



MESSAGE FROM THE PRESIDENT AND CEO

It has been more than 30 years since the local socioeconomic partners joined their efforts to attract investors to Sept-Îles in order to start a new aluminum smelter in Quebec. After three decades, Aluminerie Alouette makes an entire community extremely proud; the Sept-Îles, Port-Cartier and Innu communities work together every day to produce the best and greenest aluminum in the world. The whole Côte-Nord region thrives on the production of 630,000 tonnes of aluminum each year. Strong partnerships and high-quality employment generate benefits by and for the Community.

Aluminerie Alouette achieved new goals and scaled unparalleled heights in 2021. Our dedicated team's hard work has produced amazing operational success. Additionally, we achieved the best ever record: the all-time-lowest injury rate. Nevertheless, we must continue to make everyday efforts to prevent any workplace injuries among our employees. As part of our commitment to remain a leader in responsible aluminium production, we will also pursue our initiatives to minimize our environmental footprint.

Thanks to an exceptional human wealth and a successful and challenging history, we are now planning for the upcoming decades. Being proactive and wanting to remain a leading partner in sustainable development, Aluminerie Alouette adopts cutting-edge tools to tackle the aluminium industry and community challenges. As a result, we are modernizing the assets and creating a modern vision, which includes a roadmap to carbon neutrality and an integrated framework for environment, society and governance. (ESG).

Please join us as we set out with great enthusiasm and conviction on the path to the future.

Enjoy the report!

President and Chief Executive Officer

OUR MISSION IS TO EXCEL

Aluminerie Alouette, as an independent operating company, shall optimize its operations by applying world-class business principles conducive to continuous improvement of its processes and assets. As a company committed to sustainability, Alouette will maintain high safety and environmental standards, in order to be recognized as a responsible employer and corporate citizen.

OUR STRATEGY IS TO WORK TOGETHER

Every day, Aluminerie Alouette is guided by a five-point strategy geared toward achieving excellence and maintaining the organization's standing as a leading producer of primary aluminum. This strategy is driven by the employees' core values—a progressive attitude, teamwork, communication, professionalism, and versatility—and is available on the company website. This report presents our results for the year based on these five points.





PEOPLE AND CULTURE





A RENEWED FAMILY

A new generation is arriving on the scene at Aluminerie Alouette. Many of the pioneers from the early days are leaving for a well-deserved retirement, while for other employees, their children, and sometimes even grandchildren, are taking over within the big Alouette family. In 2021, close to 100 new employees joined the team, including operators, mechanical technicians, electrical technicians, professionals, and managers, all of whom were hired based on Alouette's same core values—a progressive attitude, teamwork, communication, professionalism, and versatility. Transferring knowledge while complying with COVID-19 restrictions, in addition to dealing with the usual operational constraints, is undoubtedly a major challenge. Recruitment, which will keep going strong over the next few years, is another critical challenge at the moment. Our dedicated and motivated human resources team is stepping up initiatives to find, attract, and retain the most talented individuals, much to their benefit and ours.

Over the past year, we have also made a number of corporate changes, always with a view to remaining efficient as a company. Key among these changes was the internal appointment of Port-Cartier resident Jean-Pierre Bérubé as our new Vice President of Operations and Maintenance. Mr. Bérubé is also in charge of continuous improvement, which remains an important driver for change in our pursuit of excellence in all areas of Aluminerie Alouette. Hundreds of employees are involved in carrying out dozens of projects with tangible benefits.





to excel



IN ACTION

The COBRAL social club continued to organize and adapt its team-building activities

98 new employees were hired across various areas 44,004 hours of training were provided to students, interns, and employees in all areas

The Café des retraités continued to create opportunities for people to meet In-person employee forums resumed Over 160 employees received training in continuous improvement (Lean Six Sigma)

Eleven employees reached 20 years of service and 36 of them reached 30 years We prominently participated in the Port-Cartier and Sept-Îles Christmas parades

Training on retirement planning was offered in collaboration with the Cégep de Sept-Îles

A group of operators trained as mechanical technicians received refresher training from the Cégep de Sept-Îles

Messmer put on a professional show as part of the Christmas celebrations Over 40 continuous improvement projects were launched during the year

A satellite office dedicated to recruitment activities was opened in Sept-Îles Participation in the organizational survey exceeded 75% We increased our use of social media to facilitate recruitment

Several dozen employees got involved in the preparations for the 30th anniversary festivities A special event was held for employees who retired at the start of the pandemic The AluJoyeux were hard at work brightening up employees' days



