

THE ALUMINUM ASSOCIATION

The Aluminum Association represents US and foreign-based companies and their suppliers throughout the aluminum value chain, from primary production to value-added products to recycling. The association is the industry's leading voice, providing global product standards, business intelligence, sustainability research and industry expertise to member companies, policymakers and the general public. With a history of more than 80 years, the organization is the world's first established trade association for the aluminum industry.

Aluminum has many unique properties and characteristics; the material has high strength-to-weight ratio, and it is durable and resistant to rust and corrosion. It is also infinitely recyclable. The most significant, growing market for aluminum worldwide is the transportation sector, particularly the automotive industry. Although the global resources to produce aluminum are abundant, making new or primary aluminum is an energy-intensive process. The use of energy and resulting carbon emissions are the most significant environmental challenges for the global industry.

Recycling aluminum at the end-of-life can significantly reduce the industry's overall energy, carbon, and environmental footprint. Producing recycled aluminum takes just 8% of the energy needed to make new aluminum. Therefore, recycling is one of the most critical ways for the aluminum industry to achieve its overall sustainable development goals¹⁴. As of 2012, about 74% of all aluminum ever made in the world is still in use. This is a result of both the long service life of aluminum as a material and the industry's pioneering and decades-long effort in recycling¹⁵.

Over the past two decades, the Aluminum Association has played a key role in coordinating with member companies and other key stakeholders to address the sustainability challenges of the industry. From the product stewardship point of view, the association promotes a comprehensive evaluation of aluminum as a material from the entire life cycle perspective, focusing on both the "costs" and "benefits" — from production to use to the fate of the end-of-life. The goal is to minimize "costs" and maximize "benefits". From the corporate stewardship perspective, triple bottom line principles are being emphasized, where the organization encourages corporations to conduct business by comprehensively addressing environmental, social and governance issues.

The process has evolved from setting voluntary greenhouse gas reduction targets in the 1990s to developing comprehensive strategies and programmes:

- **Setting standards and targets:** In 1995, the Aluminum Association signed a memorandum with the U.S. Environmental Protection Agency to voluntarily reduce the emissions of one of the industry's greenhouse gases, namely perfluorocarbon (PFC). By 2013, the industry reduced a cumulative amount of more than 150 million tons of CO₂ equivalent, compared to a business as usual baseline, and on a per ton aluminum output basis, the reduction is about 85%¹⁶. The reduction has been largely achieved by member companies' efforts to develop and adopt advanced computer control technologies and better practices in operation process management.
- **Research:** In 2009, the organization con-

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ducted a research study to better understand sustainability issues in the industry. Industry-wide data that focus on the full life cycle of aluminum and its accompanied environmental costs and benefits were collected. By using the trade association as a collective powerhouse of knowledge in understanding the industry and its products, the Aluminum Association identified key strengths and weaknesses of the industry and pointed stakeholders in the right direction to make effective improvements for sustainability with limited resources. Through research, stakeholders are beginning to re-evaluate aluminum as a sustainable material. For instance, the automotive industry is contributing to the trend of substituting aluminum for heavier steel options in automobiles. The most prominent example of this is the Ford Motor Company that reduced the weight of its flagship F-150 truck by more than 700 pounds through using a military-grade aluminum body. It is estimated that by 2025, aluminum content in an average passenger vehicle will have grown from 350 pounds to 547 pounds in North America¹⁷.

- **Guidance and indicators:** Business sustainability is ultimately about both the products and the corporations, which is why the association is now moving to develop guidelines and indicators to measure

the overall corporate stewardship of its members, expected to roll out in 2015. The initial indicators are: energy and climate, resource efficiency and waste reduction, supply chain management, eco-labeling, labour practice, human rights, people and community, and product responsibility. The system will consider environmental, social and economic impacts of aluminum companies operating in North America. The Aluminum Association plans to benchmark progress through annual surveys and analysis, identifying strengths and weaknesses and encouraging continued improvement opportunities.

A key challenge has been to engage both large and small businesses to participate. These firms have different levels of available resources and satisfy varying societal needs and markets. To address this, the organization created a “Sustainability and Communications Committee” as a governance body to initiate sustainability programmes, mobilize members and engage stakeholders, hold conferences, seminars and workshops, and address any issues and concerns. Committee leadership in the past has been held by smaller companies, showing the breadth of the industry. Through this group, members have been assured that the results of the association’s work will create long-term value and lead to a healthier and more prosperous industry for companies of all sizes. A key lesson learned, particularly for smaller businesses, is that the association is an excellent platform for engaging in sustainable development when facing resource limitations.

The activities led by the Aluminum Association are aligned with global industry efforts in sustainable development, undertaken by groups like the International Aluminium Institute and European Aluminum, as well as the Aluminium for Future Generations (AFFG) programme which focuses largely on environmental, social and governance issues related to ore mining and upstream production operations. These associations and initiatives will complement and reinforce one another, making sure that the industry evolves toward a healthier and more robust development path.

