



ALCOA INC. ANTI-CORRUPTION POLICY

BACKGROUND:

Alcoa Inc. (“Alcoa”) and its management are committed to conducting all of its operations around the globe, ethically and in compliance with all applicable laws. Our directors and our management continue to believe that the way we achieve results is as important as the results themselves. Vigilance in complying with anti-corruption and anti-bribery laws, such as those based upon the OECD Convention and the U.S Foreign Corrupt Practices Act (“FCPA”), is critical as we conduct increasingly more business globally. In some of the markets in which we operate: (i) government officials frequently engage in commercial and financial activities for their own accounts; (ii) corruption and related problems are sometimes common; and (iii) legal standards and enforcement policies are evolving, but are often unclear and inconsistently applied. Increasing competitive pressures, both domestic and abroad, will not be permitted to undermine Alcoa’s commitment to ethical conduct and compliance with laws.

This Policy applies worldwide to Alcoa and all of its U.S. and international subsidiaries, affiliates, partnerships, ventures and other business associations that are effectively controlled by Alcoa, directly or indirectly (“the Company”). It applies to all directors, officers and employees of the Company.

The prohibitions and limitations set forth in this Policy apply, regardless of whether the intended beneficiary is a public official or someone in the private sector.

No policy can anticipate every possible situation that might arise. Employees are encouraged to discuss with their managers or with any member of Alcoa’s Legal or Compliance Department any question about specific facts and circumstances that may implicate provisions of this Policy.

POLICY:

Neither the Company nor any third party acting on the Company’s behalf shall offer, promise, authorize or pay “anything of value” to any “government official” or any other person or entity including those in the private or commercial sector, where it is intended to induce the recipient to misuse his or her position or to obtain an improper “business advantage”. Except if specifically authorized by an Alcoa Policy, no gift of cash or any cash equivalent is ever permitted to be given to or for the benefit of any third party.

- Any action that creates even the appearance of impropriety must be avoided.
- No Company employee will suffer adverse consequences for refusing to pay a Bribe, even if it results in the Company suffering a loss of business or a negative impact on schedules.

For purposes of this Policy:

“**Anything of value**” includes, but is not limited to, cash, cash equivalents (such as gift cards), gifts, travel, meals, entertainment, use of vehicles, accommodations or valuable favors, such as educational and employment opportunities for friends and relatives. For purposes of this policy, a “thing of value” has no minimum value. Even a small gift is a “thing of value.”

“**Bribe**” is an offer of, promise of, authorization to pay or payment of “anything of value” to any “government official” or any other person or entity, including persons or entities in the private or commercial sector, where it is intended to induce the recipient to misuse his or her position or to obtain an improper “business advantage”.

“Business advantage” is broadly defined. It includes, by way of example, obtaining or retaining business, obtaining preferential treatment or securing political or business concessions.

“Government” is defined to include all levels and subdivisions of government (*i.e.*, local, regional and national, and administrative, legislative judicial and executive branches).

“Government Official” is broadly defined to include any elected or appointed government official; any employee or other person acting for or on behalf of a government official, agency, instrumentality or enterprise that performs a government function; any employee or other person acting for or on behalf of any entity that is wholly or partially government owned or controlled; any political party, officer, employee or other person acting for or on behalf of a political party, or any candidate for public office; or any employee or person acting for or on behalf of a public international organization.

“Intermediary” means any third party, regardless of title, who represents the Company; or acts with discretion on its behalf; or acts jointly with it, including commissioned sales agents, distributors, sales representatives, consultants, lobbyists, transportation or logistics providers, customs clearing agents, brokers and joint venture partners, and any non-company third parties operating under a power of attorney granted by the Company.

Hospitality and Gifts. While gifts and hospitality (including transportation, housing, meals and entertainment) may be appropriate in many situations, they shall not be given in violation of this Policy’s prohibition on Bribery. Further, in accordance with Alcoa’s Business Conduct Policies, any and all gifts, hospitality and entertainment provided on the Company’s behalf to any recipient must be:

- reasonable in value and appropriate to the recipient’s position and the circumstances, and not lavish;
- in accordance with customary courtesies;
- related to a legitimate business purpose;
- permitted under applicable law; and
- fully in accord with applicable local or regional gift guidelines adopted by the Company.

To be certain that applicable law is not violated and that there is no appearance of impropriety, the frequency with which any gifts or hospitalities are provided by the Company to a single recipient must be considered in each case. Due to special rules that apply when the intended recipient is a Government Official, prior review by, and written approval from, the responsible representative of the Legal Department and the Controller’s organization must be obtained before any gift is given to or hospitality is provided to any such individual.

Payments and expenditures for all gifts and hospitality, no matter how insignificant in monetary value, must be accurately recorded in the Company’s books and records in accordance with applicable expense reporting procedures.