HEALTH AND SAFETY





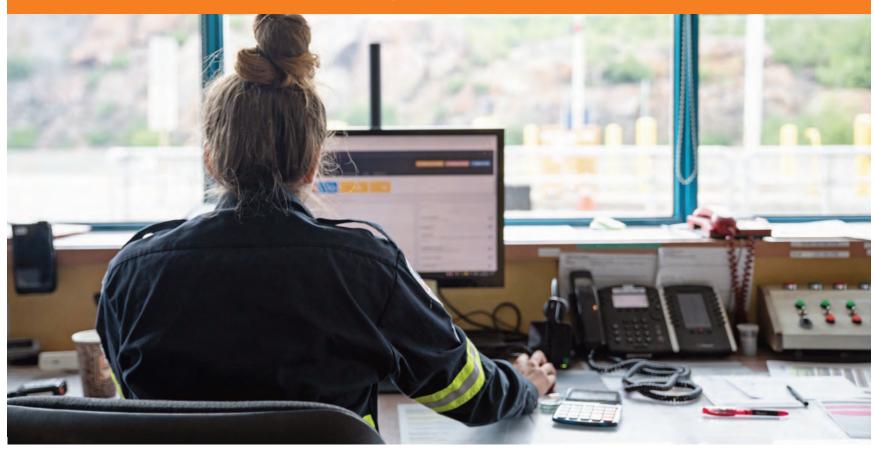
At the turn of 2021, after more than two years of the pandemic, COVID-19 had become an integral part of everyone's daily life. Aluminerie Alouette proactively followed the measures in effect in the province and stayed the course throughout the year by focusing on good hygiene practices and, with the help of our Health Service staff, ensuring close, personalized oversight of the employees concerned. Even so, the Omicron wave did not spare the smelter. However, everyone did their utmost to keep the virus away from the Marconi Peninsula. As a committed corporate citizen, Aluminerie Alouette actively participated in COVID-19 immunization efforts, including the Industrie Côte-Nord vaccination hub, in collaboration with the region's industrial community, and by offering vaccinations on site.

No one comes to work expecting to get hurt. On all 365 days of the year, loved ones—friends, mothers, fathers, daughters, sons—go through the turnstiles of the Aluminerie Alouette site. These employees may face all kinds of risks at one time or another, as they lift large parts or work at heights or with vehicles, heavy machinery, waste heat, metal and other molten material, etc. Each team member strives to reduce risk and ultimately eliminate injuries. In 2021, we reached the greatest milestone: the lowest total injury rate ever recorded. Everyone should be proud of a job well done. When we act together, we can make a difference.







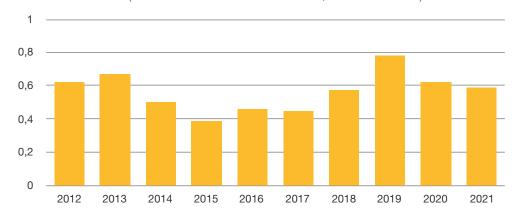


Total Recordable Injury Frequency

In 2021, there were seven incidents with recordable injuries. Eliminating injuries altogether, even the most minor ones, is a priority at all times. The management team, members of the Health, Safety and Environment Committee, and all our employees are working to control, if not eliminate, risks at their source.

Total Frequency

(number of recordable incidents / 200,000 hours worked)





MAKING A DIFFERENCE

We continued to apply special measures due to the pandemic 20 employees received suicide prevention Sentinel training

119 additional employees were trained in the Working Together to Make a Difference! Program

We reached 94.5% compliance with major risk procedures

Close to \$5 million was invested in health, safety, and environment

The ICI on recycle + program Elite level certification was officially awarded

The laboratory and warehouse marked 28 years with no recordable injuries

We maintained our Entreprise en santé | Élite ("Healthy Enterprise – Elite") certification (BNQ 9700-800:2008) The Maintenance and Asset

Management team passed 365 days

without any recordable injuries

We were represented on the regional county municipality's residual materials management plan follow-up committee

Members of emergency brigade received theoritical and practical training on natural gas

Métallurgie Brasco and M3i were recognized for their year without any recordable injuries

We continued to comply with standards ISO 14001:2015 and ISO 45001:2018

The Health and Wellbeing Committee promoted local fruits Accident investigation training was offered to managers

Award from Groupe Entreprise en santé Recyc-Québec hosted a webinar on sound residual materials management Our analytical laboratory became accredited in seven areas



ENVIRONMENT





SUSTAINABLE PRACTICES

As we enter a new decade with a vision and a sense of optimism, the message is clear: the future of the aluminum industry lies in decarbonization. With this in mind, Aluminerie Alouette aims to achieve carbon neutrality by 2050, by reducing its emissions at source and compensating for its residual emissions. In Quebec, aluminum production generates six times less greenhouse gas than the world average, and Sept-Îles generates even less! Aluminum, a lightweight metal of choice, is certainly part of the solution to climate change since it reduces the weight of vehicles—the main greenhouse gas emitters on the planet.

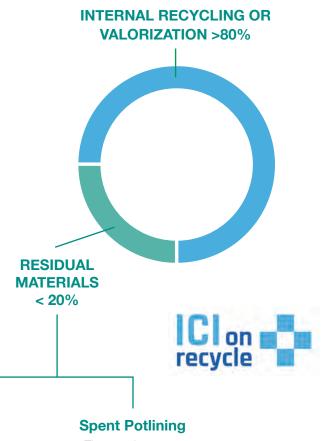
The results were conclusive. As in previous years, standards and targets were largely met across all indicators in 2021. This continues to be made possible by employees who are committed to minimizing our environmental footprint, professionals who consistently monitor contaminants, and technology that is improving.



