

News from Alcoa | Latest Updates

A Sound and Sustainable Tennessee Operations



> Celebrating 35 years of Recycling



On March 26, Alcoa officially dedicated its \$24 million expansion of Tennessee's Can Reclamation facility which increased its recycling capability by nearly 50 percent.

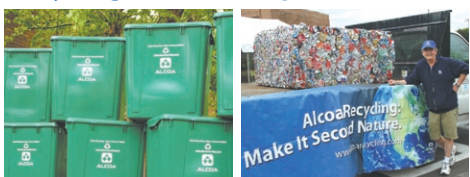
"The aluminum can is the world's most efficient package, largely because it can be recycled infinitely. Today we are celebrating the successful completion of our expansion and another milestone in our drive to help increase recycling rates across North America."

Klaus Kleinfeld, President and CEO of Alcoa Inc.



> Alcoa Aluminum is Infinitely Recyclable

Recycling Bin Mania Explodes



To encourage Americans to recycle aluminum beverage cans in 2010, **Alcoa** provided 50,000 recycling bins to organizations and communities throughout the U.S. With the help of **Alcoa** and Keep Blount Beautiful, the Blount County government launched a recycling program in the schools and placed recycling bins in public buildings throughout Blount County.



Recycling Gets Boost at Fall Festival

Alcoa helped sponsor the first all-aluminum Foothills Fall Festival in 2010. **Alcoa** volunteers promoted recycling and made sure the park was environmentally friendly with new permanent recycling stations.



Alcoa Launches Recycling App

In conjunction with America Recycles Day, **Alcoa** Foundation joined forces with Keep America Beautiful and launched the user-friendly Aluminat™ recycling app to make it fun and easy for consumers to recycle aluminum cans and reinforce **Alcoa's** commitment to increase recycling across communities.



Schmitt Named Director of Recycling

Beth Schmitt was named as Director of Recycling in 2010 to drive marketing, communications, and policy programs to increase the North American recycling rate from the current 57.4% to the industry goal of 75% by 2015.



Aluminum is Infinitely EverGREEN

Alcoa's aluminum EverGREEN trees were featured on WBIR Channel 10's Live at Five and went on display at McGhee Tyson Airport to promote the benefits of recycling during the holiday season. Recycling 585 aluminum cans will power a home for more than three days or run an average TV for almost a month.



Aluminum Performs at The Clayton Arts Center

As part of **Alcoa's** sponsorship of the *Aluminum Show*, new permanent recycling stations were donated to Clayton Center for the Arts by **Alcoa** Tennessee Operations.



> Committed to Sustainability



Pusher 2 a GO!

The green light was given to move forward with plans to finish installing the Hot Line's second pusher preheat furnace at Tennessee Operations. The two pushers will make the facility more competitive in a global market.

"This is another indication that the corporation believes in Tennessee and that we have a future in this community. It also means a stronger dedication to satisfying our customers with a quality product on a reliable basis."

Chris Jackson, Tennessee RPD Location Manager



Cheoah Modernization Kicks Off

On August 27, **Alcoa** kicked off a \$110 million modernization project at its Cheoah Dam in North Carolina. The modernization of this hydropower effort will increase the dam's efficiency and energy output and increase the life of the dam by at least another 40-50 years.

"This is a vote of confidence in our employees and in the future of our operations. We're proud of this long term commitment and what it means to this community."

Bill Bunker, Alcoa Power Generating Inc. VP and Operations Manager

Powerful Pledge to Save

Alcoa pledged to reduce the energy intensity of downstream U.S. manufacturing operations 25% by 2020 in conjunction with the Department Of Energy's national initiative "Save Energy Now."



Back to Full Capacity in Record Time

In a matter of weeks, Tennessee Operations was back to full production after a devastating fire that occurred at the Hot Line's 96-inch Mill on September 18.

"This was an amazing testament of employee engagement and teams and resources rallying together to respond with a sense of urgency to protect customers and our long term viability."

Roy Dirkmaat, Rigid Packing Divison VP and General Manager



Sustainability Officer Named

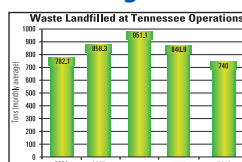
Kevin Anton was named Chief Sustainability Officer, a new position responsible for developing a comprehensive strategy that integrates all of **Alcoa's** sustainability efforts. The Sustainability Office is headquartered in downtown Knoxville.



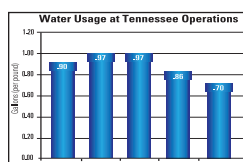
Alcoa donates "Snapshot" books to county libraries

Through a donation to the *Daily Times'* Newspaper in Education program, **Alcoa** Tennessee Operations donated the complete six-volume set of Dean Stone's "Snapshots of Blount County History" to every school and public library in Blount County.

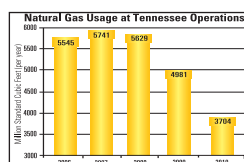
Preserving Our Natural Resources



Decrease was a result of a brick recycling initiative and overall waste minimization and recycling efforts.



Reductions were achieved through improved processes related to cooling of Can Reclamation furnace doors.



Consumption has continued to decrease due to increased use of energy efficient furnaces and existing burner systems.

