

● **Alumar**

Refinery produces its first kilogram of alumina

Test success increases expectations for the opening of the largest Refinery expansion project in the world.

● Page 12



● **Mining**

Bauxite from the Juruti Mine arrives to São Luís

In this first phase of operations of the Juruti Mine, four more bauxite shipments will be sent to the Alumar Port.

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ALCOA LATIN AMERICA AND THE CARIBBEAN MONTHLY NEWSLETTER- NUMBER 90 - NOVEMBER, 2009

● **Integration**

Actions acknowledge diversity in the Company



The Units of Poços de Caldas, Utinga, Tubarão, Itapissuma and Juruti, aware of the importance of their commitment to Sustainability, conducted several activities in line with the Company's plans and strategies in order to acknowledge and reinforce diversity in the work environment.

● Page 3

● **Poços de Caldas**

Safety Record achieved in all four production units

Mining, Refinery, Smelter and Powder Aluminum Plant, the four integrated production units in Poços de Caldas, achieved the historical landmark of one year without any recordable incident.

● Page 5



OUR PEOPLE

● Editorial

Integrating the differences



FRANKLIN L. FEDER

CEO of Alcoa Latin America and the Caribbean

When the subject is diversity, we can still find prejudices in the market. This matter is even more controversial at a time when companies discuss hiring professionals that belong to population minorities. At Alcoa this is not only a legal obligation. It is a commitment to the acknowledgement of the differences between people that make up society at large and an initiative created out of respect for the communities where we operate, thus legitimating our responsible behavior. That is why, in addition to simply hiring challenged people, for instance, we encourage the Units to promote a closer relationship with the internal public, in order to create a pleasant and legitimate environment, in terms of equality. And this is what they have been doing. Based on continuous actions and sharing of experiences, the Diversity Appreciation Program has proven effective and crucial. Based on this Program, each Location has conducted its own activities, thus making a difference. The activities comprised speeches, art presentation, exhibitions, workshops, round tables and even a fashion show.

"It is a commitment to appreciate the differences and an initiative created out of respect for the communities where we operate".

As our HR director, Silvia Dias, says: "we are different in our backgrounds, experiences and origins and this is what generates continuous learning. Therefore, daily appreciation of all differences is in line with the plans and strategies that we created for the Company".

We can already see that the experiences provided by the theme are strengthening the development of leaders and teams open to innovation and to quality interactions with all stakeholders. This is key for a company in a market undergoing a fast and deep changing process.

This 90th issue of People In Action also presents two important pieces of news regarding Expansion Projects: the first bauxite shipment from Juruti and the first kilogram of alumina produced by Alumar with this ore. These two facts are directly connected and make us enormously proud, since they represent the realization of two very important stages of Alcoa's history in Brazil.

We are always working, through our production, social or inclusive performance, to contribute for our own sustainable development and for the sustainable development of the regions where we operate as well.

Enjoy your reading!



Number 90
November 2009
English Edition



Published by
Alcoa Alumínio S.A.
Corporate Matters
Department

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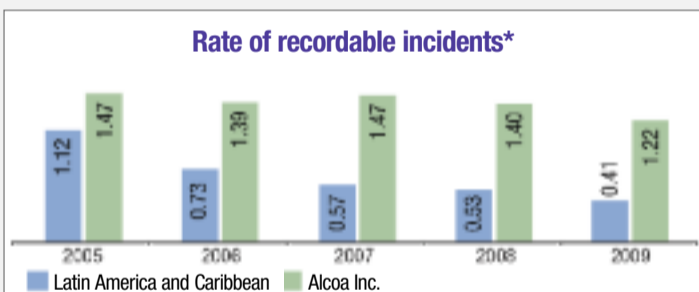
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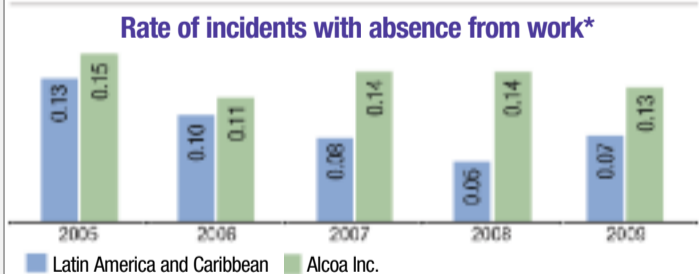
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Safety Performance

Incident frequency rate until October (AEES data are not included)



* Number of recordable incidents at every 200 thousand hours of work (approximately 100 employees working during one year)



* Number of incidents resulting in one or more days of absence from work at every 200 thousand hours of work (approximately 100 employees working during one year)

Testimonial

Rafael Boaventura

Position: Production Control Planning (PCP) Supervisor
Unit: Utinga
Time with Alcoa: 24 years



I started at the old São Caetano do Sul plant and, as I became more knowledgeable, – either learning on-the-job or by means of courses – I began growing in the Company, that was always very supportive to me. I am very proud of working at Alcoa, because it is an ethical company that exercises Sustainability and is very much concerned with its employees' safety and with the well being of the communities where it operates. That is why I love my job, I cultivate friendship with all people, value the freedom we have to execute our activities and strive to use all opportunities for professional growth.

People that make History

Tribute to coworkers that contribute to Alcoa's development.



JAIR MACHADO DA SILVA
UTINGA



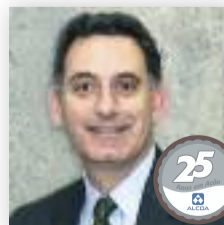
DOMINGOS AUGUSTO FARIAS
ALUMAR



JACQUELINE CAMPOS ALVES COSTA
ALUMAR

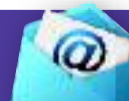


SERGIO SANTOS DOS REIS
ALUMAR



CARLOS EDUARDO MAHFUZ
CENU

Talk to Us



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

● DIVERSITY

● Integration

Program encourages appreciation of diversity

“I think that Alcoa’s work in the diversity appreciation area is one of the most important efforts for the Country. The Company has innovated by encouraging its units to create spaces for effective dialogue with community organizations, in its direct or indirect relationship network”, emphasized Reinaldo Bulgarelli, educator, consultant and author of the book *Diversos Somos Todos*. (We are all Diverse). This statement is reinforced by the important actions recently conducted in the units of Juruti, Itapissuma, Poços de Caldas, Tubarão and Utinga, as part of Alcoa’s Diversity Appreciation Program.