RECYCLING AND RECLAIMING OF RESIDUAL MATERIALS AND BY-PRODUCTS

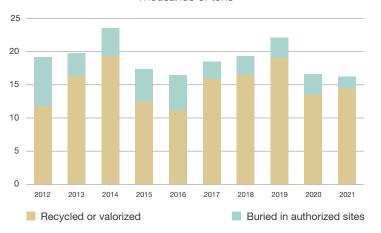
Aluminerie Alouette internally recycles or reclaims over 80% of the residual materials generated by its operations. This approach means that the areas of operation promote an internal circular economy. Other materials, such as wood, are reclaimed externally in partnership with various organizations. Aluminerie Alouette always strives for sound management of its residual materials, as demonstrated by its Elite level certification, which is the highest distinction of the *ICI on recycle* program.

The recycling and reclamation rate for residual materials sent to authorized sites, excluding spent potlining, rose from 82% to 89% in one year. For spent potlining, the rate is 69%.

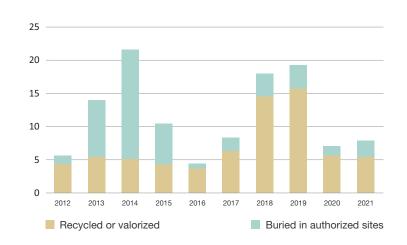


Hazardous Materials *Excluding spent potlining

Thousands of tons



Thousands of tons



IN RECENT YEARS, **ALUMINERIE ALOUETTE** HAS INTRODUCED INNOVATIONS TO RECYCLE AND RECLAIM SEVERAL ALUMINUM RESIDUES. THIS STRATEGY HELPED THE COMPANY ADD **APPROXIMATELY 8,000 TONNES** OF ALUMINUM ALLOCATED TO ITS SHAREHOLDERS, THE EQUIVALENT OF JUST **OVER \$3 MILLION IN ADDED** VALUE EACH YEAR, AS WELL AS **IMPROVE ITS HEALTH** AND SAFETY RECORD AND REDUCE ITS CARBON FOOTPRINT.

Energy Consumption

The smelter's specific energy consumption amounted to 13,373 kWh (direct current) per tonne of aluminum. Extensive efforts were deployed to use energy responsibly and remain an industry leader.

Specific Energy Consumption

(kWh DC/t AI)



Scrubber Availability

Aluminerie Alouette operates seven scrubbers to protect the environment. There are five gas treatment centres in the potrooms and two fume treatment centres in the anode baking furnaces. In 2021, scrubber availability was 99.7%, including planned downtime for maintenance. This shows that the scrubbers were carefully and efficiently operated and maintained by employees.

Rate of availability (%)

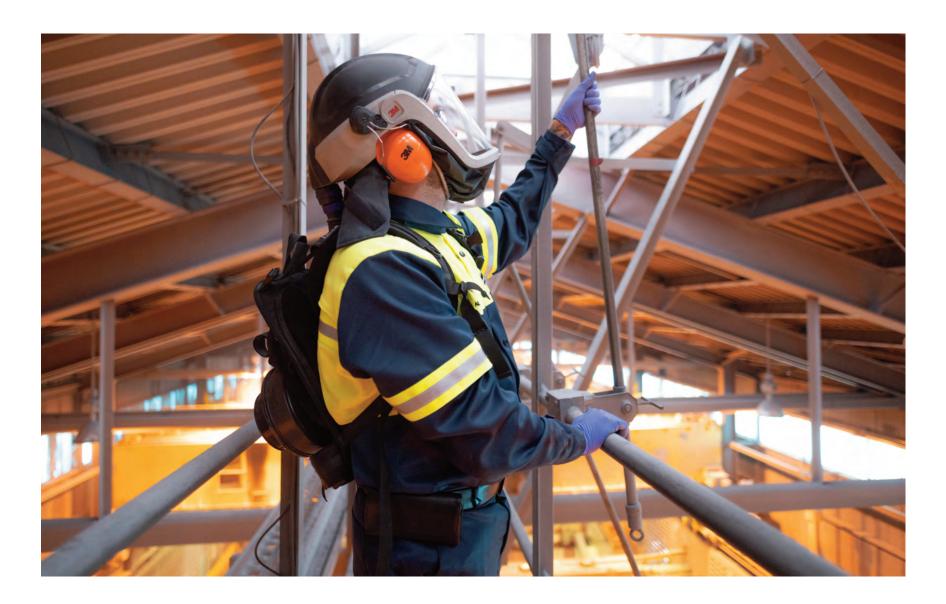






Environmental Incidents

In a spirit of full transparency, Aluminerie Alouette provides a recap of environmental incidents that occurred at its site over the past year and were entered in the records of the Ministère de l'Environnement et de la Lutte contre les changements climatiques (Quebec's environment and climate change ministry). No environmental incidents occurred in 2021.



