsic properties of chemical substances. It places responsibility on industry to manage the risks from chemicals and provide safety information on the substances. It also calls for the progressive substitution of the most dangerous chemicals when suitable alternatives have been identified.

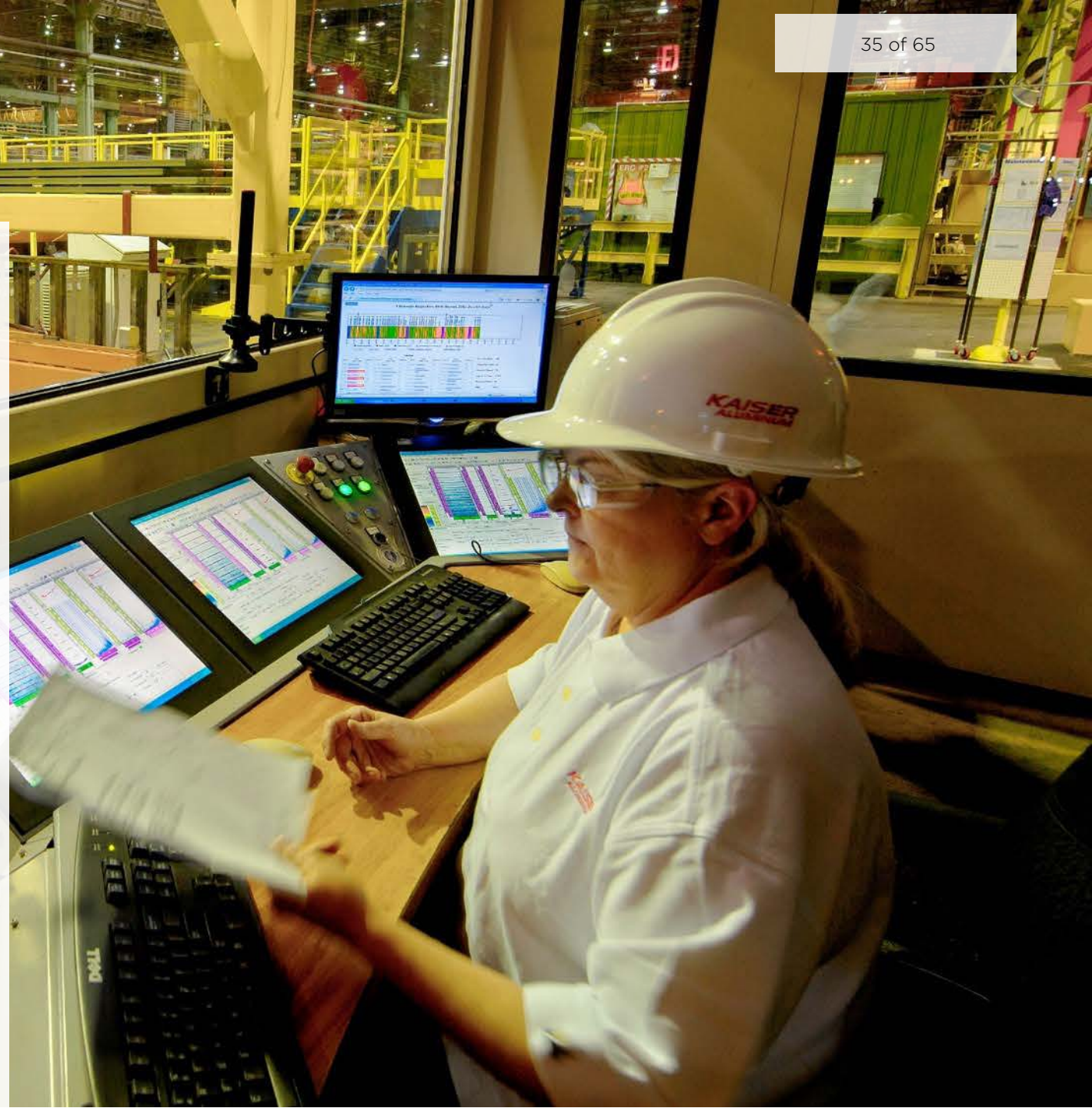
While we do not manufacture chemicals, we use them in our production processes either directly or as ingredients in other products we use. Our internal team works with each of our facilities to ensure we are adhering to REACH requirements and actively seeking substitutions for chemicals that REACH deems substances of very high concern. This can be challenging, as substitute substances ideally should not impact process efficiency or product quality and properties. We work closely with our customers to validate a new substance before making a permanent substitution.

Our suppliers are our partners and play an important role in helping our customers and us create a healthier and more sustainable world.



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OUR PEOPLE

Our talented workforce is a key factor underlying our success, and we are committed to treating all employees with dignity and respect. One of our five corporate values is being a “Preferred Employer” and we strive to be a Preferred Employer by, among other things:

- Attracting, developing, promoting and retaining people from all cultures and segments of the population based on ability
- Providing a safe and clean workplace
- Treating all employees with dignity and respect
- Being responsive to all employees
- Providing an environment of diversity, inclusion, belonging, empowerment, responsibility and accountability
- Assuring two-way effective communications
- Developing and maintaining a positive relationship with all employees and their designated representatives
- Providing a workplace that facilitates creativity, learning and innovation
- Offering competitive and equal pay and benefits that attract and retain employees
- Employing a variable pay component linked to lean metrics



Diversity, Equity, Inclusion and Belonging

We are committed to diversity, equity, inclusion and belonging (“DEIB”) in the workplace. We strive to create a company culture where people feel comfortable and encouraged to bring their whole selves to work. We strongly believe that the diverse range of perspectives, backgrounds, cultures, and experiences within our workforce promotes productive collaboration, encourages disruptive innovation, and enhances our performance.

In 2021, we formalized our DEIB efforts by adopting a Diversity, Equity, Inclusion and Belonging Policy, which aligns with our corporate values and Code of Business Conduct and Ethics and is overseen by our board of Directors and senior leadership

We strongly believe that the diverse range of perspectives, backgrounds, cultures, and experiences within our workforce promotes productive collaboration, encourages continuous innovation, and enhances our performance.

team. Our recent acquisition of the Warrick facility further enhances our DEIB efforts by introducing additional well-established best practices that we plan to leverage and incorporate into the broader Kaiser organization, including targeted training for hiring managers, employee resource groups and programming.

The table below sets forth our gender and ethnic representation information for 2020.

2020 GENDER AND ETHNIC REPRESENTATION

2020 GENDER AND ETHNIC REPRESENTATION				
	BOARD	EXECUTIVE*	SALARIED	OVERALL
Women	23%	13%	23%	13%
Ethnic Minority	23%	16%	20%	29%

* Executive represents executive leaders who serve in a Vice President or higher role

We do not tolerate discrimination of any kind, including discrimination related to race, color, religion, age, sex, sexual orientation, gender, social or national origin, physical or neurological ability, or any other classification. We work to foster an atmosphere of complete inclusivity in which all our employees can work without fear of discrimination or harassment.

Recruitment and Talent Management

We are committed to recruiting a workforce that reflects people from all cultures and segments of the population based on ability. Our initiatives, which go beyond legal compliance, include identifying and recruiting diverse talent, including military veterans; fostering relationships with universities, employment agencies, and professional groups that work with more diverse populations; leveraging inclusive job-posting sites; concentrating on diverse candidates for internships, entry-level positions, and scholarships; and considering DEIB as part of the selection process for internal and external training and development opportunities.

