

● *Época Negócios business magazine*
Alcoa ranked third most high tech company in Brazil ● Page 7



● **Safety**
Extruded Products achieves pioneering achievement: three years without incidents with absence from work ● Page 5

Gente em ação



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ALCOA LATIN AMERICA AND THE CARIBBEAN MONTHLY NEWSLETTER- NUMBER 102 – NOVEMBER 2010

● **Communities**

4º Painel Alcoa e a Comunidade event is a show of solidarity

Itapissuma hosted 4º Painel Alcoa e a Comunidade (4th Alcoa and the Community Panel) event, which is held every three years. This year, the event was attended by board members, directors of Instituto Alcoa and the Corporate Community Relations Leadership Team. The objective of the event is to audit the Company-sponsored social projects that benefit the communities

● Page 3



● **96 Pots are reconnected**
Poços de Caldas celebrates historical Smelting achievement

Teams from Lining and Pot Room concluded the re-connection of the 96 pots of line 1 in nine months without any incidents

● Page 9

OUR PEOPLE

● Editorial

Keeping track of 2010 with our eyes on 2011



FRANKLIN L. FEDER

CEO Alcoa Latin America and the Caribbean

Sustainability, Community Relations, and Safety are basic guidelines for Alcoa; they permeate the articles published in this issue. In the case of Sustainability and Community Relations, it becomes very clear how important these issues are to the Company when we become acquainted with the activities developed by Alcoans in Itapissuma for the 4º Painel Comunitário event. This event, held every three years, exemplifies how the reality of the communities can be transformed, how to provide benefits based on social projects sponsored by Instituto Alcoa, and how to expand our Values beyond the walls of our Company.

As for Safety – another concept of primary importance – we have constantly developed solutions to provide a hazard-free work environment, always with the objective of protecting the quality of life of the Alcoans. A result of such zeal is that for the first time we went through a three-year period without incidents with absence from work. This outstanding achievement, an example for all the Units, was achieved by the Extruded Products Division in 2010.

Other examples of HSE & S competency highlighted in this number were the Leadership Workshop held in Poços de Caldas. The workshop was attended by members of the recently created HSE&S committee and focused on action strategies for the entire Region. Still another example was the Pro-

grama Líder de Segurança 2010 event held in Itapissuma, the objective of which was to disseminate good practices; and, last but not least, the Company signed the Corporate Letter for the Conservation and Sustainable Use of Biodiversity.

Although Alcoa's Values – which are extensively disseminated and held dear by the Company – are fundamental to our business, it would have been impossible to establish them without the organization and speed of our InfoTech Department, which has recently led Alcoa to be ranked as Brazil's third most high tech Company by Época Negócios business magazine. The evaluation comprised more than 500 big businesses that use information technology. This was a rewarding recognition for all of us.

Still on our list of accomplishments achieved by Poços de Caldas is the fact that after nine months of incident-free work, the Lining and Pot Room teams concluded the reconnection process of Line 1's 96 Pots. This is an outstanding achievement in the history of Smelting.

The end of the year is coming up; the balance of 2010, as well as goals and objectives for the forthcoming years, are in the process of being discussed. An Operating Plan for 2011, 2012, and 2013 has been designed to officially announce the strategies. The objective is to establish the lines of development to aggregate Values such as Safety, Sustainability, Community Relations, and Technology even more consistently so that the Company and all of its employees enjoy healthy growth.

Enjoy your Reading!

"To tirelessly reinforce the importance of always acting safely"



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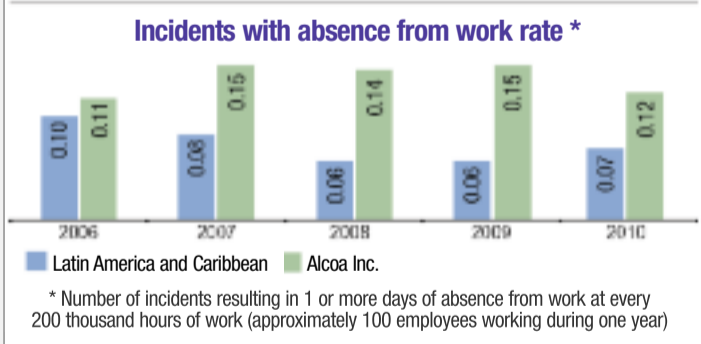
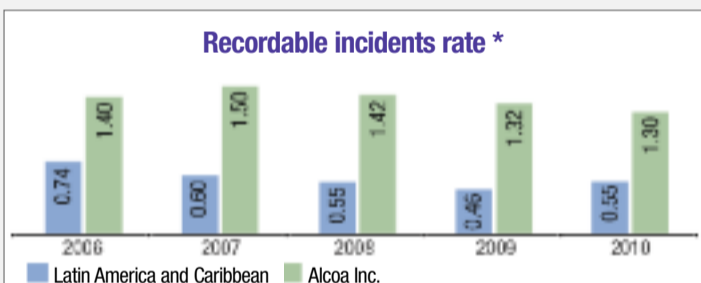
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Talk to Us

Your opinion is very important for us. Should you have any question, suggestion, or comment, please write to genteacao@alcoa.com.br

Safety Performance

Incident Frequency Rate to October



Testimonial

Eduardo Valério Gonzales
Job Position:
Ferramenteiro Técnico
Unit: Sorocaba
Time with Alcoa: 20 years



"I've been working at Alcoa for 20 years and I'm very proud of this. I've remained at the Company for so many years because the Company recognizes my integrity and the integrity of the community. In addition, the Company is a reference on Sustainability and Safety. In my opinion, these issues are very important when you are deciding which Company you are going to work for. I have enjoyed many special moments at Alcoa during all these years. However, the most outstanding moments were the ones during which I had the opportunity of doing volunteer work with other Alcoans, to help improve the standards of living of many needy communities. This was truly a highly rewarding work."