AIR EMISSIONS

Greenhouse Gas (GHG) Emissions

Direct GHG emissions linked to the aluminum production process, fuels, and anode effects* amounted to 1.82 tonnes of CO₂ equivalents per tonne of aluminum produced (tCO₂eq/tAl). The company continued its efforts to reduce GHG emissions by implementing a variety of initiatives. In recent years, through continuous improvements in process control, operational practices, and alumina feed, there was a reduction in perfluorocarbons (PFCs). In addition, the deployment of a natural gas project in 2022 will enable Alouette to reduce its GHG emissions generated by anode baking by about 30%. As required under Quebec's carbon

market regulation, GHG inventories are verified annually by an external firm.

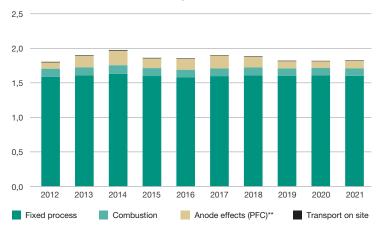
GHG emissions linked to electricity consumption accounted for less than 0.01 tCO₂eg/tAl.

BY USING RENEWABLE ENERGY (HYDROELECTRICITY), CANADIAN ALUMINUM PRODUCERS CONTINUE TO BOAST ONE OF THE WORLD'S LOWEST GHG EMISSION INTENSITIES.

Sulphur Dioxide (SO₂)

In 2021, sulphur dioxide emissions amounted to 20.2 kg/tAl. The sulphur content of raw materials available on the market represents a major challenge for the entire industry. Through optimal practices and operational stability, emissions can be minimized at the source.

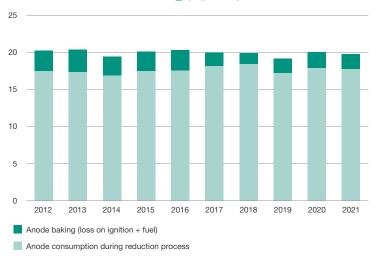
CO₂ Equivalent t/t Al



*Anode effects are operational instability phenomena that generate PFCs.

** As required by provincial regulations, 2021 emissions have been calculated using the Global Warming Potentials (GWP) from the Intergovernmental Panel on Climate Change (IPCC) Fourth Assessment Report. For consistency with previous years, emissions from 1992 to 2020 were recalculated using these new GWP.

SO₂ (kg/t AI)



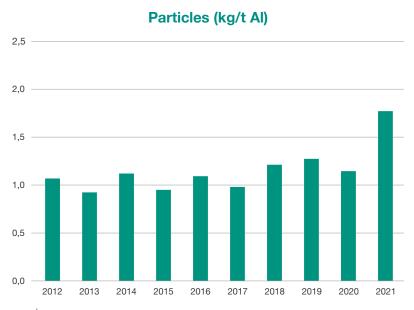
Total Fluorides from Reduction Process

Fluoride emissions from smelting amounted to 0.64 kgF/tAl. Employees' efforts to maintain the best operational practices and efficient scrubber management helped keep fluoride emissions well below the regulatory limit. Nevertheless, various projects are already underway for more than \$4 million to increase the efficiency of the scrubbers and to continue adjusting various operational parameters. In addition, we continue to work on the new operating conditions related to the latest technological changes.

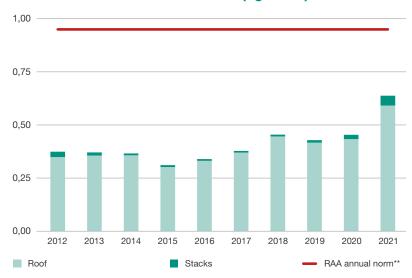
* CAR: Clean Air Regulation

Particles

Most particle emissions originate from roof vents, scrubbers, and baghouses. Particulate matter is closely linked to fluoride emissions (particulate portion) for which various improvement projects are underway.



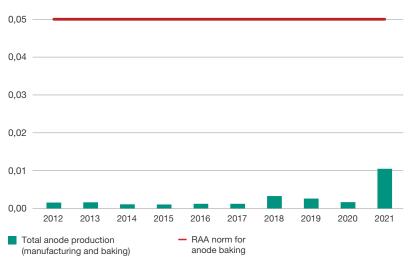
Total Fluorides (kg F/t Al)



Polycyclic Aromatic Hydrocarbons (PAH)

PAH emissions at the anode plant (manufacturing and baking) amounted to 0.0105 kg/t of baked anodes and are well below Quebec's regulatory limit for anode baking (0.05 kg/t of baked anodes).

PAH (kg/t baked anodes)



AMBIENT AIR

Aluminerie Alouette has four ambient air sampling stations, one of which is in Sept-Îles. They are operated according to Environment and Climate Change Canada's National Air Pollution Surveillance Program guidelines. Measurements taken at the stations include all air emissions, with no distinction between the respective sources of the airborne contaminants detected (Alouette or other). These data contribute to a better understanding of air quality in general as well as the potential impact of the company's operations. The parameters measured are chosen together with the competent authorities, taking into consideration the main air emissions generated by aluminum smelters. In 2021, the results obtained were well below the regulatory limit.