We have a well-established talent review process that includes operations and functional leaders that are key in the early identification of high performing and high potential employees. Qualified diverse candidates are highlighted for consideration in filling impact positions within our organization, which we broadly define to include over 200 senior positions which constitute 20% of our salaried workforce, with both internal and external



candidates. We also monitor and review the gender and ethnic diversity of job applicants and new hires to evaluate the diversity of our organization.

The ESG Committee of our board oversees, among other things, the succession planning for our executive officers, other than our CEO, whose succession is discussed routinely during board executive sessions, and the leadership and development training of key employees with the potential to succeed our executive officers, including the progression and development of these key employees. Senior management, including the CEO, also meets monthly to review and set strategy and monitor performance metrics, including the evaluation and review of internal and external diverse candidates, internal promotions, our various talent development programs and platforms, anticipated retirements and succession planning to ensure the identification and development the next wave of qualified leaders.

Talent Development

We are committed to the development of our employees using a broad mix of internal and external programs and resources, including our Kaiser Leadership Program, Front Line Leader Development Program, the Metallurgy Excellence and Technical Strength Program and Kaiser University. We continue to expand our talent development initiatives to pursue the significant long-term potential for our continued success, which is dependent on the knowledge, skills and abilities of our current and future leaders. Despite the challenges posed by the COVID-19 pandemic, we continued to encourage and support the training and development of our employees and our talent development programs.

EXTERNAL TALENT DEVELOPMENT RESOURCES

- THAYER LEADERSHIP
- G100 NETWORK
- PRODUCTIVITY (LMAC)
- MORESTEAM
- METALS SERVICE CENTER INSTITUTE (MSCI)

KAISER LEADERSHIP PROGRAM

The Kaiser Leadership Program is a full year program that accelerates the readiness of our employees and combines personalized leadership development and Kaiser-management system focused curriculum with a unique opportunity to build relationships with an internal network of leaders across locations and functions. The mission of the Kaiser Leadership Program is to strengthen performance, develop bench strength, and accelerate the readiness of key talent across our company. The program blends classroom, online modules, and live web events using a cohort model to deliver a flexible, convenient learning environment and includes training and coaching conducted by Thayer Leadership at West Point. Cohorts typically consist of 12 employees selected based on a number of factors, including position, responsibility, succession needs, diversity and location and are intended to facilitate the development of relationships across the company and across disciplines. Since its inception in 2016, 61 employees, 28% of which were ethnic minorities and 18% of which were women, have completed this program.



2020 and 2021 Kaiser Leadership Program Cohorts at Thayer Leadership at West Point - Fall 2021



Front Line Leader Development Program graduates at our Alexco (AZ) facility

TUITION ASSISTANCE

The tuition assistance program provides tuition reimbursement for salaried employees and certain represented employees as stipulated by the collective bargaining agreement. The mission of this program is to support our workforce in completing a degree that benefits both our employees and our company.



FRONT LINE LEADER DEVELOPMENT PROGRAM

The Front Line Leader Development Program is a six-month program that strengthens organizational performance through ethical, effective, and sustaining tactical leadership for both new and experienced front line supervisors. The program uses a cohort model to encourage collaboration and team-building and to ensure accountability, facilitated group discussions, and effective best practice sharing.

Initially rolled out in early 2019 at our Trentwood facility, the Front Line Leader Development program has since been rolled out at our Newark, Ohio; Alexco (Arizona); Chandler, Arizona and Sherman, Texas facilities. Rollouts at additional facilities are included in our strategic planning process.

METALLURGY EXCELLENCE AND TECHNICAL STRENGTH

The mission of the Metallurgy Excellence and Technical Strength Program is to provide a professional development program for Kaiser's talented metallurgical professionals to facilitate their ability to develop and implement process control systems and identify new technologies that can benefit the company.

This program provides mentorship opportunities with company leaders and experts as well as participation in career enhancing training to ensure Kaiser's competitive advantage.

KAISER UNIVERSITY

Kaiser University is our online learning and development platform offering a catalog of thousands of on-demand courses to employees across a broad range of topics including compliance, maintenance, health & safety, Lean Six Sigma, communication skills, business skills, computer skills, cybersecurity, discrimination and harassment prevention and our processes and policies.

In 2020, more than 2,500 active users completed over 17,000 learning items on Kaiser University including online courses, videos, and instructor-led training.

Human Rights

We believe respecting human rights is a fundamental part of our values and corporate responsibility. We strive to respect and promote human rights in our relationships with our employees, suppliers, customers and stakeholders and are guided by the principles of the International Bill of Human Rights (the Universal Declaration of Human Rights and the two international covenants) and the International Labor Organization's Declaration on the Fundamental Principles and Rights at Work. Our Human Rights Policy is communicated to our employees as part of their annual code of conduct training, and we expect our employees to uphold this policy. All other interested stakeholders can learn about this policy through its posting on our website.



We recognize that many peers in the metals business are exposed to salient human rights risks. Given that our business focuses on semi-fabricated aluminum products, does not involve mining, and has operations only in the United States and Canada, we do not believe we are exposed to salient human rights risks, including forced labor, child labor, and inhumane working conditions. However, we recognize the importance of protecting human rights and formalized a Human Rights Policy in August 2020.

Our Human Rights Policy aligns with our Code of Business Conduct and Ethics and reiterates our commitment to:

- Community engagement,
- Diversity, inclusion and prohibition of harassment,
- Collective bargaining and freedom of association,
- Employee health and safety,
- Freedom of engagements,
- Rights of children and young workers, and
- Supply chain compliance.

We strive to respect and promote human rights in our relationships with our employees, suppliers, customers and stakeholders, and strengthen our approach to addressing human rights on an ongoing basis. Accordingly, we are dedicated to continual human rights due diligence and engaging with our employees on ways to improve our human rights approach. Furthermore, we expect members of our supply chain to operate their businesses in a responsible and ethical manner as outlined in our Code of Business Conduct and Ethics and Human Rights Policy.

Labor Relations

As noted in our corporate values and our Human Rights Policy, we believe in freedom of association and respect our employees' choice to be represented or not represented by a union in accordance with the laws of the states and countries where we operate, without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognized union, we are committed to establishing a constructive dialogue with their freely chosen representatives. We also require our suppliers to respect the freedom of association of their employees.

2020 REPRESENTATION

United States	61%
Canada	84%
TOTAL	63%

In 2020, approximately 63% of our employees (or 90% of our production employees) were represented by labor unions under collective bargaining agreements, with varying durations and expiration dates. Employees at our Trentwood and Newark, Ohio facilities are represented by the United Steelworkers (USW) under a single contract

that extends through September 2025. The labor agreement with the USW for employees at our Warrick facility extends through May 2023.

While the majority of our labor agreements are with the USW, we also have labor agreements with the International Brotherhood of Teamsters and the International Association of Machinists and Aerospace Workers. We have not had a labor dispute, strike or lockout for more than 20 years.