People that make History

Tribute to colleagues who contribute towards Alcoa's development



BENEDITO GOMES DE CASTRO DA SILVA
ALUMAR



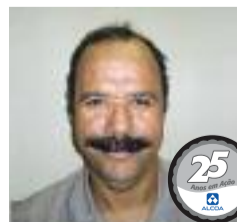
JOSE FRANCISCO GARCÉS MARTINS
ALUMAR



MIGUEL DOS REIS SANTANA
ALUMAR



CARLOS CESAR SILVA SANTOS
ALUMAR



CHARLES GOMES DOS SANTOS
ITAPISSUMA



DENISE CAYRES DE SÁ
UTINGA

● COMMUNITY RELATIONS

● Social Responsibility

4th Alcoa and the Community Panel at Itapissuma

This year, the Alcoa and the Community Panel was held at Itapissuma. This is the fourth event of this kind. The event is held every three years at a given Unit with the objective of showing community actions, auditing the benefits that the projects are bringing to the community, and promoting a venue for the exchange of experiences. During the one-day event, board members and directors of Instituto Alcoa and the Community Relations Leadership Team visited four organizations supported by the Company, as follows: Hospital Pedro II, APAE-Associação dos Pais e Amigos dos Excepcionais association, Escola Paulo Freire school and Biblioteca do SESI-Serviço Social da Indústria library (a partnership between the City Government of Itapissuma and Alcoa).

The second Gincana da Sustentabilidade sustainability gymkhana was held concurrently with the Panel. Students from local public schools in the towns of Itapissuma, Araçoiaba, Igarapu e Itamaracá (State of Pernambuco) participated in the competition. The objective of the competition was to have students take part in a quiz with questions related to Alcoa, the towns and Sustainability; the questions were taken from a book provided by the Company. In addition, the students held an exhibition of products made from recycled materials.



● Board members, directors of Instituto Alcoa, and the Community Relations Leadership Team went to Itapissuma for the 4th Alcoa and the Community Panel



● Biodiversity

Botanical Garden is inaugurated in Poços de Caldas



● Jardim Botânico in Poços de Caldas: partnership with Alcoa

According to Nilson Pereira Souza, vice-president of Primary Products for Alcoa Latin America and the Caribbean, the opening of the Jardim Botânico botanical garden, the result of a partnership with Alcoa, is an outstanding event. "This is a live museum which will help expand research work focused on the conservation of the region's biodiversity and will provide a facility for environmental education." Jardim Botânico's facilities include a Visitors' Center, a Research Laboratory, Administration Offices and the Vila dos Pesquisadores, which has housing accommodations for researchers.

● BAESA

Course on entrepreneurship stimulates employment generation



● Partnership: BAESA, Instituto Votorantim and Votorantim Energia

During one year, students from the towns of Capão Alto and Cerro Negro in the State of Santa Catarina participated in the Curso de Iniciação ao Empreendedorismo, an introductory course to entrepreneurship. The course was organized by BAESA-Energética Barra Grande S.A., in partnership with Instituto Votorantim and Votorantim Energia. The course objective was to analyze small-sized business projects for the referred towns in order to stimulate the creation of business ventures and generate jobs and income.

● Society

BAESA inaugurates Casa de Artesanato in Pinhal da Serra



● Casa de Artesanato: a facility to make and display arts and crafts

The Associação de Mulheres "Semente de Esperança" women's association, from the Nossa Senhora da Conceição and Nossa Senhora Consoladora communities located in the town of Pinhal da Serra, State of Rio Grande do Sul, now have a facility where they can display their arts and crafts. The Casa do Artesanato facility, which was built through a partnership between the City Government, BAESA, and local community organizations, will be used to hold lectures, workshops, meetings and courses.

● HEALTH

● Medical article

● Flávio Lins
Médico do Trabalho
Alcoa – Itapissuma

Medical care plan: how to get the best out of this benefit?

A medical care plan is one of the main benefits that a company can offer to its employees. The rational use of the medical care plan is crucial to allow the related costs – for the company and for the employees - to be well balanced.

Making an appointment at the doctor's office is the best way to deal with health care issues that are not urgent or do not cause an emergency, to follow up on emergency medical appointments, to verify the need for

diagnosis, and to keep track of chronic health problems. Data provided by the WHO show that approximately 80% of the diagnoses can be resolved by the general practitioner. Make sure that you have a physician whom you trust to do the long-term follow-up of your medical care.



When to resort to Emergency Care:

- **Urgent Care:** Need for immediate medical care, when there is no risk of imminent death
- **Emergency Care:** Need for immediate medical care, when there is risk of imminent death

Hints on complementary medical tests:

- Get information on preliminary medical test procedures
- Get your medical tests as soon as possible or on the date scheduled by your physician
- Don't forget to pick up your medical test results and take them to your physician
- Discuss the need for medical tests with your physician. The more tests your physician asks you to get, the more expenses you will entail
- Don't throw the medical test results away. They might be useful in the future.

Hints on doctor's appointments

- Schedule your appointments at an accredited doctor's office;
- Remember that you have the right to go for a second medical appointment thirty days after the first appointment;
- Reschedule your visit to the doctor's office if

you have to miss your appointment;

- Avoid changing physicians;
- If you are interested in getting a second opinion on your medical problem, take your test results and the name of the prescribed medical drugs you are currently taking to the appointment with the other physician;
- In case you have doubts on which physician to see, schedule an appointment with a general practitioner (or general pediatrician, in the case of children).
- Write down everything you want to discuss with your doctor; explain all your problems in detail;
- Avoid taking anybody other than your sick child to the appointment with the pediatrician

Avoid Fraud

- Don't lend your medical care card to third parties;
- Pay attention when you are signing service request forms (appointment with physician, lab tests, hospital stay) – avoid undue charges for procedures that were not conducted;
- Check the statements related to the use of your medical care plan;
- Notify your medical care plan if you lose or misplace your medical care card.

