

Governance

Alcoa

Year after year, Alcoa's performance in governance and ethics has made it a benchmark in its sectors of activity and beyond. One of the most respected authorities on the matter, the Covalence Ethical Ranking, has rated Alcoa number one in the Basic Resources category since the index's inception in 2005. The Company's top ranking was confirmed in 2009 and again in 2010, when it also placed 11th out of the 581 international corporations evaluated in all categories.

In addition, Alcoa's place on the Dow Jones Sustainability Indexes was upheld for the eighth consecutive year in September 2009. In March 2010, *Fortune* magazine again ranked Alcoa number one amongst the most admired companies in the Metallurgy sector, a ranking it has been part of for the last 27 years.

Alcoa Canada Primary Products

All Alcoa Canada Primary Products facilities located in Québec are certified ISO 9001 : 2000 and ISO 14001 : 2004. Our plants regularly distinguish themselves during external and internal audits, like in 2009 when the Bécancour Smelter performed outstandingly during an unannounced Alcoa internal audit. Since Alcoa signed a voluntary agreement with the Québec government in 2002 to reduce greenhouse gas (GHG) emissions, an external audit confirms the validity and rigour of our annual GHG emissions inventories.

Last year, all of our plants were able to benefit from the new functionalities of the ESS software that tracks all regulatory obligations. Implementation of this environmental compliance management tool was completed in 2008.

Discussions with our Sustainability Advisory Committee continued throughout the year, and dealt primarily with employee engagement and work/life balance.

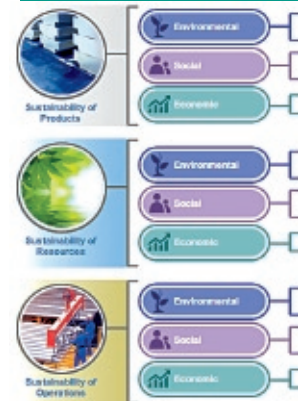


2009 Objectives	Results	Comments
Successful Sarbanes-Oxley audits at the Baie-Comeau, Bécancour, and Deschambault smelters.		
Successful completion of unannounced Alcoa internal audits.		The Bécancour Smelter successfully passed an Alcoa audit in the fall of 2009.

2010 Objectives

- Development of a regional sustainable development strategy.
- Successful Sarbanes-Oxley audits at the Baie-Comeau, Bécancour, and Deschambault smelters.

Sustainability Approach



Alcoa's new sustainable development approach

In 2009, Alcoa developed a new approach to sustainable development that views the issue from three different but interrelated lenses: Sustainability of Products, Resources and Operations. The goal is to optimize the value of products, use resources in a sustainable manner, and minimize the environmental and social footprints of our operations.

Our Sustainable Development site reflects this new approach. That said, the majority of information is found in the Sustainability of Operations section due to the nature of our activities, which focus on primary aluminum production.

Products

The environmental, social and economic value of our products is critical to Alcoa's success and that of its clients. Approximately 75% of the aluminum produced since 1888 is still in use today. Solid, light, durable and recyclable, it is used in a multitude of products. Alcoa is committed to developing new or improved products to increase the quantity of aluminum used in the world and to facilitate its recovery and recycling. Because every time aluminum is recycled, 95% less energy is used than went into making it originally.

Life cycle analysis helps evaluate the various avenues available for optimizing aluminum products in each phase of their useful life, from design to manufacturing and use, recovery and recycling. During a product's life cycle, the aluminum it contains can improve energy efficiency and reduce greenhouse house emissions, for example by decreasing the environmental footprint of vehicles.

Resources

We must use the resources on which our activities rely in a sustainable manner. From extracting bauxite to transforming it into alumina, and making aluminum to produce final products, Alcoa aims to minimize the impact of its operations on natural habitats and biological resources.

Water is an essential resource for all living organisms on this planet, which is why Alcoa carefully manages its consumption and has established targets in this area. Energy consumption is another key factor that is closely monitored. Our achievements in both these areas are presented in the Operations section.

Operations

Due to the nature of its activities, which are essentially the production and primary transformation of aluminum, the sustainable development information for Alcoa Canada Primary Products is found in this section. The following pages offer you an overview of our achievements in 2009 and our challenges going forward.



Sustainability of Products



Sustainability of Resources



Sustainability of Operations