All of our employees, including our represented employees and their union representatives, are an important part of our business and play an important role in our successful execution of our strategy, our safety performance, the quality of our products and our continuous improvement efforts. To foster and maintain open communication and constructive relationships with our employees, we conduct regular state of the plant



meetings, provide business updates and engage regularly with union representatives on a wide variety of matters important to our employees and our success. In addition, all of our plants have joint safety committees that include union representation where the production workforce is represented. To help us achieve and maintain a strong safety culture and performance, we have robust safety programming that includes job safe practices, pre-work checklists, training, compliance and assessment standards, guidelines and procedures. In addition we partner with

our unions on a local and international level and actively participate in various industry groups, including the Aluminum Association and Metals Service Center Institute, to share and identify best practices that are relevant for our industry. Since the beginning of COVID-19, we have worked closely with our workforce and local and international unions to develop and implement policies and procedures to keep our employees and their families safe.

We also have a Director Designation Agreement with the USW pursuant to which the USW generally has the right to designate for nomination by our board the minimum number of Director candidates necessary to ensure that, assuming the nominated candidates are elected to our board by our stockholders, at least 40% of our board

members have been nominated by the USW. We believe our Director Designation Agreement has facilitated a constructive dialogue and collaboration with the USW on matters important to the USW, its members and the company. As part of that dialogue, we meet regularly with the USW to discuss our board, our board’s skill matrix, board succession planning and future nominations to help ensure that our board continues to have the skills, diversity and expertise necessary to effectively exercise its oversight role. Current members of our board that have been nominated by the USW are David Foster, Teresa Sebastian, Leo Gerard, and Brett Wilcox.

We engage with and make contributions to the BlueGreen Alliance, a group formed by labor unions and environmental organizations to solve environmental challenges in ways that create and maintain quality jobs and build a clean, thriving, and equitable economy. In addition, we have a joint Environmental Affairs Taskforce at our Trentwood facility to collectively respond to and address Washington state legislative issues concerning the environment, including carbon emissions and water use and discharges.

Through this taskforce, which consists of employees of the company, including members of the USW, and outside subject matter experts, we address environmental concerns while

**KAISER ALUMINUM BOARD OF DIRECTORS
MEMBERS NOMINATED BY THE USW**



DAVID FOSTER



TERESA M. SEBASTIAN



LEO W. GERARD



BRETT WILCOX

promoting the infinite recyclability of our products, our use of scrap aluminum, the investments we have made to continue to increase our efficiency and reduce the aluminum intensity of our products. These initiatives emphasize the importance of ensuring that legislative efforts do not result in the leakage of jobs and carbon emissions outside the state of Washington and the United States to less efficient producers of competing products with larger carbon footprints while continuing our efforts to reduce carbon emissions and provide good-paying jobs in the communities where we operate.



Employee Wellness and Benefits

We offer a suite of quality healthcare and well-being programs to all of our full-time employees, including health, dental and vision benefit options and paid leave (statutory and company-provided). In addition, in recent years we have implemented a process on a company-wide basis to increase awareness of the importance of employee wellness. We have introduced a number of programs to educate and assist employees to make healthy lifestyle choices and have offered incentives and discounts to encourage participation across the organization, including:

- Annual onsite health biometric screenings,
- On-site flu shots and COVID-19 vaccination,
- Employee assistance programs, providing confidential assistance with healthcare issues and the healthcare system, including crisis and emergency help,

- Smoking/tobacco cessation programs,
- Internal, as well as third party, online wellness workshops, including workshops on nutrition and fitness, and
- Wellness coaching.

All of our employees, including hourly and salaried employees at our production facilities, participate in short-term incentive compensation plans, which are based on attainment of performance metrics that drive and support our best-in-class commitment. We also provide stock-based compensation to executive officers, members of senior management throughout the company and other key employees.

All of our U.S. employees have access to 401(k) savings plans, depending on the terms of their employment, and salaried employees at our London, Ontario facility have

access to a defined benefit pension plan with annual contributions based on each salaried employee's age and years of service.

Through the collective bargaining process, we contribute to four multi-employer pension plans under the terms of certain collective bargaining agreements for a majority of our union-represented employees. Certain hourly and salaried employees are also able to receive defined post-retirement health and welfare benefits through the establishment of Voluntary Employee Beneficiary Associations.

In addition to compensation and wellness benefits, depending on the terms of their employment, Kaiser employees have access to tuition reimbursement and assistance, remote work where appropriate for the position, and service awards to recognize employee service at each five-year milestones.



58%

SALARIED, NON-REPRESENTED EMPLOYEES WHO PARTICIPATED IN 2020 WELLNESS ACTIVITIES

62%

PARTICIPATING SALARIED, NON-REPRESENTED EMPLOYEES WHO COMPLETED ALL 2020 RECOMMENDED WELLNESS ACTIVITIES

99

AVAILABLE KAISER UNIVERSITY ONLINE COURSES ON WELLNESS-RELATED TOPICS

WORKPLACE HEALTH AND SAFETY

It is important to us that every one of our Kaiser team members returns home safely each day.



A core value and priority for us as a “Preferred Employer” continues to be the health and safety of our employees. It is important to us that every one of our Kaiser team members returns home safely each day.

We believe safe production is achievable even in a heavy manufacturing industry like aluminum processing. Our safety management system begins with a strong and consistent tone at the top through our executive leadership with oversight provided by our corporate environmental, health and safety (“EHS”) team, led by our Chief Legal/Compliance Officer. To help us achieve and maintain a strong safety culture, we engage with our employees on safety matters and maintain robust compliance and assessment guidelines and procedures. To further emphasize our health and safety culture, we have incorporated safety modifiers requiring demanding safety performance into all of our short-term incentive plans, including our corporate short-term incentive plans, in which our executive officers and members of senior management participate. Our strong health and safety culture empowers our employees to take personal responsibility for their actions and the well-being of their coworkers.

Our safety management system is built on four cornerstones:

1. Effective planning (PLAN)
2. Diligent execution (DO)
3. Consistent monitoring (CHECK)
4. Actions designed to prevent the next incident (ACT)





PLANNING SAFETY & HEALTH (PLAN)

Annually, each of our facilities develops through our safety planning process a customized, risk-based prevention program that prioritizes and addresses the greatest threats to the health and safety of its employees. All of our health and safety procedures and operating guidelines incorporate risk identification and objective risk assessment utilities. In addition, all of our safety plans are reviewed and scrutinized by operational and safety executives to ensure compliance

with internal and external standards and establishment of aggressive performance improvement targets.

In 2020, we enhanced our safety programming by adding pandemic planning to our collection of emergency preparedness protocols. Like all standing threats of fire, weather, molten metal spills and explosions and active shooter plans, pandemic plans for each of our facilities include training, threat assessment, protection measures, prevention measures, contingency plans, drills and tools. We are pleased to report that no work-related transmission of COVID-19 was detected during 2020.



SAFETY SYSTEM EXECUTION (DO)

Each of our facilities, from our smallest facility to our recently acquired Warrick facility, has implemented a formal safety strategic plan. Our safety plans include strategic initiatives based on a wide variety of regulatory and risk-based topics. Systemic hazard identification and control is also a key feature of our safety management system, including, among other practices common to the aluminum processing industry, pre-operational safety checks for mobile equipment,

supervisor safety observations, annual interlock and leak testing for combustion systems, crane and rigging inspections, pre-cast safety checklists, and lockout tagout procedure observations. In 2020, despite the impact of the COVID-19 pandemic, every one of our facilities completed all the actions in its respective plan by year-end.