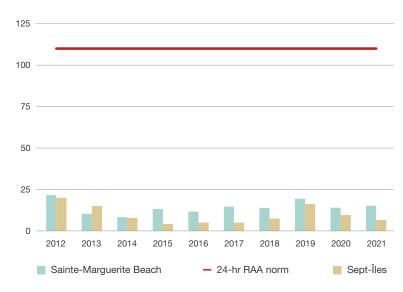
THE SCRUBBER FILTER MAINTENANCE TEAM IS WORKING ON A MAJOR CONVERSION PROJECT FOR THE PHASE 1 GAS TREATMENT CENTRES, WHERE THE NEW STAR-SHAPED BAGS WILL INCREASE THE FILTER SURFACE BY CLOSE TO 20%.

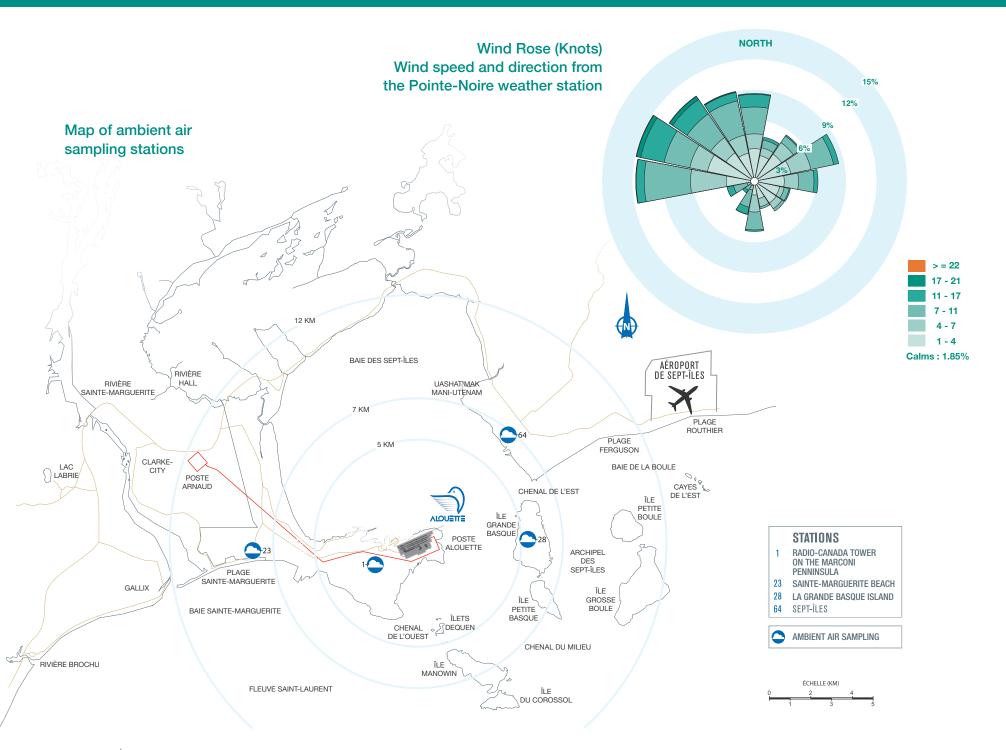
Sulphur Dioxide in Ambient Air

The sulphur dioxide content in ambient air complied with the standard of 110 ppb over a 24-hour sampling time. The maximum of 400 ppb over a four-minute sampling time was never exceeded during the year.



Maximum 24 hours average (ppb)



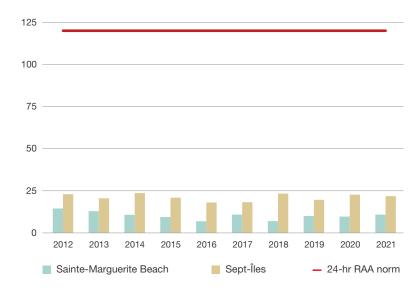


Total Particles in Ambient Air

The chart opposite shows the annual averages for different samplings. The 24-hour standard was never exceeded.



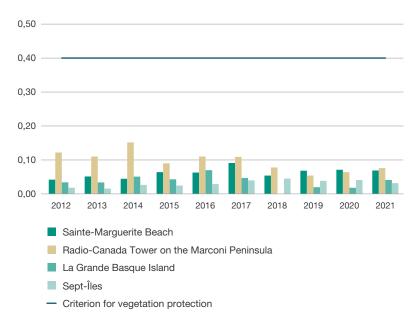
Annual Average (µg/m³)



Gaseous Fluoride in Ambient Air

Average gaseous fluoride (hydrogen fluoride) concentrations in ambient air remained below the vegetation protection criterion within a radius of seven kilometers around the smelter, including Grande-Basque Island and Arnaud Avenue in Sept-Îles. The condition of vegetation in industrial, residential, and resort areas is assessed annually. The assessment once again showed that off-site plant life was unaffected by Alouette's operations.

Average Concentration HF (ug/Nm³)



^{*} Exceptionally in 2018, data collection at the Grande-Baie sampling station was impossible due to a sampling equipment breakdown.

WATER

Water Consumption

Aluminerie Alouette manages potable water consumption in a responsible manner. In 2021, this figure was 0.18 m³/tAl. Potable water is primarily used for consumption, sanitary purposes, and process cooling. No process water was discharged into the environment. Instead, it was reused at the fume treatment centres, allowing a substantial amount of water to be saved.