In Poços de Caldas (Plant and GBS), stylists and seven models presented a different fashion show: the Inclusion Fashion Day that showed apparel to meet the needs of challenged people. This initiative was just one among 20 other activities, such as lectures, workshops, exhibitions, round tables and artistic shows that were part of the I Diversity Month at the Units.

Juruti is also a very active unit. A few months ago it hired challenged people and started a process of mapping out the Jobs and sensitization of all employees.

Itapissuma, on its turn, conducted the II Diversity Week, that included actions of awa-

reness, explanation and commitment. Consultant Marta Gil, from the Amanakay Institute, and Alcoa’s Labor and Union Relations Committee contributed for the discussion on the advantages of an environment that values diversity. Workfronts established joint actions for the continuous progress of this subject and for dialogue with the stakeholders. The event showed music and dance by the students of CERVAC, an institution that cares for physically and mentally challenged people, in addition to the theater play “Prejudice, no way!”.

● *The Company has innovated by encouraging its units to create spaces for effective dialogue*

Tubarão and Utinga units celebrated the National Day of Challenged People – on September 21st. Tubarão had an exhibition of artworks made by the institution “Centro de Educação Vida e Arte” – that helps 54 challenged people – and Utinga offered a presentation by Steven Dubner, one of the founders of ADD-Associação Desportiva para Deficientes (Sports Association for Challenged People), on how to overcome challenges, work in teams and value life, attended by 100% of the employees.

“The daily appreciation of all differences is in line with the plans and strategies we created for the Company”, defined Sílvia Dias, HR director – Alcoa Latin America and the Caribbean.



● GBS - Poços de Caldas



● Itapissuma



● Utinga



● Tubarão

● LABOR RELATIONS

● People

Events strengthen dialogue in laborrelations



Paola Bello/ IOS



José Paulo Lacerda

● Marcelo Lomelino (to the left.) speaks at the 9th. International Conference on Union Research and Action and attends the Seminar on Labor Relations Trends (to the right)

Alcoa attended two important events that strengthened social dialogue actions in labor relations. The first, in São Paulo, was the 9th. International Conference on Union Research and Actions, organized by IOS-Instituto Observatório Social; and the other, in Brasília, was the 2nd. Seminar on Labor Relations Trends in Brazil, organized by CNI - National Industry Confederation.

At the IOS event, the key subject was “Social Dialogue in Times of Crises”, that had the contribution of Marcelo Lomelino, the company’s Labor Relations manager. “Dialogue, for those who used it only during periods of crisis, was opportunistic. Dialogue is something that lasts forever. One cannot establish credibility overnight. Dialogue only during crises will not bear fruit”, he said.

At CNI’s event, Lomelino emphasized three points that strengthen the social dialogue between entities during collective bargaining negotiations: “first comes the awareness that dialogue is crucial, and then, we have to define, from the corporate viewpoint, what are labor relations and

what labor relations model we want to follow. Third, comes the willingness of the company and of other parties to establish an open and permanent dialogue”, he stated.

Labor Relations Model

Attended by representatives of HR, Operations, Sustainability, Finance and Legal Departments, the CoE RT-Alcoa’s Labor and Union Relations Committee meets from time to time to establish a new Labor Relations model for the Company.

The HR team of the Poços de Caldas Unit and GBS had their first conceptual training applied by CoE RT, when they were introduced to basic concepts of Labor Relations, principles of negotiation, Brazilian union/labor model and some cases, as well as practical examples of Alcoa’s experience in the subject. The idea is to apply modules of this training program in all of the Company’s units.

● VISITS AND EVENTS

1 Entrepreneurs from Alumínio & Cia. visit Alumar



The Alumínio & Cia. Chain store owners from the North and Northeast regions used the opportunity of their semestral meeting in São Luis to visit Alumar's facilities. The goal was for the team to learn about all stages of bauxite transformation into aluminum. The visit surpassed the group's expectations, and they reported their enormous satisfaction in Alumar's commitment to the business.

1 Global Benefits Group meets in São Luís

Under the leadership of director Peter Nicklin (*center, in the photo*) Alcoa's global Compensation & Benefits group, made up of corporate managers or technicians from the Compensation and Benefits area, met at Alumar to discuss possible improvements in the policies and practices of each region. In addition to the technical schedule, the group learned about Alumar's organizational structure, its major actions and local HR programs, and visited all Plant facilities.



São Luís 1

Belo Horizonte 2

Poços de Caldas 3

São Paulo 4

Tubarão 5

3 38 EDP employees visit ABS in Poços de Caldas

Diretors, superintendents, managers and analysts from various areas of EDP-Energias de Portugal (Portugal Energies), a multinational company that performs generation, distribution and sales of electrical power, visited the Shared Services Center (GBS) to learn about the application of ABS and its best practices. The 14 executives had the opportunity to learn about the concepts and tools of Alcoa's Business System, covering the Finance, Accounting, HR, HSE, and Procurement Departments, to help them implement a similar tool at EDP.



4 CTCOM and CEBEDS discuss Communications and Sustainability Guide

Members of CTCOM-Communications Chamber and of CEBEDS-Brazilian Corporate Council for Sustainable Development – met at CENU, in São Paulo, to adjust the details for the launching of the Communications and Sustainability Guide. In addition, they also reviewed the Planning for 2010—CEBEDS in the Academia, Dialogue with Journalists, 2010 Meeting Cycle and other subjects.

5 Tubarão invests in the education of internal auditors



The Tubarão Unit conducted a training program for new internal auditors, addressed to 21 employees from various areas. The goal was to prepare location professionals to assess the requirements and demands of ISO 14.001 and OHSAS 18.001 standards, using auditing simulations.

The training took 24 work hours and was conducted by Verde Gaia, a benchmarking company throughout Brazil in the segment of consulting in Corporate Management and Sustainability.

2 Participation in the Brazilian Mining Conference



During four days, approximately 43 thousand people participated in the 13th. Brazilian Mining Conference, in Belo Horizonte. Nemércio Nogueira, Corporate Matters director for Alcoa Latin America and the Caribbean, was one of the speakers and lectured on "Sustainability as a Major Value".

The Conference was held simultaneously with EXPOSIBRAM-International Mining Exhibition, whose purpose was to establish a dialogue among the various industries that are part of the mining production chain.