● VISITS AND EVENTS

2 Employees from São Luis visit Port in Fortaleza



Flávia Vaz, from the Sales Coordination Department of Alumar, and Rafael Barros, from the Corporate Logistics Department, visited the Port of Fortaleza-State of Ceara. They went to the state capital with the objective of becoming acquainted with the entire metal exporting process, identifying opportunities, and preparing future plans for Alcoa.

3 Alcoa participates in events held in Chile, Bolivia, and Peru



The Export Department of Alcoa participated in several major events held in Chile, Bolivia, and Peru. The objective was to get an update on the international market and to explain the advantages related to aluminum solutions in comparison to other products and lines. In Chile, Alcoa held a presentation on the Invita line at an event for industry professionals; in Bolivia, Alcoa held a lecture on the benefits of aluminum at an event held at a school of architecture; in Peru, Alcoa participated in the Feira Excon trade fair, where it launched the Única, Unit and Extrema lines in the local market for the public in general.



4 GBS introduces Change Management



Representatives from Apdata, a payroll provider, became acquainted with the GBS Change Management process, which updates versions of the systems. The visit was conducted by GBS RH and by GBS Information Services. The objective of the visit was to provide an opportunity for the exchange of experiences in the search for new solutions and improvements in the interfaces between the Alcoa and Apdata environments.

5 Visit verifies practices related to Occupational Hygiene



Valdenise Souza, Occupational Hygiene consultant of Alcoa, Jackson Sousa, Occupational Hygiene technician at Juruti; and Valterlino Veras and Tarcisio Castro, Occupational Hygiene technicians at Alumar, visited Environ in order to become acquainted with the analyses methodologies and processes of a laboratory specialized in Occupational Hygiene. Environ is the only company in Brazil that is certified by the American Industrial Hygiene Association (AIHA).

6 CTA brings clients and other parties closer



CTA-Centro Técnico Alcoa technical center keeps its doors open to show visitors – clients, suppliers or students – Alcoa's products and services. "We have noticed that most of our visitors have no idea of our product portfolio and are not aware that we are leaders in various market segments," explains Paulo Gentile, technical coordinator of the CTA. "Our visitors are also greatly impressed by our Values," he adds.

1 Focus Plant at Alumar has potential to eliminate financial gap



The second 2010 Focus Plant event held at the Alumar Refinery found a potential opportunity to eliminate a US\$ 11 million gap. The event, held with the objective of identifying and scheduling improvements with impact on the Recovery indicator – which is the performance indicator for the extraction of alumina contained in bauxite - was attended by 25 people. Among them were: Ann Katterson, ABS director of AWA; Brad Rothnie, Global Technical Manager; Adlai Robinson, Jamalco Production Manager; Wladimir Penna, TDG Principal Research Engineer; Ricardo de Bom, instrumentation specialist of Poços de Caldas; and Jim Langa, of AWA.

● HSE

● Poços de Caldas

Leaders' Workshop ensures alignment with HSE&S



● HSE&S leaders attended workshop in Poços de Caldas to align roles and responsibilities

Because of the creation of the HSE&S-Health, Safety, Environment & Sustainability Office for Latin America and the Caribbean, all Area managers attended a two-day workshop at the Poços de Caldas unit. The objective of the workshop was to align strategies. On the first day, an outside consultant acted as the facilitator for the workshop participants' task to define the Mission, Vision and Roles & Respon-

sibilities. The second day focused on strategies for actions to be implemented in the Region, such actions based on Prevention, Execution, and Training, to ensure high-performance management. This part of the workshop was important to align activities and adopt the practice of attending the weekly meetings held by Corporate Governance for Latin America and the Caribbean. "The workshop strengthened the understanding of the

total inter-dependence between themes and actions aimed at Health, Safety, Environment and Sustainability at Alcoa. Thus, one cannot think about these issues separately," emphasizes Humberto Dornelas, HSE&S manager of GBS.

The event was coordinated by João Batista Menezes, director of Health, Safety, Environment & Sustainability, by the Region's Expertise Center, and by GBS.

● 3 years of no incidents with absence from work

Extruded Products achieves record safety levels

In an on-going effort to eliminate any kind of incident and with focus on HSE management, the Extruded Products Division achieved the target related to three years of no incidents with absence from work. This achievement shows that the number of incidents with serious injuries has dropped consistently, thanks to the commitment of all Alcoa employees and contracted parties.

However, the effort to eliminate less serious incidents still goes on. "To this end, the Division has focused strongly on two aspects: the leaders' commitment to the management of HSE and the perception of the hazards related to the operation," says Ruberval Valvassori, who is responsible for HSE at the Extruded Products Division.



● Record achievement: commitment of the employees

● Laminated and Extruded Products

Safety Leader Program has been in effect for 15 years



● Participants who attended the Programa Líder de Segurança 2010 program

The Programa Líder de Segurança 2010 safety leader program of the Itapissuma Unit began in September, with approximately 70 professionals from the Laminated and Extruded Products Division. The program trains employees on HSE standards. In 2010, the project celebrated its 15th anniversary. Each leader participa-

tes in the program for two years, after which he or she is substituted by another leader who has not participated yet. The objective is for the professionals to become knowledge multipliers. "This program has a great impact on the Plant. It helps spread the HSE Value and reduces incidents," explains Patrícia Sales, HSE technician.