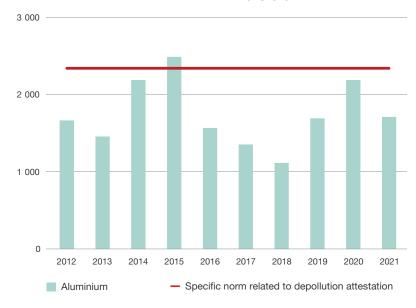
Water (m³/t Al)



Runoff Water

The storm drainage outfall, located at the place where water leaves the settling pond, gathers rainwater from the site and buildings. The water undergoes continuous sampling at the outfall. The operational strategy for the system is strictly applied.

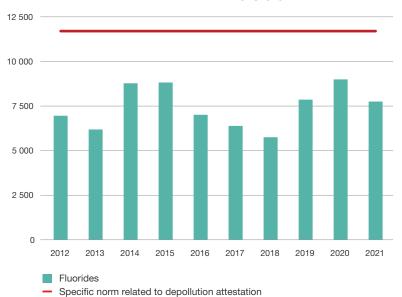
Aluminium (kg/yr)



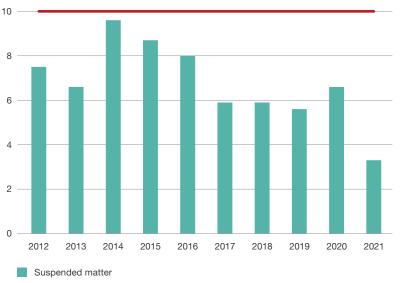


Runoff Water (continued)

Fluorides (kg/yr)



Suspended matter (mg/l)



Specific norm related to depollution attestation





OPERATIONAL EXCELLENCE







RECORDS BY THE TONNE

Aluminerie Alouette's purpose is to be the leader in primary aluminum production by making quality aluminum every day, with respect for the environment and the community, and with the help of an outstanding team. In 2021, 30 years after producing 73,800 tonnes of aluminum in its start-up year, the Sept-Îles facility allocated 627,628 tonnes to shareholders in just one year. This breaks the previous record of 2020 by nearly 7,000 tonnes.

This achievement is due in no small part to the men and women who contribute in their own way to production, maintenance, and support services, and is a testament to the existing team's resolve to always do better. As an example, operational stability in the summer of 2021 was at 97.8%—the best it has been in four years. This was also the year with the best month on record in terms of per-pot per-day production. So, there is much to be proud of!

Without proper transportation of raw materials to the operation site, without quality anodes, without functional vehicles and equipment, and without close monitoring of the process, we could not cast thousands of high-purity aluminum sows every year. The same is true of the teams in health, safety and environment, project management, supply chain, information technology and automation, human resources, laboratory, and finance, all of which contribute to the success of the business.



PUSHING THE BOUNDARIES

A record 627,628 tonnes of aluminum were allocated to shareholders

We set a specific production record of 2,934 kg per pot per day

New high-performance filters were installed at the gas treatment centres

A team was assembled to meet temporary labour changes resulting from the pandemic

Major work was completed to recommission one of the transformer-rectifiers

Several new production and utility vehicles were introduced

Natural gas equipment was installed for our anode baking furnaces to run on

We continued to adapt visual workstations in hybrid mode, i.e., in person with online support Aluminum by-products were internally recovered, an example of circular economy

Yearlong operational stability records were set

Numerous improvements were made to the anode rodding induction furnaces

Work was carried out on the casting centre control room, including automatic casting



SHAREHOLDERS, COMMUNITY AND PARTNERS





MORE THAN 30 YEARS OF COMMITMENT

With the anticipated opening of an aluminum smelter in Sept-Îles at the end of the 1980s, the local population and its various stakeholders increased their support for this project that would diversify the economy. Since its inception, Aluminerie Alouette has made it its duty to be there for the people of its host community. A key player in the economic development of the Sept-Rivières regional county municipality and even of Quebec as a whole, Aluminerie Alouette, the largest aluminum smelter in the Americas, is deeply rooted and actively engaged in its community.

Throughout the year, Aluminerie Alouette and its team support all kinds of small and large causes. In 2021 alone, nearly \$575,000 was invested in some one hundred regional organizations. Aluminerie Alouette's charitable work focuses on health, culture, education, the environment, sports and recreation, community, and socioeconomic development.













A PARTNER OF CHOICE

The working group with the community of Uashat mak Maniutenam continued to hold meetings

We continued with the cultural development and artist grants agreement

In-person meetings with community representatives resumed

\$30,000 in additional support was provided to Centraide Duplessis and the Comptoir alimentaire de Sept-Îles as we approach our 30th anniversary

The francization certificate was renewed

Our president and CEO was featured on the cover of Al13 magazine

We served as the official presenter of Vieux-Quai en Fête Alouette

Donations totalling \$159,000 were provided to Opération Enfant Soleil, in collaboration with our employees

Donations totalling \$120,000 were provided to Centraide Duplessis, in collaboration with our employees

Major and ongoing support continued to be provided to the Maison des organismes communautaires de Sept-Îles

We launched a new newsletter for partners

We were recognized at the traditional Partenaires d'excellence evening

A successful food drive was run at the site entrance for the Comptoir alimentaire de Sept-Îles

We forged a new major partnership of \$120,000 with the Comptoir alimentaire Nishk

A documentary was shot with the participation of active and retired employees

We hosted a webinar in collaboration with the Centre québécois de recherche et de développement de l'aluminium

Financial support
was provided to three projects
of the L'Envert de ta cour
program, together with the
Corporation de protection
de l'environnement de Sept-Îles



FINANCIAL EXCELLENCE





TANGIBLE BENEFITS

After 30 years in business, what does Aluminerie Alouette mean to the economy? The most recent economic impact study that the company commissioned clearly shows how the Sept-Îles plant, which produces a quarter of Quebec's aluminum, contributes.