We launched significant changes in 2020 to further enhance six of our primary safety operating guidelines and procedures, which we refer to as roadmaps for hazard identification and control. We updated both the content to improve the objectivity of our risk assessments by providing a quantitative assessment of risk and hazard identification tools and the formatting to improve ease of reading and auditability.

We also assign roadmap champions, consisting of multi-disciplined members of each facility's management team, to guide, sponsor and execute our prevention programs. By the end of 2020, champion participation improved from 64% to 81%.

Each month we have a group safety call that includes each of our safety managers, each of our plant managers and other senior members of management to discuss our safety performance, recent incidents and near misses and shared learnings. Each call typically highlights one or two incidents a month where we are able to review camera footage and allow our plant and safety managers to discuss the incidents, findings and additional controls implemented to mitigate the risk of repeat incidences.



We also encourage accountability through employee engagement. All of our facilities have joint labor and management safety and health committees to facilitate communication and exchange of ideas, including participation in the roadmap execution teams, routine audits to identify hazards, preparation of safety policies and procedures, and provision of safety training. We also encourage employees to voice concerns using our confidential hotline. We investigate and address every one of the reports made through our hotline, including safety related issues, and review the use of our hotline with our board at each of our regularly scheduled board meetings.

Our production employees receive between 16 and 36 hours of safety training annually depending on job responsibilities. Contractors are pre-qualified based on their safety programs and are required to achieve a minimum of four hours of safety training.

Elective training includes a customized series of safety leadership workshops for frontline leaders. These workshops advance our frontline leaders' skills in incident investigation, hazard recognition, safety roles & responsibilities, and one-on-one coaching. The Kaiser Leadership Program also includes a full day of applied executive safety leadership in the curriculum. In addition, our EHS team at each facility has a set curriculum to ensure professional development throughout the year.

Despite the challenges posed by the COVID-19 pandemic, our health and wellness programming continued in 2020. Risk-based industrial hygiene, heat, noise monitoring and ergonomics assessments were part of the prevention plans across the company. We maintained our chemical safety program across the company and monitored hearing loss for production employees as part of the overall hearing conservation program.



PERFORMANCE MONITORING (CHECK)

METRICS & TARGETS

We monitor our progress through routine reviews of our safety process and performance. We utilize both leading and trailing indicators to monitor our progress. While trailing indicators, such as total case incident rate (“TCIR”), lost-time case incident rate (“LTIR”) and days away, restricted and transfer (“DART”) rate, help us monitor our safety

performance, leading indicators, such as significant injury and fatality (“SIF”) potential and actual incident rate, near-misses, timely corrective action of internal and external audit findings, on-time safety plan execution information and safety culture risk, help us monitor and assess risks and the effectiveness of our safety plans and processes. Plant safety metrics are integrated into our monthly quality, production, and financial reports and are reviewed by the senior leadership team every month.

AUDITING

We incorporate routine auditing into our safety monitoring programs. Every facility’s hazards and protection programs are audited every three years by internal and aluminum safety industry experts. Facilities that remelt aluminum and cast ingots also receive annual molten metal safety inspections by corporate and external industry experts.

In 2020, we completed 100% of our planned audits for 2020, despite travel challenges created by the COVID-19 pandemic, through the use of technology and modified site visits to limit exposure. Corrective action planning for each audit finding is assigned an owner, a target date, and is tracked to closure through the use of safety dashboard reports.

RESULTS TRACKING



2020

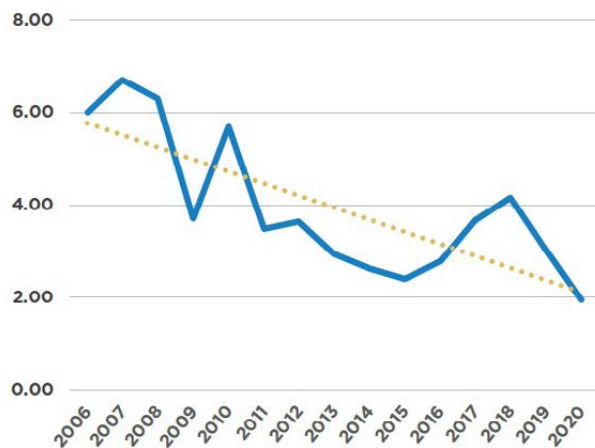
RECORD SAFETY PERFORMANCE

In 2020, we achieved record safety performance and had no employee or contractor fatalities despite the challenges arising from the direct and indirect impact of the COVID-19 pandemic, including wide swings in production and staffing levels. Our TCIR for 2020 was 1.95, reflecting a decrease for a second straight year and a 72% reduction from the industry average for the same period.

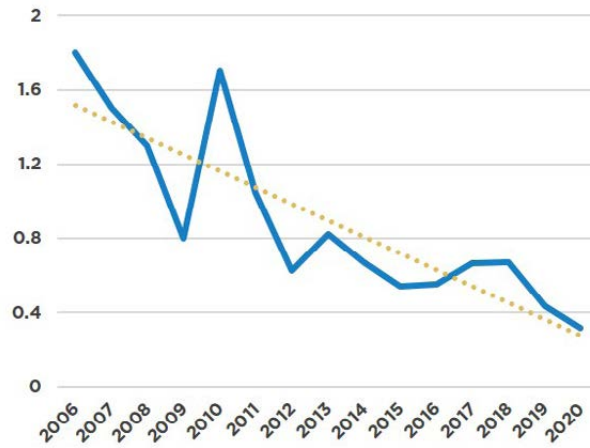
We achieved record LTIR performance in 2020. Our LTIR for 2020 was 0.32, reflecting a decrease for a second straight year and a 75% reduction from industry average for the same period.

Our TCIR results for 2020 also outperformed the internal reduction target we set for the year.

HISTORIC TCIR



HISTORIC LTIR



INCIDENT RATES - FULL-TIME EMPLOYEES

INCIDENT RATES - FULL TIME EMPLOYEES				
	FATALITIES	DAYS AWAY, RESTRICTED AND TRANSFER RATE	LOST-TIME CASE INCIDENT RATE (LTIR)	TOTAL CASE INCIDENT RATE (TCIR)
2020	0	1.11	0.32	1.95
2019	0	2.09	0.44	3.02
2018	0	2.32	0.67	4.03
2017	0	2.11	0.67	3.58
2016	1	1.60	0.56	2.78