● HSE

● One year without recordable incidents

Poços de Caldas reaches historical record in safety

With four integrated production Units – Mining, Refinery, Smelter and Powder Aluminum Plant - Poços de Caldas is one of the Locations whose challenges are always intense and grandiose. Therefore, when it reached, recently, the historical landmark of one year without recordable incidents, the entire Plant and its Units celebrated with joy and pride.

“This achievement shows the maturity and level of commitment of all in operating safely, looking not only for one’s own well-being and safety, but also the same for all coworkers” says João Batista Menezes, Operations Manager. In his opinion, one of the merits of this record was the unanimity in using the “next hour without incidents” system, which consists on focusing always on the next instant of the day. “If we continue with the goal of planning for the next hour, we will certainly remain one more day, one more week, one more year and one more decade without incidents”, he forecasts.

The celebration of the important achievement started with DDSs-Daily Dialogues on Safety, at the Smelter, with banners and posters on the subject, production of a video with testimonials of employees and of leaders, and a relaxed luncheon. “This is the result of teamwork and of the union of all of us”, rejoices Marciel da Silveira, Potroom operator (Smelter).



● DDS joined the Smelter’s Maintenance teams



● Electrodes team has already completed five years without incidents



● Potroom team representatives



● Ingot casting team representatives

● GBS



● The Fatality Prevention Committee is formed by one representative of each GBS area

Zero incident is the goal of the Fatality Prevention Committee

With one member from each GBS area, the recently formed Fatality Prevention Committee has the objective of maintaining an incident-free environment in the Unit. The team, that acts on the prevention of fatalities and on the dissemination of actions and information about the subject, is formed by: André Carlos (HSE), Marcelo Pansan (Finance), Francisco Machado (Committee coordinator), Lincon Salatiel (Acquisition & Logistics), Benedito Cavalcante (IS&C-Information Security



ty & Compliance/ABS), Juliana Lima (HR), André Martins (Plant), Naira Araújo (Leadership), and Alessandro Dalcim (IS-Information Services).

The Committee is preparing a survey to map out the main routes used by the employees and learn about their risk perception. The major risks at GBS today are incidents in the route and in traffic, in general.

“The proposal is to work continuously in identifying, evaluating and controlling fatality risks, in order to keep GBS in the “Zero is possible” challenge, stresses Francisco Machado, group coordinator.

● Poços de Caldas

PARE Program reaches its 8th anniversary with good results

In eight years of existence the PARE-Program for Support and Recovery of Employees, held at the Poços de Caldas unit, showed its efficacy in helping improve the quality of life of employees and their families. Until now, over 160 people were helped, out of which 75% were smokers. Out of this number 60% were employees and 40% their family members. The remaining 25% went through the chemical addiction treatment program, and most of them were employees. The treatment success rate is above 70%. PARE has a permanent multidisciplinary team, consisting of a social worker, psychologist, and psychiatrist, trained by experts to treat addicts. “Group meetings create a high synergy to encourage participants in their decision-making. Lectures and



● Ecidir Loro, participant in the PARE Program in Poços de Caldas

testimonials of each member are also an important contribution to encourage engagement” explained Ecidir Loro, participant in the Program.

● Alumar

Employees reflect on Safety

Nilson Souza, vice-president of Primary Products - Alcoa Latin America and the Caribbean, attended the Safety Meeting, held at Alumar. The meeting had the participation of the Unit’s leadership, representatives of the CIPA-Internal Accident Prevention Committee and hourly-paid employees from various areas.

“It was an extremely important meeting, since it aligned the top management communications process with the tactic leadership, and also allowed for a more direct discussion on what is thought about Safety and how this value is being conducted by the Plant”, emphasized Mário Filho, Electrodes Maintenance supervisor

BEST PRACTICES

DI- Implementation Steps

Global DI leadership praises system in the Region

A sound integration of ABS and Operations, especially because the best operators are chosen as ABS coordinators, as part of the growth process in their careers. This was one of the comments made by Matthias Obermayer, vice-president of APO-Alcoa Program Office, from New York and by Daina Olesen, Corporate Implementation of DI-Implementation Steps, about the system in the Company's Units in Brazil. Matthias is the top executive for the DI Process, after Klaus Kleinfeld, Alcoa's CEO while Daina is a widely recognized professional for her broad knowledge of the system.

They visited the Alumar and Poços de Caldas plants to discuss how to increase the number of new ideas on DI how to involve the operational areas – and the operators – in the system, in a more effective way. At CENU, with the presence of the entire corporate management, the executives also exchanged information on the DI governance process in the Region.

In the opinion of Hélio Truci, Strategic Planning regional manager, the most important aspect of the visit was the alignment of the language with the APO- New York management that praised the DI system management in the Region. "The visitors were really impressed with the level of understanding and the participation of people engaged in the process, with emphasis on the relationship between DI and ABS in the Region", he commented.



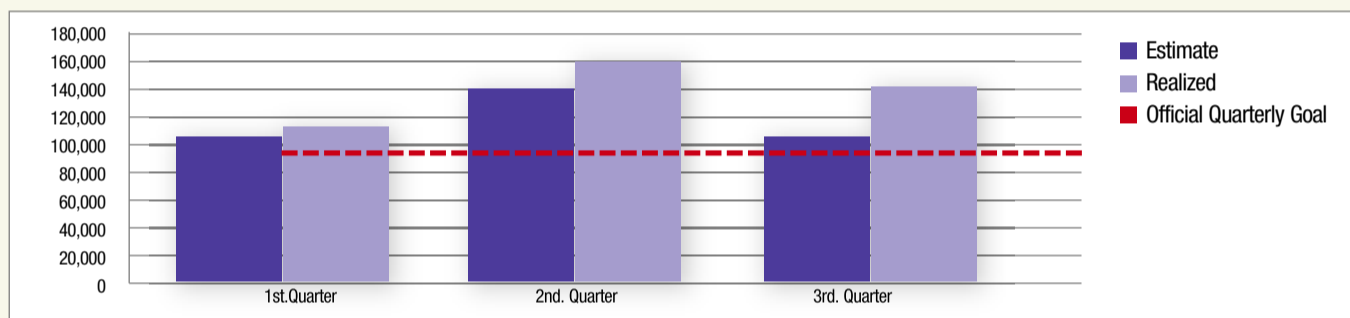
Poços de Caldas



Alumar

Quarterly evolution in 2009 - Estimate x Realized

Status of DIs in Latin America and the Caribbean in the first three quarters of 2009 (almost US\$ 40 million above the official annual goal in the three quarters)



Focus Plant



Jamalco professionals during the Focus Plant

Jamalco conducts event to improve production processes

Increase the Company's efficiency and production rates. This was the goal that led Jamalco to conduct the Focus Plant event, with the theme "Extraction, Recovery and Discharge Ratio". During ten days, 34 professionals from the areas of Operations, Technical, Maintenance and ABS from various units analyzed and compared their current situation based on the use of best practices. According with Leighton Forsythe, Jamalco's ABS superintendent, the Focus Plant event was very valuable, with the presence of these professionals, experts in specific aspects of alumina production

assessment. "Based on these observations, guided by the Company's key requirements, we will be able to determine the best conditions for production processes", he explained.