● Conservation and Sustainable Use

Alcoa signs document in favor of the protection of Biodiversity

Alcoa, together with a number of other major corporations and non-governmental organizations, helped draw up the Corporate Letter for Conservation and Sustainable Use of

Biodiversity. This document acknowledges and states the business community's leading role in influencing changes related to conservation and recovery of biodiversity.



● Lecture "Onde a Biodiversidade está Presente nos Negócios das Empresas" on biodiversity at companies was given during the launching of the Corporate Letter

● TRAINING

● Poços de Caldas

Training improves communication with clients

Improving people management, team communication, and emphasizing the importance of smooth customer services were the main topics during the training program "Atendimento e Foco no Cliente" (Customer Services and Focus on the Client) held in Poços de Caldas.

● The event focused on customer service excellence and standardization

"The objectives of the event were very clear and as the name itself suggests, the focus was on excellence and standardization of customer services," explains Márcia Pereira, administrative assistant of the Sales Coordination Department of São Luís.

The Training Program was attended by Sales Coordination teams from São Luís, Poços de Caldas, Extruded Products and Product Expediting of Barra Funda.

"This was an excellent training program. We learned about a number of techniques that are necessary to provide proper customer services to our clients; it aggregated many things to my personal and professional life," says Márcia. "One of the positive aspects was that we attended the training program with our work team, which allowed us to conduct our activities better and apply what we were learning to facts that occur during our daily work. I would like to congratulate Alcoa for organizing training programs such as this one, which focus on customer service excellence," she adds.



● Sales Coordination Team of Poços de Caldas and Laminated Products

● Itapissuma

Specialist gives course on Combustion and Refractory Products



● Raoul Aubry (standing in the middle), specialist in Combustion and Refractory Products, gave training program which will help reduce natural gas consumption

Employees of the Remelting Unit of Itapissuma attended a training program given by Raoul Aubry, one of the leading experts on Combustion and Refractory Products. The training program was attended by maintenance employees and operators of the Laminated and Extruded Products Units.

The objective of the event was to standardize knowledge in this respect, in order to improve the energy efficiency of the furnaces. "The training program will contribute significantly towards reducing the consumption of natural gas," predicts Cristiane Pimentel, Remelting process engineer.

● Poços de Caldas

Security guards are trained on how to deal with people with disabilities

Approximately 20 security guards of the Poços de Caldas Units – who work at the entrance gate – attended a training program to improve services provided to disabled employees and visitors. The event, which is in line with the corporate program focused on the Valorization of Diversity, was coordinated by Raphaela Rodrigues, coordinator of the "Ser Diferente é MAIS!" Local Inclusion Project.



● Security guards from the first group that attended the training program

"I loved the training program. It was very interesting, because sometimes we do not know how to deal with disabled people. I'm

sure that this initiative will improve the quality of our service which involves advising and guiding visitors and employees," says Tatiane Rita de Oliveira, from the security department.

● Alcoa Management System

Alumar promotes theoretical and practical classes on ABS to suppliers

Alumar organized a broad training program on the Alcoa Business Management System for eight of its suppliers. The training program comprised theoretical and practical classes given by ABS managers, supervisors and coordinators. The trainers resorted to a methodology created by Harvard Business School. In the opinion of Lucia Campos, HSE manager of Atlântica "it was important, because it acquainted companies and suppliers with the main concepts and prac-



● Suppliers display their course conclusion certificates

tices related to ABS." Participating companies included Montisol, Sempre Verde, EP Engenharia, WO and Atlântica.

● Tubarão

Training program teaches how to deal with and manage people without feeling or causing stress

Lindomir Cardoso, who wrote the book *Gotas de Auto-Estima*, has 25 years of experience in sales and administration. He gave a training program on "Gerenciando e Liderando sem Estresse," which focused on how to manage and lead people without feeling or causing stress. The training program was attended by

leaders from the Tubarão Unit. The main topics were as follows: how to reprimand someone without causing any resentment; the difference between leader and boss; how to maintain a healthy and productive work environment; how to create and retain talented employees; and how to avoid moral harassment and improve results.



● The integration among the program participants was one of the strong points of the course

● ACKNOWLEDGEMENT

● Reference

Época Negócios ranks Alcoa as the third most high-tech company in Brazil

Commitment to quality, strategic alignment with the Company's business, and a strong and integrated team which does not fear challenges: these are some of the main characteristics of Alcoa's Information Technology/IT Team. These attributes led the Company to be ranked by Época Negócios business magazine (published by Editora Globo) as the third most high-tech company in Brazil.

The survey, conducted for the second year in a row, evaluated 500 corporations that use IT. The ranking was prepared on the basis of 32 questions; the criteria included investment innovations. The information was tabulated according to a methodology that established a score for each item; the items in the questionnaire ranged from the total amount invested in innovations in comparison to earnings to the use of 2.0 web and cloud computing.



Chat

In the interview below, Renata Maniero, manager of GBS Information Services, talks about IT.

GA – What are the objectives of this Area and which are the main indicators related to efficiency, economy, and productivity?

RM – We prepare an annual strategic plan with regional metrics (aligned to the global ones) to achieve the objectives. Our main goals include: 1-delivery of projects, prioritized by the business, on schedule and within the budget; 2-high availability of service, including: connectivity, critical applications, and availability of billing hours; 3-planned budget vs. executed budget; 4-user satisfaction survey in regard to answering registered in-coming calls, among others.

GA – Who are the people who put everything into practice and how many people are there?

RM – The IT employees are located at the following units: Poços de Caldas, São Luis, Utinga, Sorocaba, CENU, Itapissuma, Juruti and Tubarão. In regard to GBS, we have 37 employees that provide support to the company's entire corporate IT structure.

