

GOVERNANCE and NOMINATING COMMITTEE CHARTER

Mission Statement

The purpose of the Governance and Nominating Committee (the “committee”) of the Board of Directors (the “board”) of Alcoa Inc. (the “company”) is to (i) identify individuals qualified to become board members and recommend such individuals to the board for nomination for election to the board, (ii) make recommendations to the Board concerning committee appointments other than this committee, (iii) develop, recommend and annually review corporate governance guidelines for the company and oversee corporate governance matters and (iv) coordinate an annual review of the board’s performance.

Membership

The committee shall consist of no fewer than three members, the exact number to be determined from time to time by the board.

Each member of the committee shall meet the independence requirements imposed by the listing standards of the New York Stock Exchange (the “NYSE”).

The members of the committee shall be appointed by a majority vote of the board from among its members and shall serve until such member’s successor is duly appointed and qualified or until such member’s resignation or removal by a majority vote of the board.

Authority and Responsibilities

The committee shall have the following specific authority and responsibilities (in addition to any others that the Board may from time to time delegate to the committee):

Board Nominees; Committee Appointments; Continued Service

1. The committee shall determine the criteria, objectives and procedures for selecting board members. The committee shall consider factors such as independence, diversity, age, integrity, skills, expertise, breadth of experience, knowledge about the company’s business or industry and willingness to devote adequate time and effort to board responsibilities in the context of the existing composition and needs of the board and its committees.

2. The committee shall (a) review potential candidates for the board suggested to it and report to the board regarding the results of such review; (b) recommend nominations for election and re-election to the board and (c) recommend appointments to the board to fill vacancies.
3. In the case of an individual recommended to fill a board vacancy created by an increase in the size of the board, the committee shall make a recommendation to the board as to the class of directors in which the individual should serve.
4. The committee shall review the appropriateness of continued service on the board of members whose business or professional affiliations or responsibilities have changed or who contemplate accepting a directorship on another public company board or an appointment to an audit or compensation committee of another public company board.
5. The committee shall identify board members qualified to fill vacancies on any committee of the board (other than the committee) and recommend that the board appoint the identified member or members to the respective committee. In recommending a candidate for appointment to a committee, the committee shall consider any required qualifications as set forth in the committee's charter, the needs of the committee in light of its purpose and responsibilities and the existing composition of the committee, the benefits of periodic rotation of committee members and any other factors the committee deems appropriate.

Corporate Governance

6. The committee shall review the effectiveness of orientation process for newly elected members of the board. The committee shall also regularly assess the adequacy of and need for additional continuing director education programs.
7. The committee shall recommend to the board corporate governance guidelines for the company, assess those guidelines at least annually and review any requests for waivers of those guidelines.

Board Performance

8. The committee shall coordinate the annual evaluation of the structure, organization, policies, performance and effectiveness of the board.

Director Compensation

9. The committee shall periodically review and make recommendations to the board regarding director compensation.

Performance Evaluation

10. The committee shall review its own performance and reassess the adequacy of this charter at least annually in such manner as it deems appropriate, and submit such evaluation, including any recommendations for change, to the full board for review, discussion and approval.

Retention of Consultants and Advisors

11. The committee shall have authority to retain and terminate any search firm to be used to identify director candidates, including authority to approve the search firm's fees and other retention terms.

Structure and Operations

The board shall designate one member of the committee to act as its chairperson. The committee shall meet in person or telephonically at least two times a year at such times and places determined by the committee chairperson, with further meetings to occur, or actions to be taken by unanimous written consent, when deemed necessary or desirable by the committee or its chairperson. The chairperson, with input from the other members of the committee, shall set the agendas for committee meetings; such agendas shall be distributed to the full board. Two members of the committee shall constitute a quorum; when more than two members are present, the act of a majority of such members at a meeting at which a quorum exists shall be the act of the committee, and when only two members are present, the unanimous vote of the two members shall constitute the act of the committee.

The committee may request that any directors, officers or other employees of the company, or any other persons whose advice and counsel are sought by the committee, attend any meeting of the committee to provide such pertinent information as the committee requests. The committee may exclude from its meetings any persons it deems appropriate in order for it to fulfill its responsibilities.

The committee may form and delegate authority to subcommittees when appropriate.

The committee shall maintain minutes or other records of its meetings and shall give regular reports to the board on these meetings, including the committee's actions, conclusions and recommendations and such other matters as required by this charter or as the board shall from time to time specify. Reports to the board may take the form of oral reports by the chairperson of the committee or any other member of the committee designated by the committee to give such report.

Except as expressly provided in this charter, the company's by-laws or the company's corporate governance guidelines, or as required by law, regulation or NYSE listing standards, the committee shall set its own rules of procedure.

(Revised Jan 2003)