Prior to the Focus Plant, Alcoa had already organized two events of the same type. The first, centered on heaters management, was conducted at the Alumar plant and contributed for improvements made in Jamalco's efforts to reduce the use of power. The second event, at Suralco, had the following themes: 'volume' and "Bayer concentration control".

Alumar

ABS coordinators training presents a Pioneer methodology

Alumar's ABS Coordinators Education Program for 2009 used a Pioneer methodology, developed by the ABS Department in partnership with CTA – alumar's Training Center.

The program's goal was to develop ABS coordinators to act as multipliers, using Andragogy (adult education studies) techniques, Learning and Communications. As part of the methodology, the participants had a self-learning phase, learning verification, and also, prepared and gave mini-classes.

The program's conclusion was a training

period at Alcoa University ABS, where each coordinator was responsible for one module. With this methodology, it was possible to approach ABS pedagogical themes as well as technical subjects, without the use of external resources, thus allowing for a stronger focus on the development of ABS improvement teams - ABS –EMABS, at this time of crisis.

"For me, it was very gratifying to participate in this program, because it prepared me to undertake new challenges", said Marinete Freitas, ABS coordinator- Refinery Laboratory.



ABS Coordinators from Alumar Refinery and Smelter, who attended the training program.

BEST PRACTICES

Extruded Products

Program intends to bring Alcoa closer to aluminum frames' users

The Extruded Products BU has been developing a Project that views to bringing Alcoa closer to the end user. Since five years ago, the Company has been working to integrate the production chain, first by creating the authorized stores of the Alumínio & Cia chain, to establish a differentiated quality level in the distribution of products and supply of services. Now, with the Frame Manufacturers Accreditation Program, Alcoa wants to ensure the quality of the end product, besides helping the manufacturers to be more competitive in the market and to be ready to meet the demands of construction companies.

The Accreditation Program includes three stages: the first, End Product Quality

Assurance, follows up the products' quality by checking the end product manufacturing and final installation processes; the second, e Business Competitiveness Increase, with the goal of eliminating wastes by implementing ABS concepts, and last, Shared Activities in the Market, that strives to join Alcoa's activities efforts, with those of the stores and frames' manufacturers, establishing standards for the use of the brand, presentations, commercial proposals and media plans for the advertising of products.

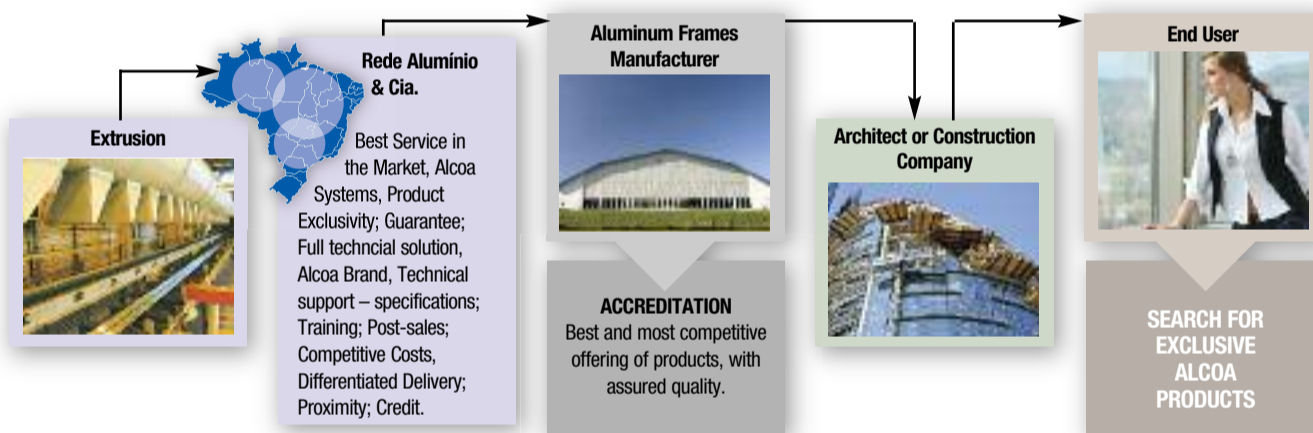
In the opinion of André Colletti, manager of the Alumínio & Cia Chain., this Manufacturers' Accreditation Program is only the beginning of a change that will cover the entire frames market. "The idea is to inte-

grate all stages, learning the end user needs and developing a chain that is perceived by the industry as the most competitive. With this program of continuous assessment of the shared activities in the market, we will be closer to the end user, that will have a better perception of Alcoa's products", he underlines.

The first sheet metal workers that implemented ABS concepts to adapt the layout of their plants recorded up to 35% increase in productivity. The Alumínio % Cia Chain is undergoing its implementation stage of the practices, and it is already showing improvement in its processes. The Chain has 30 stores today and is expected to have 50 stores by the end of 2010.

Market Vision and Strategy

Manufacturers' Accreditation is one of the stages of a continuous program of shared activities in the aluminum frames market.



Tetra Pak

Audit in Itapissuma highlights improvement in areas

Tetra Pak conducted an audit in Itapissuma in order to inspect the Quality, Product and Process Management System. The Plant was granted the score of 94,5. Polyana Santos, Tetra Pak's Quality Engineer, highlighted the progress in several areas, that reduced defects and improved performance, as found during the audit.