GA – Do you have exclusive tools?

RM – We use tools that have been acknowledged as benchmarks, such as network monitoring, availability of systems, critical processes and interfaces for the business areas, electronic payments; we make sure that the processes are successfully concluded. We keep track of our indicators on line on LCD panels. We have already initiated a pilot project for production monitoring for Alumar, through applications that run on an iPhone.

● Eloy Chaves

BAESA is awarded medal for excellence in Health and Safety

BAESA-Energética Barra Grande S.A. was awarded the Medalha Eloy Chaves medal, one of the top awards of the Electric Power Industry, in recognition for having adopted preventive measures related to Occupational Health, Safety, and Hygiene. The medal is awarded by the ABCE-Associação Brasileira de Companhias de Energia Elétrica (Brazilian Association of Electric Power Companies). The evaluation criteria are based on statistical indicators, whose results are analyzed by Eletrobrás and by the Fundação COGE-Comitê de Gestão Empresarial foundation. The two organizations use the technical parameters established by the ABNT-Associação Brasileira de Normas Técnicas (Brazilian Association of Technical Standards) as a reference.



● BAESA directors Carlos Miranda (on the left) and Edson Schiavotelo (on the right), are awarded the Medalha Eloy Chaves

● PARTNERSHIP

● Raw Alumínio

Rede Alumínio & Cia. opens up new sales venue in São Paulo

Rede Alumínio & Cia, the exclusive distributor of Alcoa's extruded profiles in Brazil, recently inaugurated Raw Alumínio, which has a logistics center located in the city of Mauá and an office in the city of Santo André, in São Paulo State. This new sales channel will provide services to the Campinas market and to the regions of Sorocaba, Baixada Santista, Vale do Paraíba in São Paulo State and to São Paulo City's Metropolitan Region. "This measure is part of the Rede's national consolidation; the growing business opportunities in the State of São motivated our entry in São Paulo. This operation will drive new business opportunities and will certainly contribute towards the Rede's growth," says José Carlos Cattel, Planning and Marketing Manager of Alcoa's Extruded Products Division.

The distributor plans to open up 22 new stores by the end of 2011. The first store in the state capital of São Paulo will be inaugurated in the second half of 2011, in line with the standards of Rede Alumínio & Cia. As a result, the distributor will have 50 points of sale in Brazil, which will double the number of stores that existed in 2009.



● Paulo Bolzoni, Nilson Sako and Gino Gragnani at the inauguration of Raw Alumínio, the new store opened by Rede Alumínio & Cia., in Mauá and Santo André, State of São Paulo

● Specialization

Universidade Belas Artes offers course on aluminum

The Centro Universitário Belas Artes de São Paulo university has partnered with the main trade associations of the aluminum, steel, concrete, PVC, and glass sectors to offer a specialization course for professionals from the fields of Architecture and Urban Planning. The year-and-a-half course comprises 250 hours of theoretical and practical classes. The module on Aluminum will be taught by Alcoa's Paulo Gentile, Cintia Figueiredo and Cynthia Pires. The classes of this module will be held at the CTA-Centro Técnico Alcoa.

The course's special feature is the interactivity provided by workshops for the assembly of door and window frames, the lectures, and the technical visits to the Industrial Units (aluminum plants) and to the Technology Centers.



● Participants enrolled in the specialization course

HIGHLIGHT

● Tubarão

Employees' efforts and kaizen result in new billing record

The Tubarão Unit has achieved a new record in terms of invoiced orders: 2,108.8 tons*. This number is higher than the previous record of 2,040 tons, achieved in July 2010. "This excellent result was achieved thanks to the efforts of the entire Plant and to the last kaizen," explains Márcio Paes, supervisor of Packaging and Expediting.

Teams from Equipment, Standardization, and Flow participated in the kaizen. The kaizen contributed towards the strategy related to increasing services, billings and loading of palletized cargo in the covered area. In addition, the kaizen included the on-going effort to achieve zero incidents.

* the volume is measured in tons.



● Tubarão Plant (on the side) achieves outstanding record which resulted from kaizens and training programs (above)

● 45th Geology Congress

Alcoa participates in congress in Pará by giving a lecture on Sustainability

The Brazilian Geology Society's 45th Geology Congress held in the city of Belém brought together professionals and companies from the mining industry. The congress, Latin America's biggest mining industry forum, was attended by representatives from Alcoa.

In addition to sponsoring the congress, Alcoa had a booth at which it displayed the challenges of the Juruti Mine, the lithology log of the bauxite found in the region, and the steps that comprise processing and shipping. "The meeting of the companies from the mining industry, the presence of researchers who presented their papers, and the attendance by students from all over Brazil was very



● Nemércio Nogueira (in the middle) lectured on Sustainability in Juruti

important," says Ana Celeste Franco, manager of Government Relations of Alcoa in Belém.

Nemércio Nogueira, director of Corporate Matters, gave a lecture on "Sustentabilidade

como valor maior" (Sustainability as a major value). He referred to the Projeto Juruti Sustentável project and to the Juruti Mine as models of Sustainability.

● Infra structure

TCS support improves IT processes

The TCS-Tata Consultancy Services support has been officially implemented since October. TCS is a global infrastructure service provider for Alcoa in Brazil. This is a new service rendering model that is aligned with IT's and Alcoa's global strategy. The objective is to standardize processes, improve productivity, leverage customer services for all users, and reduce the Company's costs. The transition from the previous support services to TCS was concluded in two months. The company had already been providing services to Alcoa in the United States, Europe, and Australia.