Aluminerie Alouette is a unique company, having its headquarters and all of its executive council members based in the Sept-Rivières regional county municipality. It is the 22nd largest aluminum smelter in the world in terms of production, generating 1,300 direct jobs, many of which are held by First Nations individuals. This is in addition to the hundreds of indirect jobs that benefit from Alouette's activities. Annually, \$650 million in goods and services is acquired in the province, including \$110 million in the regional county municipality alone. Aluminerie Alouette works with a vast network of 750 Quebec suppliers, including 300 in the Côte-Nord region, who value our expertise and proximity.

With its sight proudly set on the future, the Aluminerie Alouette team is always working to transform challenges into profitable opportunities. Despite the volatility of the aluminum market, prices rose to an attractive level, from US\$2,000 per tonne at the beginning of the year to US\$2,800 per tonne at year end. Given this favourable market, we were able to invest in modernizing our strategic assets, automating various processes and equipment, and optimizing artificial intelligence. Indeed, after three decades in operation, the plant will require significant investment over the next few years.



A REGIONAL, RESPONSIBLE, AND VISIONARY PRIDE

Approximately \$50 million was invested in capital projects to improve our facilities and equipment, keep our assets in good condition, and reduce risks

\$650 million was spent in purchases of goods and services in Quebec, including more than \$110 million from suppliers in the Sept-Rivières regional county municipality

Did you know that

Aluminerie Alouette's aluminum can be found just about everywhere? It is in some parts of the Prévost buses, the exterior of the Montreal metro's AZUR cars and the rear hatch of the Tesla Model X—and these are just a few examples!

We worked with over 750 Quebec suppliers, with 300 in the Côte-Nord region alone

We were represented on AluQuébec's Board of Directors

Several value-creating projects were started during the year

We participated virtually in the Best Business Practices Trade Fair Temporary electrical power reductions were performed to support the Hydro-Québec network

No financial penalties or fines were incurred as a result of major rulings A partnership was established with Gaz Métro LNG, a subsidiary of Énergir, to power the anode baking furnaces with natural gas

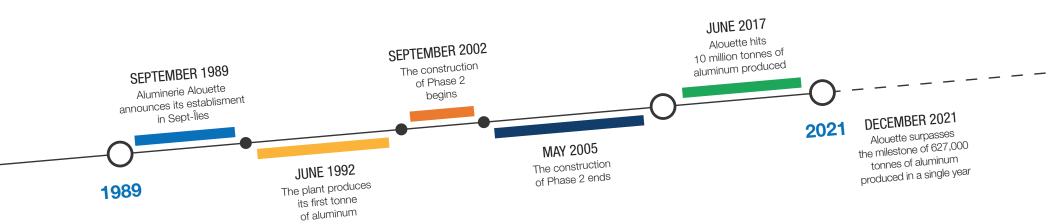
TOMORROW'S REPORT

In 2022, Aluminerie Alouette will celebrate over three decades of sustainable development and growth. The company is looking to the future with a sense of continuity, based on the close ties that have always bound it to its community.

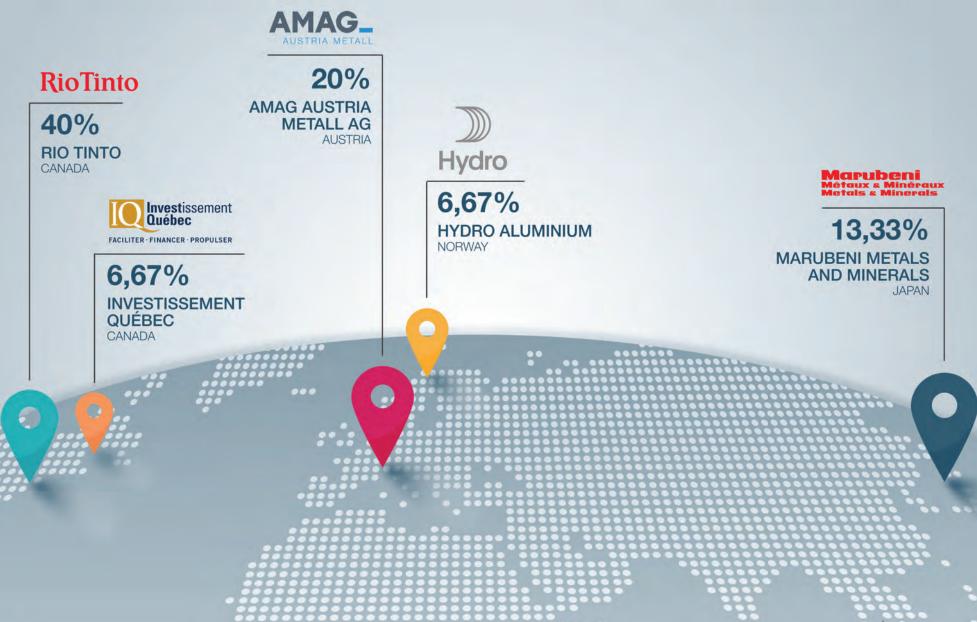
While hundreds of millions of dollars will be invested over the next few years to modernize and ensure the plant's long-term viability, Aluminerie Alouette is more than ever committed to being a world leader in the production of green and responsible aluminum; a company that is highly connected and automated, 100% circular and carbon-neutral, but that, first and foremost, remains human in scale.