Quality Team



Polyana Santos and Fosa 3 operators

Improvement



Quality Leaders Team conducting rounds



Improvement group focused on reducing losses by fabrication splices

Foil Rolling achieves important progress in quality

The Rolled Products Business Unit presented, in the last quarter, a strong progress regarding quality indicators, related to the number of internal and external rejections. There were several reasons for the achievement of good results. Among them, the following: audits conducted, focused improvement groups, training programs, good manufacturing practices, quality rounds, the opening of the Quality Leader

Program, and the new management.

"With high importance in the market, Rolled Products has increased its daily production, always considering quality, even if the process is difficult and long. In search of even better figures, the Foil team people work with a focus, to continue with the same level of evolution", mentioned José Mario Aguiar Azevedo, from the Foil Rolling Area.

Poços de Caldas

Kaizen improves information flow at the Ingot Casting shop

Customer service, one of Alcoa's priorities, is always in continuous improvement process. In Poços de Caldas, the Ingot Casting area, (responsible for the final stage of manufacture), that ensures meeting the product's specifications and quality). Conducted a *kaizen*,

with the purpose of mapping all activities that impact on commercial relationships. It was a differentiated event, since it applied continuous improvement tools in activities that are not exclusively operational and that have direct influence on customer satisfaction. "Our goal is to increase more and more the synergy among the areas of Process, Commercial, and Applications Department, and to ensure the quality of services", emphasized Giovanni Gastaldi, Process engineer at the Ingot Casting facility and kaizen coordinator.



Information Flow Kaizen participants

The event was attended by the management of the area, of Process Engineering, Central ABS, Smelter, Applications & Development and Operations. An "Information Flow" was developed for each activity. It is a document created to standardize the activity, describing the sequence, people in charge, spreadsheet models for registration and response to customers, and links to file the work in a standardized manner" completed Gastaldi.

● SUSTAINABILITY

● Sustainable development



● Assessment of the FUNJUS projects in Juruti

The Board analyzes and selects FUNJUS projects in Juruti

FUNJUS-Sustainable Juruti Fund, launched by Alcoa and by FUNBIO-Brazilian Fund for Biodiversity is now analyzing projects that will be funded for promoting Juruti's sustainable development.. Carried out in a single stage along three days, the analysis is conducted by the FUNJUS Board, consisting of three organizations from the civil society, one representative of the local company, one from the government, one from the donor, and one from a local finance institution.

There are five stages in the selection process mentioned in the bidding announcement 01/2009. The first stage is the presentation of inquiry letters sent by civil society organizations and organized groups (even if informally organized), presenting the general Idea of the Project and reporting in general lines what you want to do to contribute for the development of the municipality. The following stage is the analysis of the inquiry letters, where the Fund Board meets and analyzes the merit of each proposed idea, selecting the organizations or

groups that will participate in the Project Elaboration Workshop and will have the opportunity of submitting their projects to the Fund. Then, the projects will be selected and, finally, the contract will be executed.

Alcoa's Participation

The Juruti Unit has a seat in the Fund Board, and therefore, it participates in the entire process as other organizations of the Board do, from the validation of the bidding announcement and documents with the criteria and procedures for the analysis, up to the participation in the assessment of the inquiry letters and of the projects. Additionally, in its role of donor, it provides "no-objection" to the projects selected by the Fund Board for funding.

The resources will be destined primarily to projects that include social, economic and environmental aspects, viewing to improve conditions and quality of life for the population in the municipality and in the region.

● Environment

Alcoa presents a complete inventory of GHG emissions

Twenty-two companies announced publicly their GHG emission reports. Ten of them presented their complete reports, among them, Alcoa, that is one of the 27 companies that founded the GHG-Greenhouse Gas Protocol Program in Brazil.

The emissions report is a similar to an X-Ray of a company, a group of companies, economic sector, city, state ou country, to determine the sources of Greenhouse Effect Gases in production activities and the amount of GHGs released into the atmosphere. This means the quantification and organization of data on emissions based on standards and protocols and the correct attribution of responsibility for these emissions to a business unit, company, country, or any other entity.

In the case of corporate inventory reports, these goals are achieved by the application of five basic steps: first, the operational and organizational limits of the inventory are defined; then there is the collection of the data related to the activities that result in GHG emissions; third, the emissions are computed; and fourth, some management strategies are adopted, such as increase of efficiency, carbon credit projects, introduction of new product lines and change of supplier, among others, last, the results are reported.

Marcia Bueno, Health, Safety and Environment manager tells that, among the various methodologies existing for conduc-

ting GHG inventories, Alcoa chose GHG Protocol because it is the most used tool worldwide in companies and governments to understand, quantify and manage

their emissions. "The five principles that are part of the GHG Protocol Corporate Standard and of the standard ISO 14064-1 – relevance, integrity, consistency, transparency and accuracy – are fully in

line with our "Values and Principles", emphasized Marcia. "The

preparation of this inventory in this year involved Environmental professionals from Brazilian Units", she added.

Results

Alcoa's emissions represent approximately 0.13% of the total GHG emissions in Brazil. As part of its Sustainability strategy, as early as 2003 the Company had already reduced by 33% its global emissions compared to 1990.

"The emissions inventory is Just the beginning of a job full of challenges, a continuous process that will allow the identification of the evolution of the efforts for mitigation and progressive improvement of these measures" explained Marcia Bueno. "By measuring and publicly announce their emissions, the few companies that do it, are positively differentiated from thousands of others, that are not aware of the volume they release, or do not disclose it", she remarked.



● Alcoa's inventory: emissions data based on international Standards and protocols

● HEALTH

● Medical article



Self-medication risks

Everytime one has a headache, a stomach problem, or even a hangover, there is always a "doctor on duty" to provide a "prescription", even if they have never studied medicine. Self medication is a risk that we are all subject to in these situations.

According with ABIFARMA-Pharmaceutical Industries Association, approximately 20 thousand people die per year in Brazil as a result of it. When one uses any medication, we have to keep in mind that, in addition to correct indication, there are counter-indications, and also side effects. Therefore, in order to know what medicine to take, the person needs a diagnosis, which only a physician is qualified to provide. Thus, the risk of self diagnosis is avoided.

Act against the received medical orientation, change the dosage prescribed by the doctor, and/or substitute medications are other forms of rather dangerous self-medication. Among the medicines most used without prescription (over 50% of usage) are the pain killers, antithermal, anti inflammation, and medicines for stomach aches and indigestion.