Accounting; Books and Records. The Company will maintain a system of internal accounting controls and make and keep books and records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of assets. Accordingly:

- False, misleading or incomplete entries in the Company's books, records and other business documents are prohibited. No transaction should ever be entered into that requires or contemplates the making of false or fictitious records, in whole or in part.
- No undisclosed or unrecorded funds or accounts may be established for any purpose.
- Circumventing or evading, or attempting to circumvent or evade, the Company's internal accounting controls is prohibited.
- No payment on behalf of the Company is to be approved or made without adequate supporting documentation or made with the intention or understanding that all or any part of the payment is to be used for any purpose other than the specific purpose described by the documents supporting the payment.

These requirements apply to all transactions regardless of financial materiality.

Money Laundering. Money laundering is the process by which one conceals the existence of an illegal source of income and then disguises that income to make it appear legitimate. Use of proceeds tainted by such illegality can give rise to liability in countries in which the Company operates. Employees are required to contact a representative of Alcoa's Legal Department in their region if they become aware of any circumstances leading them to suspect that any transaction might involve the payment or the receipt of proceeds of any unlawful activity.

Facilitation or "Grease" Payments. Facilitation or "grease" payments, which are defined as payments to low-level government officials to expedite the performance of routine, non-discretionary government action, are prohibited.

Should a person covered by this Policy encounter a situation that presents an imminent and serious safety risk to personnel or Company facilities if a payment demand is not met, such a payment would not be a prohibited Bribe under this Policy, since the employee making the payment would not have a corrupt intent. In such a situation, the individual should exercise his or her best judgment and contact Alcoa's Legal Department as soon as possible to report the incident. The Company's Legal Department will determine any additional actions to be taken, such as reporting the occurrence to the U.S. Embassy in the particular country, and will work with the Company's Controller to ensure that the payment is accurately, transparently and fully recorded in the Company's books and records.

If you are ever confronted with a situation in which you have any doubt or uncertainty about the legality of a payment or expenditure, contact a member of Alcoa's Legal Department for advice before proceeding. If a payment is determined to be legal and the payment is made, record it properly. No employee is ever permitted to try to disguise any payment made as being made for something other than for its actual purpose. A penalty for attempting to disguise a payment can far exceed the penalty, if any, associated with making the payment itself.

Transactions with Intermediaries and Partners. Payments that the Company is prohibited from making directly under this Policy cannot be made indirectly on the Company's behalf by any Intermediary. A relationship between the Company and an Intermediary can only be entered into in accordance with Alcoa Inc.'s Due Diligence and Contracting Process for Intermediaries. With oversight from the Legal and Compliance Departments, Resource Units with purchasing authority - such as Procurement, Energy, Metal Trading and Treasury - are responsible for establishing and implementing satisfactory due diligence procedures for all vendors that do not meet the definition of an Intermediary under this Policy.

Charitable Contributions and Support for Social Projects. To minimize the risk of third parties acting as conduits for Bribes, Company monetary contributions and contributions in kind to any charities, social projects and funds, including schools, educational funds and infrastructure projects, must be approved in advance by Alcoa's Legal Department.

Political Contributions. Political contributions intended to influence or obtain a business advantage from a Government Official are prohibited. The use of Company funds, property, services or things of value for or in aid of political parties or candidates for public office is generally prohibited. Any exception would require the prior written approval of the General Counsel and the Chief Executive Officer of Alcoa.

Hiring Government Officials and Others. Care must be exercised in retaining as an employee, agent, lobbyist, consultant or supplier of goods or services:

- a Government Official (or former Government Official);
- an individual who has a familial relationship with a Government Official;
- an entity in which a Government Official has a significant investment or other financial interest;
- or
- an individual previously engaged in military service.

In some circumstances, it is not only illegal to retain the services of such person, but it is illegal to engage in discussions regarding future employment of such individuals while they continue to serve as Government Officials. Retaining the services of any such individual (or in some cases even initiating a conversation with such a person about retaining his/her services in the future) can present significant risks for the Company. Alcoa Inc.'s Due Diligence and Contracting Procedure for Intermediaries and any regional, country or local guidelines on hiring government officials, which guidelines have been approved in writing by Global Compliance and adopted by the Company, must be adhered to in initiating, negotiating and entering into such a relationship.

Personal Accountability. It is the personal responsibility of all Company employees to acquaint themselves with the legal standards and restrictions applicable to their assigned duties including, where applicable, the FCPA, the standards of the employee's country of origin and the standards of the country where work is performed, and to conduct themselves accordingly in all respects. A breach of applicable law may subject an employee to civil and criminal penalties. In addition, violations of this Policy may result in disciplinary action, up to and including termination.

Reporting Obligation. Company personnel are strongly encouraged to report suspected violations of this Policy or any anti-corruption law by the Company, any fellow employee or any third party. Reports of suspected violations should be made to an employee's manager or to any member of the Legal or Compliance Department or to the Company's Ethics and Compliance Line. As permitted by law, an employee's failure to report known or suspected wrongdoing of which the employee has knowledge may, by itself, subject that employee to disciplinary action.

The Company will not permit retaliation of any kind against any employee who in good faith reports suspected misconduct.

(April 2010)