● Serra de São Domingos

Members of fire brigade give example of citizenship spirit and combat fire in Poços de Caldas

The Serra de São Domingos mountain range, one of the most beautiful landscapes of Poços de Caldas, is a protected Atlantic Rain Forest area. Recently, several outbreaks of fire were spotted and spread through the hills because of the dry climate and low humidity. Responding to a request for help, the Alcoa Unit in Poços de Caldas promptly organized a fire brigade, comprised of Alcoans Paulo Roberto Luciano, Herivelto do Carmo, Hudson Figueiredo de Menezes, Claudemir Antônio dos Reis, Juliano Sette Ferreira, Patrocínio Ridofoi Freitas, Edmilson Paula Fernandes and Gervásio da Silva. The team also included Lourenço Ribeiro, electric instrumentation technician from the Refinery's Maintenance Department. The group did a great job helping put out the fires.



● Fire Brigade: their work helped preserve one of the most beautiful landscapes of Poços de Caldas.

● Juruti

State Secretariat of the Environment renews licenses

The environmental licenses for the mining and processing activities, port facilities and railway of the Juruti Bauxite Mine were renewed and will remain in effect for two years, until September 2012. This renewal confirms the support of the State Secretariat of the Environment/SEMA to the mining operations at the site. "The licenses are basic requisites for the mine to continue operating. The renewal of the licenses by SEMA means that Alcoa is totally in compliance with the law," says José Carlos Danza, director of Mining of Alcoa Latin America and the Caribbean and interim general manager of Operations of the Juruti Bauxite Mine.

● STRATEGY

● Goals

Operating Plan represents leadership strategy

The Operating Plan was created to define financial and operating goals that will help the Company achieve its objectives in the next three years. This strategy is a basic process to guide the resources and initiatives of the Company in regard to Health, Safety, the Environment, Finances, Operations, and People.

The results of the plan are reviewed every month; concurrently, forecasts are made for the rest of the year. A weekly follow-up is conducted by Alcoa's global and regional leaders on financial results and projections.

The planning also includes the deployment of financial and non-financial objectives, the establishment of the main macroeconomic and business premises, the main global guidelines, scheduling, reporting, and monitoring requirements, preparation of the Company's detailed annual budget, and the analysis, review and final approval by the Company's regional and global leaders.

Alcoa's three strategic priorities

PROFITABLE GROWTH
in each line of business



Business Plans that define:

- Aspirations for the next three years
- Leveraging of Priorities
- Responsibilities

ALCOA ADVANTAGES
Creating value for all businesses



EXECUTION WITH DISCIPLINE in all the activities



Step Implementation Methodology Steps aimed at the tight management of ideas, at the generation of ideas and their transformation into revenues

● Exchange

Alumar brings together aluminum specialists for the first time

At the initiative and invitation of Alumar, specialists Barry Welsh (New Zealand), Halvor Kvande (Norway), Alton Trbareanix, Gary Tarcy, Stephen Lindsay (Alcoa Inc.), Pablo Navarro (Aluar, Argentina) and Dagoberto Severo (PCE Consultant, Brazil) – all of them members of The Minerals, Metals & Materials Society (TMS) – came to Brazil to give courses and lectures to engineers from the aluminum sector.

The objective of the event was to promote the exchange of experiences and train current and future professionals in this field. In addition, the latest technological innovations implemented in the primary aluminum production process were presented. "The fact that these highly qualified professionals shared their knowledge and experience with the employees was a unique opportunity," says Nilson Ferraz, director of Alumar.

According to Hélio Truci, regional manager of Strategic Planning for Smelting and Primary Production of Latin America, "10 to 15 years would be necessary to have access to this knowledge by institutional means."

The event was attended by approximately 60 people, including



employees of Brazilian and international companies from the industry, 22 engineers from Alumar and three engineers from the Poços de Caldas Plant. The event was also attended by employees of the Companhia Brasileira de Alumínio, as well as by professionals from Argentina, Germany, India and Canada.

● QBR-Quarterly Business Review

Event brings together leaders to discuss initiatives

The QBR-Quarterly Business Review is held every three months in New York, USA. Meetings are held to discuss the performance of the Company's global businesses and establish the related guidelines. Global leaders spend one week discussing each of the three business groups, as follows: GPP-Global Primary Products, FRP-Flat Rolled Products and EPS-Engineered Products and Solutions. The performance and initiatives of the three groups, as well as the actions in course, results of growth projects, and the three-year strategies, referred to as the "3-year Business Programs" are evaluated according to the Step Implementation Methodology. The event is attended by global leaders such as Klaus Kleinfeld, CEO of Alcoa Inc.; Chris Ayers, COO of GPP, John Thuestad, global president of GPP; Franklin L. Feder, CEO of Alcoa Latin America and the Caribbean, among others.

● PRODUCTION

● Poços de Caldas

Total reconnection of Line 1 is an outstanding achievement in the history of Smelting

After nine incident-free months, the Lining and Pot Room teams concluded the reconnection process of the 96 Pots of Line 1. This was an outstanding achievement in the history of Smelting. "This result stems from adequate planning that was strictly complied with, as well as from the team's huge effort, coupled with the commitment of all employees and leaders of the areas that participated in the reconnection," says Júlio Costa, manager of Smelting. "I would like to thank the entire team for working in a highly motivated, integrated manner," he adds.

In the opinion of Affonso Bizon, manager of Operations, the reconnection of Line 1 has a special meaning. "I started working in the Pot Room on Line 1 more than 10 years ago," he explains. "I'm well acquainted with this team's commitment and I can assure you that the team's success is no surprise; it is the result of the work of a totally committed and hard-working team, which once again knew how to make a difference," he adds.



● Teams from Lining and Pot Rooms: commitment and determination which made the difference in the reconnection of the Pots

● PRODUCTION

● Effort and efficiency

Production at Washing Plant of Juruti beats record

The Washing Plant washes and classifies the bauxite that comes from the mine so that the product achieves the desired specificity. With the objective of increasing this plant's production numbers, several professionals made an effort to present more efficient results which, in turn, generated a new production record.