Medical guidance is also required in the case of phytotherapeutic medications, since they are not harmless.



● Dr. Eduardo Gulmini

Labor physician for 15 years, with expertise in the area of Health and Quality of Life Promotion. Chief of Alcoa's Occupational Health service (CENU/CENESP offices)

Recently, due to the H1N1 flu epidemics, ANVISA – The National Sanitary Surveillance Agency forbade temporarily the advertising of anti-flu medications, in an effort to prevent people from using self-medication that could disguise more serious situations of the disease.

Therefore, every time you face a serious case of illness, look for a physician you can trust. He/she is the only person able to establish an accurate diagnosis and provide the proper treatment, thus avoiding undesired side effects, and especially, reducing recovery.time.

● COMMUNITY RELATIONS

● Sustainable Development

Partnership makes feasible the Municipal Management Strategic Plan

Actions addressed to foster the socioeconomic development of Pinhal da Serra-RS have already been outlined. Thanks to a partnership between BAESA-Energética Barra Grande S.A., local authorities of the municipality, and Sebrae – Brazilian Service of Support to Small and Medium Size Companies, it was possible to create the Municipal Management Strategic Plan, that defines projects, objectives and goals so that the city will be able to reach, in the next four years, significant rates of Sustainability and development.

The Strategic Plan includes actions in social areas, such as health, education, basic sanitation, public safety, housing, social work and leisure, as well as in economic segments such as agriculture, trade, service supply, communications and energy. The document also emphasizes the strengths and



● Strategic Plan Cover: concretization of several socioeconomic actions in Pinhal da Serra-RS

points to be improved in Pinhal da Serra.

Some projects stand out, such as the restructuring and expansion of the Basic Health Unit in the municipality, implementation of the Technical School of Agriculture and cattle husbandry; access to the Internet by the population; creation of urban sewers collection and treatment system; construction of new houses; installation of agribusiness; strengthening of dairy activities; construction of a public market and of a municipal park.

Each defined project contains a detailed action plan, listing the activities, the respective people in charge and execution deadlines. The specific definition of each future step is one of the benefits of preparing a Strategic Plan, since the planning of actions is crucial to facilitate their execution.

● Entrepreneurship

BAESA launches public announcement to qualify planters in Pinhal da Serra



● Lisandra Fachinello (left), BAESA psychologist, delivers IT equipment to Maria Eva Moreira, as part of RDP- Regional Development Plan

A total of 617 enrollments were recorded for public announcement 01/2009, launched by BAESA-Energética Barra Grande S.A., to qualify farmers that will be part of the Pilot Project of Pinhal da Serra-RS. The goal is to quantify the number of farmers capable of receiving resources to develop entrepreneurial projects that will generate income for families, either individually or collectively. BAESA will

transfer R\$ 1 million for financial support to the farmers approved in the selection process, after analysis of the projects.

The announcement permits the registration of people in Pinhal da Serra that develop productive activities in the rural area, whose annual gross income is up to R\$ 110 thousand and that were not benefitted by previous BAESA programs.

● Poços de Caldas

Poços Unit launches newsletter addressed to the community

Poços de Caldas Unit launched the monthly newsletter "Alcoa em Comunidade", where the purpose is to strengthen even more the relationship and trust of stakeholders (relationship publics) through the dissemination of actions conducted by the Location, especially those connected to Sustainability.

Its first issue highlighted the safety record achieved by the Unit, the Municipal Sustainability Council and community projects.



● Jamalco

Project against sickle cell anemia is funded by Alcoa Foundation

The Manchester Project, funded by Alcoa Foundation through Jamalco, and helps to prevent sickle cell disease in the 13 high schools of Manchester and in the two of Clarendon, has reached its second year of activities. The Project was prepared by the Sickle Cell Trust and is expected to continue for five more years.



● RECOGNITION

● Maranhão

Alumar is recognized for job generation and for contracting local companies

Alumar received a tribute from CEM- (Construction and Metal Structures) and from CEMEC- (Maranhão Consortium of Mechanic, Electric and Construction Engineering), at the auditorium of FIEMA-Federation of the State of Maranhão Industries, in São Luís, for generating jobs and contracting local companies.

Nilson Ferraz (to the left), Alumar's director, received the medal from Maurício Macedo (to the right), Secretary of Industry and Commerce of Maranhão. "the market is prepared to meet efficiently the demands



● Nilson Ferraz receives medal from Maurício Macedo

from large projects such as the Alumar Refinery Expansion, in the state of Maranhão," stated Alumar's director.

● XI Award Minas – Corporate Performance 2008/09

Award recognizes Alcoa as Outstanding Company in Minas Gerais

Alcoa was one of the 71 companies recognized by the XI Minas Award – Corporate Performance 2008/09, in the category Best and Largest – Excellence Company in the state of Minas. The Company received the tribute in a ceremony at the Automóvel Clube de Minas Gerais, in Belo Horizonte. The ceremony was attended by political authorities, among them the ex-President of the Republic Itamar Franco and entrepreneurs of the state of Minas Gerais. "Receiving recognitions such as this is always a reason for enormous satisfaction", said Wagner Drey Gonçalves- Safety, Hygiene and Environment manager at the Poços de Caldas Unit and Alcoa's representative at the event.

Granted by the magazine "Mercado Comum", the Minas Award-Corporate Performance pays tribute to companies and institu-



● Wagner Drey- Safety, Hygiene and Environment manager at the Poços de Caldas Unit

tions that stand out in the state for their economic activities, operational performance and financial results. The choice complies with technical criteria, such as analyses of balance sheets, profit and loss statements, and management reports published by the companies in 2008.



MORE WITH LESS

GBS

GBS Suggestions Plan has its best year

All Units in the Region conduct the Suggestions Plan, a program that recognizes employees for ideas implemented to reduce costs, improve processes and increase productivity.

GBS adopted this program three years ago, but it was in the beginning of 2009 that the BU reinforced its Suggestions Plan with the participation of the More with Less Team. Thanks to this change, that permits a more detailed analysis by representatives of each GBS area. Three ideas that received maximum recognition from the program have already been implemented.

This change also permitted employees to interact with the More with Less team in the development of these ideas, bringing benefits for the GBS or for the Company as a whole, and optimizing the process.