47%
DAYS AWAY, RESTRICTED AND TRANSFER RATE

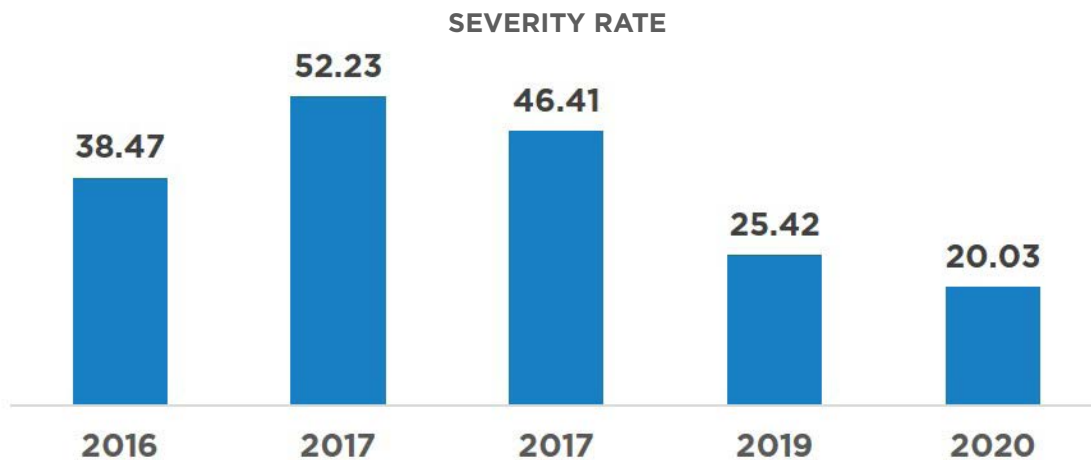
27%
LOST-TIME CASE INCIDENT RATE

36%
TOTAL CASE INCIDENT RATE

We track injury severity rate to identify the biggest safety concerns at our facilities so we can take proper steps to eliminate and control them. Our 2020 injury severity rate was 20.03, reflecting a decrease of 21% from 2019 and 61% from 2017.

We have been encouraging employee reporting of near miss incidents, which are unplanned events that did not result in injury, illness or damage but had the potential to do so, and enhancing our responses, including investigation and corrective actions, to such reports, as we believe lessons learned from near miss incidents will help us prevent future injuries and fatalities. In 2020, near miss reporting increased by 68% from 2019.

These improvements are a testament to the diligence of our employees and our operations leaders taking responsibility for setting the standard, being the standard, and holding the line in pursuit of best-in-class safety performance. In 2021, we continue to drive workplace safety by increasing our focus on leading indicators, including the completion of safety dialogues and supervisor observations, the review and assessment of near-miss incidents, and the implementation and completion of specific, measurable and relevant plans.



IMPROVEMENT ACTION (ACT)

We believe in a culture of continuous improvement, and this applies to our safety programs and the safety programs in our industry. We implement improvements to our safety programs based on lessons learned from experience and analytics. In 2020, in addition to the systemic improvements we made to our operation guidelines and procedures, lessons learned from near miss incidents and routine review of our safety practices prompted an initiative to revise our

corporate molten metal safety policy. Because safety culture was selected as our No. 1 strategy in our 2020 safety plans, we launched an improved safety perception survey to help better diagnose and strengthen plant-level safety culture.

We also actively promote health and safety practices by sharing what we learn in health and safety with peers in our industry and community. In 2020, our EHS professionals participated in:

- The leadership of the safety committee of the Aluminum Association,
- The development of the ANSI B11 standard revision for machine guarding,
- Co-chairing the revision committee for B11.17, Safeguarding for Horizontal Extrusion Press Systems,
- ANSI Z244 development for Control of Hazardous Energy,
- ANSI Z117 development for Confined Space,
- ISO 45001 development for Safety Management Systems, and
- Presenting best practices for pandemic response planning to the Aluminum Association.

DATA PRIVACY AND CYBERSECURITY

We employ information systems to support our business. As is the case for other manufacturing companies of comparable size and scope, we, from time to time, experience attempted cyber-attacks on our information systems. We also face risks associated with other potential significant failures or disruptions of our information technology networks. We utilize a risk-based, multi-layered information security approach following the National Institute of Standards and Technology Cybersecurity Framework and have adopted and implemented an approach to identify and mitigate information security risks that we believe is commercially reasonable for manufacturing companies of our size and scope, including many of the best practices of the National Institute of Standards and Technology Cybersecurity Framework.

Our information security performance and recent cybersecurity industry trends are reviewed by management, including our Chief Information Officer at least monthly and are reported to and reviewed by the audit committee and the full board of directors throughout the year, but no less than once a year. Our entire board of directors is responsible for overseeing management's risk assessment and risk management processes designed to monitor and control information security risks.

We regularly engage independent third parties to test our information security processes and systems as part of our overall enterprise risk management. We also conduct annual information security training to ensure employees are aware of information security risks and to enable them to take steps to mitigate those risks. As part of this

program, we also take reasonable steps to ensure our executive management and employees, including any employee who may come into possession of confidential financial information, receive appropriate information security awareness training.

To date, no attempted cyber attack or other attempted intrusion on our information technology networks has resulted in a material adverse impact on our operations or financial results, or in any penalties or settlements.

In the event an attack or other intrusion were to be successful, we have a response team of internal and external resources engaged and prepared to respond. We also have cyber risk insurance policy designed to help us mitigate risk exposure by offsetting costs involved with recovery and remediation in the event of a successful attack or other intrusion.

OUR COMMUNITIES

At Kaiser, we highly value stakeholder engagement and believe being a responsible and valued corporate citizen includes being socially responsible and active members of our industry and the communities in which we operate. We engage with our stakeholders groups in each of our facilities on a community-by-community basis to identify and maintain a continuous dialogue that is effective and transparent through the following key strategies.

- Building sustainable and ongoing relationships with key community individuals, groups and organizations
- Focusing community programs on activities that promote and strengthen the community's quality of life and support business goals
- Instituting procedures that anticipate and respond to community concerns, needs and issues







In addition to working with community members, we also acknowledge the importance of consulting with local leadership and regulatory agencies. At all of our facilities we engage with regulatory agencies for feedback before moving forward on major capital projects and have worked with community leaders to ensure there is an understanding of the investment and benefits of such projects where appropriate.

Our President and Chief Executive Officer has oversight of our community engagement initiatives while the Plant Manager at each of our facilities is responsible for the operations behind our community engagement, identifying and recommending opportunities in which the company can support their local communities. Designated by our President and Chief Executive Officer, the Charitable Contributions Committee (EVP CAO, EVP CFO

and VP IR & Corporate Communications) oversees the company's financial sponsorships and donations within the communities.



Although our ability to be actively engaged in 2020 was impacted by the COVID-19 pandemic, we continued to provide resources and financial support to a number of organizations.

>\$350,000 DONATED IN 2020			
AMERICAN CANCER SOCIETY		BIG BROTHERS BIG SISTERS	
YMCA		YWCA	
AMERICAN HEART ASSOCIATION		SPOKANE VALLEY PARTNERS	

OUR COMMUNITY INVOLVEMENT INCLUDES:

- Significant participation in employee directed community and charitable outreach
- Contributions to local charities and organizations in our communities
- Donations of materials used by college and university student competitions
- Sponsorship of various events from luncheons and fund-raising events to training and networking functions
- Scholarship program for children of Kaiser Aluminum employees by awarding scholarships to those youth who demonstrate a balance of academic achievement, leadership and civic involvement.

KAISER ALUMINUM WARRICK HOSTS TEACHERS' MANUFACTURING BOOTCAMP

Educators from across Southwest Indiana received an inside look at Kaiser Aluminum Warrick jobs during the sixth Annual Grow Southwest Indiana Workforce Teachers' Manufacturing Boot Camp.



Kaiser Warrick partnered with Alcoa Warrick Operations to jointly host 17 teachers and guidance counselors for four days during the two-week, experiential program.