The achievement of this result, however, entailed executing several activities such as: homogenizing the crushed ore stacks and dividing them to avoid crushing downtime because of lack of space; creating a kaizen team (comprised of eight employees); standardization of activities

● *The effort of Washing Plant employees resulted in three production records achieved in the third quarter*

and implementation of the Daily Management System (DMS); implementation of water balance to ensure the necessary amount of water for the washing plant; improvement of the equipment's physical availability; establishing production pace at 3.3 million tons a year.

"The leaders were also totally engaged during the startup (team work on mining and production during the last three months, specifically with focus on clients), the results of which were three production records achieved in the third quarter of 2010," says João Bayma, director of ABS and Primary Products of Alcoa.



Edson Queiroz

● The Washing Plant, which washes and classifies the bauxite that comes from the mine, achieved record production in the third quarter of 2010

● Production of 530 tons

Tubarão's Anodizing Team achieves outstanding production

The Anodizing Team of the Tubarão Unit, comprised of 110 employees, achieved an astonishing production volume of 530 tons. Ever since the Unit's startup in 2001, the highest production volume had come to 473 tons, achieved in February 2007. In the opinion of Cleber Rodrigues, supervisor of Anodizing, "this record reflects the engagement and commitment of the entire Anodizing team, which is taking advantage of the fact that the anodized products market is on an upswing."

Anodizing is an electrolytic process of coating aluminum by anodic treatment resulting in a thin film of aluminum oxide on the surface of the aluminum that preserves all of the metal's properties.



● Dropout undergoing anodizing process

● Utinga

3300 Press has lowest breakdown index ever

Ensuring that the equipment is incident-free and running properly without unexpected downtimes is one of the Maintenance sector's goals. At Utinga, for example, the indicators of the 3300 Press registered only three breakdowns and 0.45% of operating unavailability per maintenance downtime in the month of September, the highest score registered so far. "This result helped the Plant increase the availability, global efficiency, and service index of the Press," says Emerson Nascimento, maintenance supervisor.

According to the supervisor, this press has shown consistently good performance in the course of the last three years. "The TPM methodology has been applied efficiently, providing returns that are process-efficient and changing



the behavior of the collaborators, who have shown that they have commitment, responsibility, and a sense of ownership. The collaborators help us identify failures before they actually happen. The most outstanding characteristic of this partnership is the synergy of the maintenance and operations teams," says Emerson.

● Jamalco

Storage of dry residue will increase service life of the RSAs



● Jamalco's residue storage area is environmentally friendly

Waste management at Jamalco is conducted with dedication and entails dry residue storage, which allows more sludge to accumulate, thus increasing the overall percentage of solid matter in the residue. "The use of dry residue stacking will increase the service life of the RSAs 3 and 4 by two years," says Andrews Anderson, manager of project engineering.

The project to convert

Residue Storage Areas/RSAs 3 and 4 from humid storage to dry storage has already begun and is expected to be concluded within 18 to 24 months. "The conversion is crucial for Jamalco's waste management system," explains Ray Williams, Project Manager. Water storage will be limited through the creation of an area that will drain rainwater and lake water to a perimeter sector. This sector will be separated

from the dry residue storage area by an internal dike or a dike with steps, while water will continue flowing to the drain-through gravity - down to the area which we are building to the south of RSAs 3 and 4," he adds.

The project currently employs 60 to 80 people, and an additional people will be hired to work at peak times. Employees include equipment operators, welders, plumbers and unskilled workers.

● PEOPLE

● Brazil, Jamaica and Surinam

Encontro de Notáveis event has simultaneous transmission

Encontro de Notáveis, a lecture series by prominent people from Brazilian society, was launched in 2010. The speakers come from many different professional fields and include Alcoa leaders.

The second Encontro, held in September 2010, included a lecture by Adalberto Veríssimo, a renowned researcher from Imazon. He is an agronomist and has a post-graduate degree in ecology. Veríssimo's lecture, "Desenvolvimento das Florestas nos Neotrópicos: lições, desafios e oportunidades" focused on the lessons, challenges and opportunities of the development of forests in the neo-tropics. The lecture was transmitted simultaneously to 90 participants from Brazil, Jamaica and Surinam. Ricardo Sayão, director of Energy, gave the opening speech, while João Batista Menezes, director of HSE&S of Alcoa Latin America and the Caribbean, gave the closing speech.



● Adalberto Veríssimo (in the middle) was the guest speaker at the second Encontro de Notáveis event.

● Compensation Workshop

Alcoa explains total compensation strategy to managers

Issues related to compensation – the policy, strategies and practices – usually need to be clarified to managers and employees. Alcoa understands this difficulty and constantly clarifies and openly discusses compensation-related issues with leaders so that the leaders can explain compensation concepts and actions to their work teams.

To this end, the Company held workshops on the topic of Compensation. All the leaders of Juruti, Itapissuma, Tubarão, Utinga and Poços de Caldas attended the workshop. The strategy was developed to align it with the Company's Vision and Values, as well as with the objectives, business strategies, people management processes, and best market practices.

"We are clarifying the issue by holding these chats with the managers who, from now onwards, will feel better prepared and more comfortable in terms of decision-making processes. During the discussions, it became clear that the total compensation policy – the salaries and benefits provided by Alcoa – is quite competitive in comparison to the market," explains Rose Yonamine, Corporate Compensation and Benefits manager.

The workshop is a special feature of the business, because compensation strategies and practices are critical factors in the policy of attracting and retaining talented people. Access your Total Compensation Statement which is available on the RH.Com.Você portal to check all the components of your compensation.