Finally, recognition to employees is only



● Employees receive award for the Suggestions Plan and the manager Paulo Gonzales

granted after the idea is followed-up. "More with Less brought us the opportunity of reviewing the area's processes. The group "bought in" the idea and recommended us for the Plan, and we were granted the award", celebrated Sâmia Castro, from Accounts Payable and Márcia Domingues, from the Tax Department.

GBS Suggestions Plan

The ideas below were implemented after recommendation of More with Less for the Suggestions Plan and they have been the only ones to receive the maximum GBS recognition until now.

EMPLOYEES	AREAS	IMPLEMENTED IDEAS
Caroline Cúrcio de Almeida	Credit	Expenses with notary reduction project (45% reduction compared to Period prior to the project)
Sâmia Castro e Márcia Domingues	Accounts Payable/ Tax	Reduction of payment of INSS-National Social Security for due invoices (avoided cost of 75%, surpassing Savings expectations established in the Suggestions Plan)
Fabiana Bianuccci and Regiane de Freitas	Tax Dept	Reduction of fines and interests of ISS-Tax on Services - Juruti (avoided cost already reached 71.53%)

* All Alcoans can cooperate with the More with Less campaign. E-mail address to send suggestions for expense reduction is: SOA_MaisComMenos@alcoa.com.br

HIGHLIGHTS

Extruded Products

New furnaces provide quality and time gains

Improve quality. This was the major idea of the Itapissuma Plant leaders when they thought about replacing the Die Press 1650 furnaces. This happened because the previous furnaces did not ensure uniformity in heating tools,

causing oxidation. Also, average heating time was above standard time. "Steel tools shape the aluminum profiles and have to be heated to 450°C more or less 10°C. In this heating process, time and temperature variations are not desired", explained Mar-

celo Carneiro, Production manager – Extruded Products Division - Itapissuma. "With the new furnaces, we reduced problems related to surface finish and profile dimensioning, in addition to reducing heating time", he completed.



● Operator putting a tool in the furnace



● New furnaces' layout

GPE- Equipment Management Performance

Equipment management approach is expected to be implemented in all Refineries

The GPE-Equipment Management Performance tool, developed by Alumar, was recognized as a Best Practice by the community of Maintenance and Engineering Leading Team and there is already a global project to promote the implementation of this methodology in all Alcoa Refineries.

GPE is based on the use of a systematized process, by Maintenance Engineering, that ensures a better management of equipment related to the Refinery's connections and critical systems. This process is a combination of the daily work routine on the part of Reliability engineers, associated to an operational system

that captures automatically data related to the status of the pieces of equipment.

"With GPE, the Reliability engineer will have higher responsibility over the equipment in his/her area, since he/she will follow-up, daily, in a standardized form, the equipment status, in addition to reviewing and generating an action plan in case of failures", reports Karina Bottaro, electrical engineer. "In the past, as there was no computer system centralizing all the data related to failures in pieces of equipment, the engineer spent too much time collecting these data, and often times, failures went unacknowledged", she emphasized.

Processes

New Exchange System integrates the entire trade process

Financial GBS completed the implementation of "Câmbio-SYS", a system that supports the closing of exchange transactions and integrates the entire process of Imports & Exports of the Company's. "The tool, that replaced the SIT-Treasury System-, meets the compliance needs and the continuous legislation changes in the area", explained Sérgio Caldeira, Financial GBS superintendent. "With this, we gained productivity with the process automation, making it faster and safer", he added.

For the new system, the Financial GBS exchange area was divided in three parts, with the creation of the new Accounts Payable, International Accounts Received and Exchange Back Office. Together with Foreign Trade and Trade Compliance, these five areas will be responsible for monitoring all of the Company's processes.



Maintenance

AlumarRefinery improves and invests on new Predictive Maintenance techniques

Alumar Refinery has been improving in Predictive Maintenance (PdM), both in terms of monitoring and identification of defects and in inspection-based technologies.

The basic concept of this Maintenance segment consists of the detection of the numerous "warning" signals of a broken equipment, such as, for instance, a slight temperature, vibration or noise variation. The pieces of equipment break gradually, along a period of weeks or months, and PdM enables a pre-planned corrective intervention, before the equipment stops operating.

Studies show that the investment in PdM reduces maintenance costs by up to 50%, reduces sudden failures by up to 55% and increases average operational availability



● Alumar Predictive Maintenance Team

time by 30%. Alumar's goal is to achieve these levels with the acquisition of new technologies and more intensive use of already existing tools.

● MARKET

● IT-Information Technology

Alcoa is considered one of the most Hi-Tech companies in the Country

Alcoa is among the most Hi-Tech companies in Brazil, according with the magazine "Época Negócios", published by Globo Publishers. The survey, conducted for the first time, in partnership with the consulting firm Accenture, listed the Company in an outstanding position. In the general list of companies, that covers both domestic and international companies that operate in Brazil, Alcoa was ranked in the 9th. place.

This ranking was based on 31 questions

sent to the 500 major users of Information Technology, assessing innovation and investments in IT, among other aspects. The data were organized following a methodology that established weights for each item (please see table below) of the total amount invested in innovation compared to the sales until the use of web 2.0. The ranking did neither include companies that did not disclose the amount invested in IT in 2009, or technology providers.

Here are 21 of the 31 items and scores used to select the most Hi-Tech companies:

ITEM	WEIGHT
Invests more than 2% of sales in IT	2
Invests more than R\$ 100 million in IT per year	2
Over 80% of purchasing are conducted via Internet	1.5
Over 30% of Sales are conducted via Internet	1.5
Uses more than five web 2.0 tools	1.5
Uses IT in clouds	1.5
Recycles electronic products	1.5
Has Green IT project	1.5
Offers products and services via mobile phone	1
Uses instant messaging	1
Uses knowledge management	1
Uses SAS	1
Uses videoconference	1
Over 4 security applications	1
Invests over 1% of the budget in training	1
Assets hold over 30% of notebooks	1
Offers smartphones to 5% of the employees	1
Uses on-line maps	0,5
Uses RFID	0,5
Uses cooperation tools	0,5
18% or more of the employees work remotely	0,2

● Façades

Albert Einstein Hospital uses Cittá Due line in expansion works

Albert Einstein Hospital expansion works are one of the most significant challenges for the Brazilian

construction engineering in the last years. This is assured by engineer Argeo Costa, sênior manager of Racional Engenharia's Contract Management Center. The expansion of the hospital compound, that includes the construction of three new buildings and one auditorium close to the Morumbi Unit – is expected to be completed in 2012, and will use a large amount of window frames of Alcoa's Cittá Due line. These products allow for the installation of glass

glued with silicon, or fit into frames, to fabricate curtain walls for façades. In total, the work will use approximately 20 thousand square meters of window frames. Exclusive profiles were developed for the façade of the new building. "In addition to technical knowledge, a lot of creativity, professionalism and common sense were required from the professionals involved in the initiative. The construction of the new Diagnosis Center is already considered a landmark, especially by the team responsible for the supply of frames", tells Argeo.