The goal of the Teachers' Manufacturing Boot Camp is to demonstrate to educators the rewarding careers available in manufacturing and break down stereotypes about jobs available today. Clad in work boots and other personal protection equipment (PPE), the educators toured plant facilities, talked with numerous employees, and were briefed on the roles and responsibilities of various positions around the site. Teachers then prepared lesson plans for incorporating what they learned during Boot Camp into their classrooms.

The Boot Camp was organized by WorkOne Southwest Indiana, part of the Indiana Department of Workforce Development along with educational partners University of Southern Indiana and Ivy Tech Community College.

GOVERNANCE

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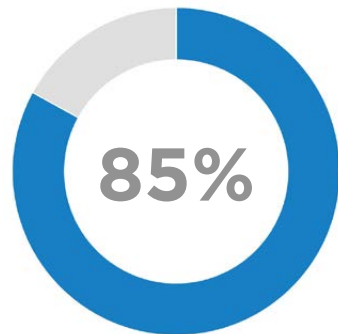
A photograph of a large industrial machine in a factory. The machine is grey and has a large sign on top that reads "HHT3". The machine is positioned over a long, flat metal surface. In the foreground, there are several blue and white rollers or guides. The background shows a large industrial building with windows and pipes.

HHT3

GOVERNANCE HIGHLIGHTS

Consistent with our corporate values, we promote fair business practices and a culture of accountability, responsibility and ethical behavior through:

- Strong emphasis on the importance of integrity and competence to leadership, character and culture
- Conducting annual governance surveys to assess our culture and the effectiveness of our training
- Adopting and enforcing our policies, including corporate governance guidelines, code of business conduct and ethics, and human rights policy, and compliance with applicable laws and regulations
- Encouraging the reporting of illegal or unethical behavior, including the use of InTouch, a third party compliance feedback program



INDEPENDENT BOARD

BOARD COMPOSITION	Independent Board: 11 of 13 directors are independent (85%)
	Independent Committees: Audit, Compensation, ESG, Nominating and Corporate Governance
	Separate CEO and Board Chairman
	Strong lead independent director
	Highly engaged and diverse (38% ethnic or gender diverse)
	Unique set of skills and experiences complementary to company strategies
BOARD PRACTICES	Strong commitment to refreshment – seven highly qualified directors added to the Board since 2018
	Regular executive sessions with independent directors by board and board committees at each meeting
	Oversight of management activities including annual enterprise risk management assessment
	Directors encouraged and invited to attend meetings of Committees of which they are not members
	Directors limit their outside Board obligations to ensure accessibility
	Annual formal Board and Committee assessments – conducted by independent third party in 2020, followed by additional performance review of individual directors by Lead Independent Director and Executive Chairman
ACCOUNTABILITY	Policy encourages diversity of gender, ethnicity, age and background, as well as a range of tenures on the Board to ensure both continuity and fresh perspectives
	Extensive stockholder engagement program
	Majority voting standard in uncontested Director elections
	Annual governance surveys to assess our culture and the effectiveness of our training
	Encourage reporting of illegal or unethical behavior, including the use of InTouch, a third party reporting program
SHARE OWNERSHIP/COMPENSATION	No related party transactions requiring disclosure under Section 404(a) of Regulation S-K
	“Pay for performance” compensation structure
	Robust equity ownership and retention requirements for directors and executives
	Prohibition of hedging and pledging of our shares
	Robust clawback policies in our incentive compensation plans

BOARD OF DIRECTORS

As previously discussed, in 2021, our board emphasized the importance of ESG by broadening the oversight of the former Talent Development Committee (now the ESG Committee) to include oversight of ESG matters that are significant to our company, our overall approach to ESG principles and related disclosures, the diversity of our management and workforce, and our approach to diversity, equity, inclusion and belonging, in addition to the succession planning of our executive officers (other than the CEO).



JACK A. HOCKEMA
Executive Chairman

Retired CEO, Kaiser Aluminum

COMMITTEE: Executive (Chair)



ALFRED E. OSBORNE JR., PH.D
Lead Independent Director

Senior Associate Dean; former Interim Dean, UCLA Anderson School of Management

COMMITTEES: Executive, Nominating and Corporate Governance (Chair)



KEITH A. HARVEY
President and Chief Executive Officer

Former President and COO, Kaiser Aluminum

COMMITTEE: Executive



MICHAEL C. ARNOLD

Retired President and Chief Executive Officer, Ryerson Inc.; lead independent director, AGCO

COMMITTEE: Compensation



DAVID FOSTER

Distinguished Associate of Energy Futures Initiative; Former Senior Advisor to office of the Secretary of the U.S. Department of Energy; Founding Director, BlueGreen Alliance

COMMITTEES: ESG, Nominating and Corporate Governance



LEO W. GERARD

Retired International President, United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO, CLC (formerly known as the United Steelworkers of America, AFL-CIO, CLC); Co-founder, BlueGreen Alliance

COMMITTEE: ESG



EMILY LIGGETT

Strategy consultant and business advisor; Former President and CEO, NovaTorque; Former President and CEO, Apexon

COMMITTEES: Audit, ESG



LAURALEE E. MARTIN

Retired President & CEO, HCP, Inc.; Former CEO, Jones Lang LaSalle (Americas Division)

COMMITTEES: Audit (Chair), Compensation, ESG, Executive



TERESA M. SEBASTIAN

President & CEO, Dominion Asset Group; Adj. Professor at University of Michigan Law School and Vanderbilt Law School; Former Senior Vice President, General Counsel, Corporate Secretary and Internal Audit executive leader of Darden Restaurants, Inc.

COMMITTEES: Audit, ESG, Nominating and Corporate Governance



DONALD J. STEBBINS

Retired President & CEO, Superior Industries International, Inc., Former Chairman, President & CEO Visteon Corporation and Former President & COO Lear Corporation

COMMITTEES: Compensation (Chair), Executive, Nominating and Corporate Governance



THOMAS M. VAN LEEUWEN

Retired; Former Director (Metals & Mining Equity Research), Credit Suisse First Boston & Deutsche Bank; Former VP (Equity Research), Lehman Brothers

COMMITTEES: Audit, Compensation, Nominating and Corporate Governance



BRETT E. WILCOX

CEO, Cvictus; Former President & CEO, Summit Power Alternative Resources; Former CEO, Golden Northwest Aluminum