This is also why, in the near future, Aluminerie Alouette plans to further integrate, in a structured manner, various Environment, Social, and Governance (ESG) criteria into its planning, investment, decision making, and reporting processes. Some shareholders have already rolled out the ESG approach, which is increasingly recognized and used by the international community. It is based on robust criteria in each of the areas, including the United Nations Sustainable Development Goals, and involves specific targets to be met. This methodology provides additional tools to link a company's financial performance to its environmental and social impact—which is a key aspect that must part of any sustainable development and responsible investment strategy.

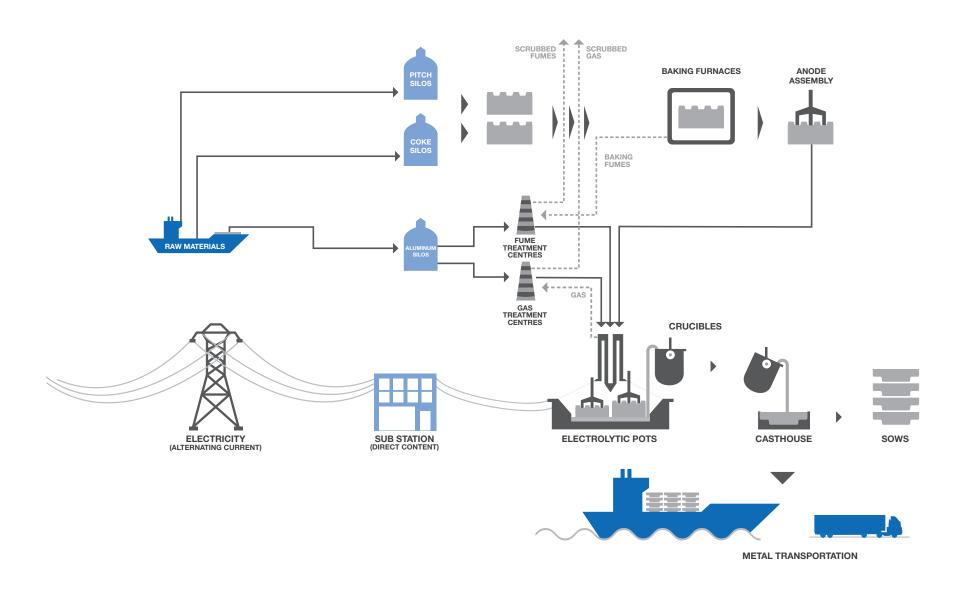
With a clear vision and specific commitments, the Aluminerie Alouette team is looking ahead to keep on Excelling Together for the next 30 years.

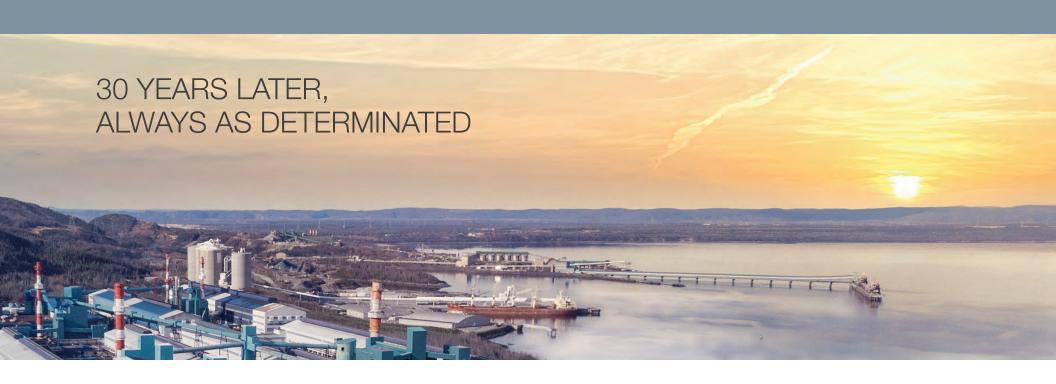


ALOUETTE CONSORTIUM



PRODUCTION PROCESS





Aluminerie Alouette inc.

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With regard to the photos in this report, COVID-19 protocols were followed by all parties present at the time the photos were taken.

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