Community



Alcoa Foundation

More than \$3.6 million invested in our communities over the past 10 years including \$190,000 in 2010.

Adult Education Foundation of Blount County

\$19,000 - New Start career preparation program for adults



Boys and Girls Clubs of the Tennessee Valley

\$15,000 - Club Tech Technology Centers



City of Maryville

\$15,000 and \$10,000 - Recycling Project at Foothills Fall Festival

Friends of the Smokies

\$25,000 - "Trails Forever"; Teacher-Ranger-Teacher initiative

Graham Revitalization Economic Action Team

\$28,050 - Engaging in Science, Technology, Engineering and Math Education project

Haven House/Mane Support

\$18,145 - HALT - Horses Assisting in Life-Changing Transitions



Leadership Blount

\$12,000 - Youth Leadership Blount program

National Parks Conservation Association

\$17,102 - Cades Cove shuttle pilot program

Pellissippi State Community College

\$30,700 - Career Readiness Improvement Program for Knox and Blount counties

Alcoans Celebrate Month of Service

Tennessee Operations employees volunteered time and resources during the 2010 Month of Service.



23 events - Ranging from building a Habitat home, labeling cans at Second Harvest Food Bank, pumping gas for United Way, and making renovations at the local Boys and Girls Club.

500 volunteers - **Alcoa** employees and their family members stepped out to benefit the community-at-large.

1,500 hours of service - That's the equivalent of one person working full-time for more than nine months!

Charities receive \$10,000 from employee suggestions

Local charities were the beneficiaries of Alcoa Inc. employees' good ideas. For each viable suggestion entered into the company's system, \$5 was donated to the "Community Chest."

- **Animal Works No Kill Shelter** - Shelter expenses
- **Isaiah 58 Project** - Food for Blount County families
- **New Hope Baptist Touch Ministry** - Thanksgiving food baskets
- **RIO Revolution** - Helping Hands ministry
- **Townsend Volunteer Fire Dept** - Supplies and services
- **American Red Cross, Blount County** - Disaster relief fund
- **Angelic Ministries** - Food and clothing for the needy
- **Blount County Humane Society** - Animal shelter/foster program
- **Lost Sheep Ministry** - Food and clothing for the homeless
- **The Love Kitchen** - Food for the homeless / homebound
- **Muscular Dystrophy Association** - Research

Safety



Targeting Zero Injuries



Pre-job reviews are a critical tool for incident prevention when planning complex jobs or when creating or reviewing safe work instructions.

- **Tennessee RPD** achieved an 18% reduction in recordable injuries.
- **Tapoco** celebrated 1.5M work hours without a lost work day and 12 months without a recordable injury.
- **Storeroom** employees celebrated 10 years without a recordable injury and 30 years without a lost work day.
- **Railroad** employees celebrated three years without a recordable injury.
- **Shipping** employees worked five years without a recordable injury and two years without any injuries.



Giving Back in a Big Way!

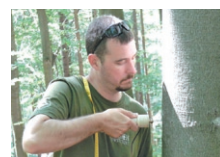
Tennessee Operations met its November safety goals and was able to donate more than \$7,000 to Toys for Blount County.

Environment



AMS Visits Can Rec

A dozen Alcoa Middle School seventh and eighth grade science students visited Tennessee's Can Reclamation facility to learn how aluminum cans are recycled.



AMS Teacher Awarded Earthwatch Fellowship

Alcoa Middle School teacher Shawn Kerr was awarded an Earthwatch Fellowship and traveled to the Czech Republic to study mountain waters and issues dealing with acid rain.

Canoe/Kayak Portages

Four canoe/kayak portages on the Little Tennessee River are opened and fully accessible to the public. The new portages were designed and installed to protect and maintain the natural state of the reservoir shoreline tributaries.

Switchgrass on Alcoa Property

Approximately 238 acres owned by **Alcoa** Tennessee Operations is being used to grow a popular perennial grass known for producing cellulosic ethanol. The initiative is part of a program with Genera Energy, a Knoxville-based renewable energy company and the University of Tennessee.

Recognition



Blount Partnership Impact Award

Alcoa Tennessee Operations was presented the Blount Partnership Impact Award for innovations in employee relations during the 2010 Business Excellence Awards.



2011 Global Impact Awards

Alcoa Materials Management, based in Knoxville, was named one of the 18 finalists in the 2011 Global Impact Awards for the North America and Europe **Alcoa** Materials Management Transportation Spend Reduction Project.



Alcoa is the world leader in the production and management of primary aluminum, fabricated aluminum, and alumina combined, through its active and growing participation in all major aspects of the industry: technology, mining, refining, smelting, fabricating, and recycling. A truly global company, **Alcoa** operates in 31 countries with a worldwide workforce exceeding 59,000 employees and sales of \$21.0 billion. Close to 1,000 employees are located in Blount County and more than 200 in downtown Knoxville.

In addition to this Annual Report to the Community, **Alcoa** Tennessee Operations also produces *Aluminews*, a monthly e-newsletter. If you would like to receive the monthly update, contact Christy Newman at 865-977-3358 or by email at christy.newman@alcoa.com.

For more information, visit www.alcoa.com/tn_operations.