● Shared Services Study Groups

Big companies discuss best practices related to Communication

Representatives from companies that participate in the GESC-Grupo de Estudos em Serviços Compartilhados (Shared Services Study Group), a sub-group of HR, met in the city of Itajaí, State of Santa Catarina. The meeting was attended by people from approximately 15 Brazilian and multinational corporations that have shared services centers and that seek to identify the best practices in the implemented processes.

Alcoa was represented by Témis Filogônio, from GBS HR and by Cris Gonçalves, who heads internal communication of the GBS.



● Members of the GESC-RH met with 15 companies

They presented the organizational structure of the area, the media, projects, and initiatives. Fiat Services and Nestlé joined Alcoa at the meeting and also presented their best practices. The meeting was hosted by Brasil Foods.

● Graduation

Partnership between Alumar and SENAI trains new group of young apprentices

The Jovem Aprendiz program, a partnership between Alumar and SENAI-Serviço Nacional de Aprendizagem Industrial, organized the graduation ceremony of 29 youngsters. The one-year program gave students the opportunity to work as apprentices in the operating area of Smelting. The students had practical and theoretical classes on technical and behavioral skills.



"This is a very rewarding moment for me, because I know that my son is now much better qualified and prepared to enter the labor market, thanks to the opportunity that Alumar gave him," said Raimunda Abreu, the mother of Matheus Yuri, one of the program participants.

The objective of the program is to promote social inclusion, contribute towards development, capacity building, and income generation, and prepare participants for future job opportunities at Alumar or in the local and national labor market.

● Integration

GBS trainees present projects to leaders

The Unit created the RH Tem Pauta Jr. program with the objective of integrating the group of trainees into the GBS environment, and clarify doubts and procedures. As part of the program, the students were asked to prepare and present projects to the leaders of the areas participating in the program.

The trainees were divided into groups to work on the activities. They researched GBS sectors that were different from the ones they were working at. The objective was to broaden the trainees' know-



● GBS leaders and trainees get together to show the work done by the trainees

ledge of other activities, and of the vision and structure of the GBS. In addition, the trainees were able to show their talents. Their projects and the banners were displayed at the Unit.

● PRODUCTS

● Launches

Alcoa shows innovation and technology at FESQUA 2010

Alcoa's new line of aluminum louvers for building facades was launched at the FESQUA 2010-VIII Feira Internacional de Esquadrias, Ferragens e Componentes international trade fair held in São Paulo. The aluminum louvers help keep out direct sunshine on buildings and are appropriate to control

energy and reduce illumination and air conditioning costs, and, as such, are an important element of sustainable architectural designs.

The Company also displayed its other product lines and focused on such issues as Sustainability, Technology, Safety, and Compliance. "We intend to announce other environ-

mentally sustainable products for the door and window frame segment," says Octávio Campolongo, Alcoa's manager of the Civil Construction Market.

"FESQUA was undoubtedly a great venue to highlight our company's varied lines of products," adds Octávio.



● Alcoa's booth with the company's product lines at FESQUA 2010



● SAE Fair

Alcoa's Spaceframe will equip Brazil's first super sports car

At SAE, a major Technology and Mobility trade fair held in São Paulo, Alcoa displayed the space frame that will equip the Vorax, Brazil's first super sports car. The lightweight vehicle is equipped with the latest automobile technology innovations, extruded aluminum profiles, and welded aluminum parts, which will provide better performance, impact absorption and a modern design.

In addition to the spaceframe, other transportation-related technologies and solutions were displayed at Alcoa's booth, such as a mini car body made from aluminum for the transportation of cut sugar cane, forged aluminum wheels for trucks and buses, and forged aluminum wheels especially designed for Harley Davidson motorcycles.

● Eco-friendly profile

Eco-friendly profile is the novelty in terms of environmental responsibility

Sustainability is becoming increasingly important in the civil construction industry. To this end, Alcoa has developed a line of eco-friendly profiles, in line with its environmental concerns and with the objective of meeting the needs of this market niche. The objective of developing this line is to help construction companies obtain environmental certifications for their property developments referred to as green buildings.

Aluminum can be recycled infinitely wit-



hout losing any of its characteristics.

Therefore, aluminum can help score points for any building that is undergoing an environmental certification process. "This is something special that we can offer to our clients. We want to provide a controlled process, which ensures that the product is produced with at least 80% recycled material which can be accurately tracked and certified," explains Octávio Denser Campolongo, Planning and Marketing manager.

● The objective of the eco-friendly profile is to offer a controlled process, ensuring that Alcoa's aluminum profiles are made from recycled aluminum



● Exclusive Panels

Meeting with professionals shows new Reynobond coatings



● Team from Alcoa Architectural Products/USA and professionals specialized in providing advisory services to construction companies during meeting, held in São Paulo, on new Alcoa Reynobond coatings

Approximately 25 professionals specialized in providing advisory services to construction companies on coatings and frames for commercial and residential buildings attended a meeting at CENU to become acquainted with the new coatings of Alcoa's exclusive Reynobond panels. Participants included a team from Alcoa Architectural Products of the USA, Commercial Manager George Rosado, Marketing Manager Cyndi Rogers, and South America Commercial Joah Fussel.

The objective of the meeting, organized by the team that heads the Laminated Products

division, was to expand the knowledge acquired by these professionals and provide a higher number of Reynobond panel specifications for major construction works in Brazil.

"The event was a success and clarified the technical differences of Alcoa's products in comparison to the products of our competitors," says Cynthia Pires, of Alcoa's Laminated Products Area.

Reynobond products are used all over the world for the coating of facades, furniture, signaling systems, corporate identification systems and many other applications.