● Glasses glued with silicon or in frames for the three new buildings will use Alcoa's Cittá Due line window frames.

● The expansion works of Albert Einstein Hospital are one of the most significant challenges for the Brazilian construction engineering in the last years.



● Domus Line

Hot site is the new alternative for contact with customers

Alcoa launched recently the hot site HYPERLINK "http://www.aluminioecia.com.br/ domus" www.aluminioecia.com.br/ domus, developed especially to introduce the Domus line. It emphasizes the brand attributes, typologies, applications and purchasing types. In addition it also presents a special section on Sustainability, showing the Company's concerns with environmental practices.

The hot site's purpose is to give users, especially developers, one more channel to learn about the specificities of the Domus Line, that was developed to meet the needs of building & construction market.



● Home page of Domus Line hot site

● Social Networks

Alumínio & Cia announces its news also through Twitter

Alumínio & Cia chain and the magazine Alumínio & Cia are now part of Twitter, currently one of the most important social networks. Each of them will have a profile to take information quickly to people interested in the industry. The idea is also to absorb more people and include them in the database, for future relationships.

In May 2009 a study found that there are over 11 million Twitter users, and it is a free service, used by large companies to disseminate their brands and products. The profiles' addresses are: <http://twitter.com/AluminioCia> and <http://twitter.com/revistaaluminio>



● Alumínio & Cia page in the Twitter

● Support

Advertising campaign sponsored by ABAL highlights the benefits of Aluminum

ABAL-Brazilian Aluminum Association is airing at the Eldorado Radio and in the search site Google, its new advertising campaign, called "Consciousness and Directivity", that has the purpose of developing the consumer market, by presenting the advantages of aluminum. The initiative is supported by Alcoa and will approach issues related to sustainability, recycling and advantages of aluminum for segments such as packaging, transport, and building & construction.

After being aired for a month, the results were surprising: before the action started, the website "Escolha Alumínio (Choose Aluminum)" (www.escolhaaluminio.com.br) received around 43 hits a day, Currently, this number has surpassed 900 daily hits, with an average time of permanence of approximately 3 minutes, showing interest in the content.



● EXPANSION PROJECTS

● Alumar Refinery Expansion

First kilogram of alumina is produced by the Refinery

The production of the first kilogram of alumina creates even higher expectations around the power of the largest expansion project of an alumina refinery worldwide

After the success of the tests of Digestion-2, that already resulted in production increase for the Refinery, Commissioning, Building & Construction, and Operation departments and permitted the teams to complete changes in Digestion-1. The commissioning methodology for this unit was the same as that for Digestion-2, with some improvements.

“The efforts of the teams and their good connection have been the major catalysts for another of the Company’s successes”, stated Anderson Martins, Process engineer. “The teams have made equal efforts not to let anything interfere with the global objective, which is to reach the final goal of 3.5 million ton per year”, he emphasized.

Learn the main stages of bauxite transformation into alumina



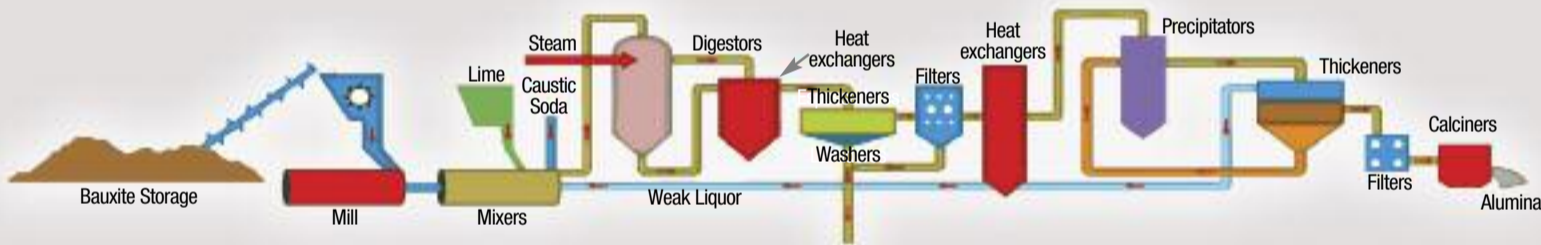
① **Digestion:** The goal is to promote the reaction of soda with the alumina present in the slurry (bauxite slurry), transforming it into sodium aluminate.



② **Precipitation:** In this process, the alumina contained in the green liquor (extracted from Digestion) as an aluminate, precipitates as a hydrate. This happens because of the decrease in temperature and pressure. Precipitators will supply the Refinery with the holding time and volume required to absorb the increase of flow in the Digestion units.



③ **Calcining:** In this stage, calciners 3 and 4 eliminate the molecular water contained in the hydrate, so that only aluminum oxide (alumina) will be produced, either for exports or for processing into metallic aluminum by smelting.



● First shipment

Alumar receives bauxite shipment from Juruti



It is early morning at the port of Juruti. Forty three thousand ton of bauxite are shipped in the bulk grain ship “Norsul Camocim”, that is getting ready to navigate 1.6 thousand kilometers in 80 hours. Destination: Alumar Refinery, in São Luís, ready to receive the first bauxite shipment from the Juruti Mine, in Pará. “This is another dream come true, and an important step for the history of Alcoa in Brazil. We are happy for this moment and sure that we are contributing for the sustainable development of the locations where we operate”, stated Franklin L. Feder, CEO- Alcoa Latin America and the Caribbean.

Expected to last until the end of November, this initial phase of the Juruti Mine operations will include four more bauxite shipments to the port of São Luís. Weekly shipments will start in December, to meet the Company’s initial plan of mining and carrying 2.6 million ton per year from Juruti. The project is structured and prepared for future expansions. Ore reserves in the region allow for the expectation of a working life for the project of, at least, 70 years, at the currently known geological and populational level.