COMMITTEES: Audit, Compensation, ESG (Chair) Executive



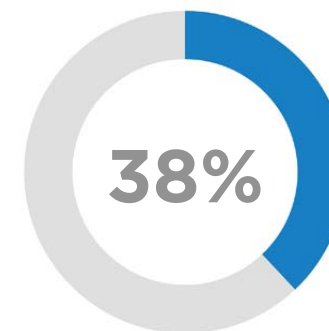
KEVIN W. WILLIAMS

Chief Executive Officer, GAA Manufacturing and Supply Chain Management

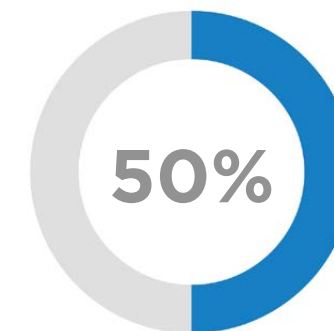
COMMITTEE: Audit

Board Matrix

	ARNOLD	FOSTER	GERARD	HARVEY	HOCKEMA	LIGGETT	MARTIN	OSBORNE	SEBASTIAN	STEBBINS	VAN LEEUWEN	WILCOX	WILLIAMS
KNOWLEDGE, SKILLS OR BOARD EXPERIENCE													
Other Public Company Board Experience	•	•			•	•	•	•	•	•		•	
Public Company CEO Experience or Equivalent	•		•	•	•		•					•	•
Industrial Specific / Operations Experience	•		•	•	•			•	•	•	•	•	•
Mergers and Acquisitions	•	•		•	•	•	•	•	•	•	•	•	•
International	•	•	•		•	•	•		•	•		•	•
Governance	•	•		•	•	•	•	•	•	•	•	•	
Legal / Regulatory									•			•	
Financial / Accounting	•			•	•	•	•	•	•	•	•	•	•
Public Policy / Academia		•						•	•			•	
DEMOGRAPHICS													
Race / Ethnicity													
African American								•	•				•
Asian / Pacific Islander													
White / Caucasian	•	•	•	•	•	•	•			•	•	•	
Hispanic / Latino													
Native American													
Gender													
Male	•	•	•	•	•			•		•	•	•	•
Female						•	•		•				
BOARD TENURE													
Years	0	13	2	1	20	3	11	15	2	2	15	15	0



ETHNIC OR GENDER DIVERSE



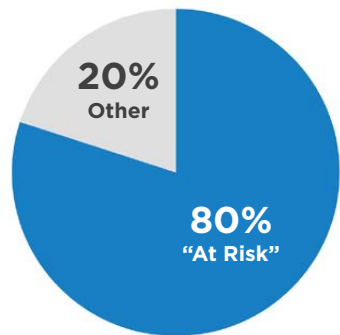
TENURE OF <5 YEARS

COMPENSATION

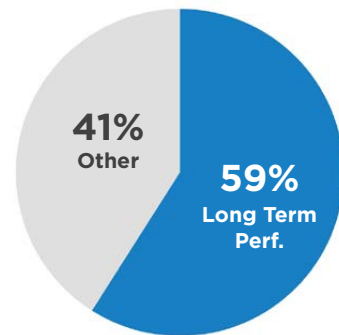
COMPENSATION BEST PRACTICES

We apply thoughtful compensation practices within our program to:

- Motivate management to achieve consistent, long-term growth
- Create alignment between our senior management and stockholders
- Enhance stockholder value and preclude the taking of excessive risk



FISCAL YEAR 2020
CEO COMPENSATION



FISCAL YEAR 2020 TARGET
CEO COMPENSATION
TIED TO LONG-TERM
PERFORMANCE

	Align pay and performance by linking a significant portion of total compensation to Company performance
	Balance both short-term (one-year) and long-term (three-year) performance across our incentive programs
	Enhance retention with time-based, three-year cliff vesting schedule for RSU awards
	Maintain rigorous stock ownership guidelines
	Maintain a clawback policy for equity and cash awards
	Cap payouts for awards under both our short and long-term incentive plans



ALIGNMENT OF STRATEGY, PERFORMANCE AND EXECUTIVE COMPENSATION

Our 2020 executive compensation programs continued to be thoughtfully structured to drive key strategic goals, support the achievement of our financial targets and strategic objectives and ensure that the interest of our executive officers and our stockholders remain aligned.

We incorporate relative total stockholder return, total controllable cost and adjusted earnings before interest, taxes, depreciation and amortization (“EBITDA”) margin metrics into our equity-based long-term incentive plan. We used adjusted EBITDA in our short-term incentive plan to create a financial incentive for achieving or exceeding our financial performance goals. We also use safety, quality, delivery and cost performance as modifiers in our short-term incentive plan to emphasize the value we place on employee safety and customer satisfaction. Our focus on effective cost management was reflected in our use of manufacturing cost efficiency as a modifier in our short-term incentive plan and total cost performance as a metric in the long-term incentive plan.

2020 COMPENSATION PROGRAM PRINCIPAL ELEMENTS			
ELEMENT	FORM	OBJECTIVE	PERFORMANCE METRICS
BASE SALARY	Cash	Provide competitive, fixed compensation upon which our NEOs can rely	
SHORT-TERM INCENTIVES	Cash	Create financial incentive for achieving or exceeding Company performance goals	Adjusted EBITDA ¹ Modifiers for safety, quality, delivery, cost and individual performance
LONG-TERM INCENTIVES	Restricted Stock Units	Create financial incentive for continued employment with our Company through three-year cliff vesting	
	Performance Shares	Create financial incentive for achieving or exceeding long-term performance goals	60%: Relative TSR vs. peer companies in the S&P 600 SmallCap and S&P 400 MidCap Materials Indices 20%: Total controllable cost performance 20%: Adjusted EBITDA margin

¹Based on return on net assets (excluding cash) using our adjusted pre-tax operating income

SHORT-TERM INCENTIVE PLAN MODIFIERS



SAFETY



QUALITY



DELIVERY



COST

STOCKHOLDER ENGAGEMENT

We value stockholder views and insights and believe that accountability to stockholders is an essential component of good governance. We engage in ongoing, proactive discussions of a variety of topics, including our strategy and performance, business operations, capital allocation and ESG matters, with significant stockholders throughout the year. Such discussions are held year-round and include our Chief Executive Officer, Executive Chairman of the Board, Lead Independent Director and/or other members of senior management and our board from time to time. In addition to providing our perspective and seeking feedback on topics specific to our company,

we invite discussion on any other topics or trends stockholders may wish to discuss with us. The feedback provided by stockholders is reported to the full board of directors. Our board of directors reviews the feedback and determines whether additional discussion and actions are necessary by the full board or any board committees.

In 2020, in addition to interactions regarding our financial performance, we engaged with stockholders representing approximately 50% of shares outstanding on matters relating to our long-term business strategy and performance, corporate governance, executive

compensation, corporate responsibility and human capital management to include discussions around how we assess the impact of climate change on our business, our initiatives to reduce GHG emissions and GHG intensity in addition to training and development of our employee base and labor relations.

In addition, we utilize investor surveys to provide us with additional insight into the perceptions of our broader investor-base, across a wide range of topics. This information is also reviewed by members of our senior management and the full board of directors.

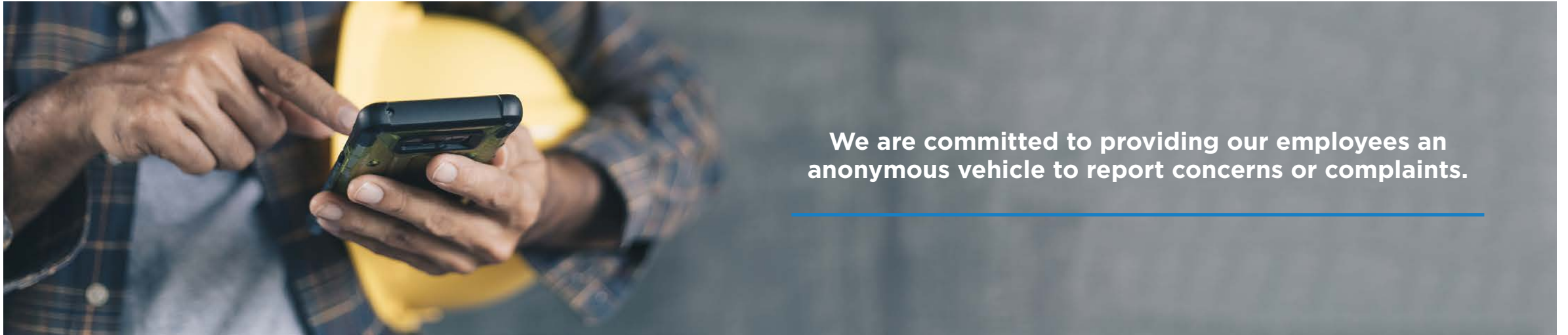


ETHICS AND COMPLIANCE

We are committed to conducting our business activities in a manner that respects human rights and is in compliance with applicable local, national and international laws and regulations related to the protection of human rights, including the prohibition of human trafficking and compulsory labor. We strictly prohibit our employees from engaging in activities that violate laws, regulations or our corporate policies.



KEY POLICIES AND STATEMENTS	OBJECTIVE	APPROACH
Code of Business Conduct and Ethics	Ensure employees are trained at least annually on expected behavior related to policies, laws, and regulations	<ul style="list-style-type: none"> Reviewed and overseen by the board and executive leadership team Annual training and certification by salaried employees Key part of in-person department trainings New employee training Code of conduct easily accessible on corporate website Anonymous reporting channel
Foreign Corrupt Practices Act (FCPA)	Zero tolerance toward acts of bribery or corruption (prohibition of facilitation payments), and prohibition of providing benefits to public officials	<ul style="list-style-type: none"> Part of Code of Business Conduct and Ethics Annual training of impacted employees
Human Rights	Reaffirm our values and corporate responsibilities	<ul style="list-style-type: none"> Incorporated in annual code of business conduct and ethics training
Environmental	Publish, educate, and incentivize workforce to develop environmental awareness and reduce environment footprint	<ul style="list-style-type: none"> Board ESG Committee oversight of ESG, including environmental, matters significant to the company Strategic business initiatives lead by executive leadership
Diversity, Equity, Inclusion and Belonging	Provide an inclusive and diverse workplace free from retaliation and unlawful discrimination or harassment	<ul style="list-style-type: none"> Key topic in code of business conduct and ethics training



We are committed to providing our employees an anonymous vehicle to report concerns or complaints.

INTOUCH - OUR CORPORATE COMPLIANCE FEEDBACK PROGRAM

We are committed to providing our employees an anonymous vehicle to report concerns or complaints. Our compliance feedback program, InTouch, is designed to allow employees and others to make a confidential/anonymous report of issues that they believe may potentially be in violation of Kaiser Aluminum's Code of Ethics and Business Conduct or any laws or regulations related to our operations without fear of retaliation and report issues or suspected issues. We regularly and proactively communicate the availability of InTouch to employees and abide by all applicable laws and regulations regarding whistleblower protection. InTouch also helps us process and manage whistleblower and other reports of potential misconduct. Every report

made through InTouch is investigated and appropriate remediation actions are taken if warranted.

The InTouch program is administered by an independent firm retained by Kaiser and is available 24 hours a day, 7 days a week.

The call or e-mail to InTouch can remain anonymous, but the concern will be heard.

InTouch can be contacted in one of two ways:

By telephone – 1-866-204-9793

By e-mail - info@getintouch.com

AUDIT, MONITORING AND REPORTING

We conduct an annual corporate governance survey, that functions as an internal audit, of management and non-management employees in order to monitor the internal perception around a broad range of governance topics, including the effectiveness of our control environment; risk mitigation and management; the use of technology; appropriateness of policies; timeliness and responsiveness of reports from employees, customers, vendors, regulators and other third parties; our values; and our overall "tone at the top." Survey results are reviewed with our full board and members of senior management. We also engage a variety of external partners and auditors to evaluate the effectiveness of our internal controls and business ethics practices. The results of these findings are reviewed and discussed with our board and executive leadership team.

SUPPLY CHAIN

Our suppliers are our partners. They play an important role in helping our customers and us create a more sustainable world. Aligned with our strong emphasis from corporate values, we source from reputable global suppliers and expect all of our suppliers to conduct business in a manner that respects human rights and is consistent with our Code of Business Conduct and Ethics and Human Rights Policy, and our compliance feedback program, InTouch, is available to suppliers as well as customers, other third parties and employees. We continue to implement new systems and processes to facilitate our ability to monitor our suppliers' human rights policies as well as supplier diversity.



CONFLICT MINERALS

Section 1502 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”) imposes reporting requirements on companies that manufacture, or contract to manufacture, products that use Conflict Minerals, which are defined as cassiterite (from which tin is derived), columbite-tantalite (coltan, the mineral from which tantalum is extracted), gold, wolframite (from which tungsten is derived), and any other minerals determined by the Secretary of State to be financing the conflict in the Democratic Republic of Congo and its adjoining countries, including the Republic of Congo, the Central Africa Republic, South Sudan, Zambia, Angola, Tanzania, Burundi, Rwanda and Uganda (collectively, the “DRC Countries”). Compliance with this policy facilitates our ability to comply with the Dodd-Frank Act and our reporting requirements.

We will only purchase materials that do not contain Conflict Minerals originating from the DRC Countries. In support of our policy on Conflict Minerals, suppliers are expected to supply us materials that do not contain Conflict Minerals originating from the DRC Countries. Any supplier that supplies us with materials that contain Conflict Minerals must provide us with a certification that the minerals do not originate from the DRC Countries. In the event we determine that a supplier’s efforts to comply with this policy have been deficient and the supplier fails to cooperate in developing and implementing reasonable remedial steps, we reserve the right to take appropriate actions including terminating any contractual commitments with, and discontinuing purchases from, the supplier.

SUMMARY

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SUMMARY

At Kaiser Aluminum, we recognize that long-term excellence requires sustainable practices. To advance our sustainability as a company, we will continue our efforts in the following areas:

ENVIRONMENTAL

- Focus efforts on identifying strategies to further reduce our GHG emissions
- Invest in our business to increase manufacturing efficiency, and, in turn, reduce environmental impact
- Optimize use of scrap in our operations
- Align disclosures more closely with SASB and TCFD standards

SOCIAL

- Leverage and incorporate well-established DEIB best practices, including employee resource groups and other initiatives
- Focus on talent development across the organization to attract, motivate and retain productive and engaged employees and to ensure consistency of culture and strategic direction
- Focus on health and safety of our employees
- Implement new systems and processes to facilitate our ability to monitor suppliers' human rights policies and supplier diversity

GOVERNANCE

- Assure Board refreshment and the continued alignment of overall Board skillsets with the evolving needs and strategies of our company
- Assure independence and diversity of our Board and Board committees
- Actively engage with stockholders

We remain focused on adhering to our values and ensuring we maintain our corporate culture of continuous improvement as we develop and execute our strategy for long-term growth. We will continue to be a valued corporate citizen and a good steward of capital and invest in a manner that supports the sustainability of Kaiser Aluminum, our employees and their families, the environment and interests of all of our stakeholders.

Kaiser Aluminum is committed to a sustainable world.

www.KaiserAluminum.com

