FREQUENTLY ASKED QUESTIONS

Pension Plan for Certain Salaried Employees of Alcoa USA Corp ("pension plan") and Retirees Group Benefit Plan for Certain Salaried Employees of Alcoa USA Corp.

As announced earlier, Alcoa is taking several steps to reduce complexity, drive returns and strengthen the balance sheet in a way that aligns with Alcoa's values and commitment to providing competitive employee benefits. When these changes become effective, all U.S.-salaried employees will be earning equivalent benefits. Beginning January 1, 2021, salaried employees in the U.S. and Canada, where the largest portion of liabilities for pension plans and other post-employment benefit reside, will no longer accrue retirement benefits under defined benefit pension plans; and for U.S.-salaried employees and retirees, the company contribution toward pre-Medicare retiree health care will be eliminated.

Alcoa also expects to make discretionary contributions, beyond required contributions, to the U.S. and Canada defined benefit pension plans in 2018 approximating a combined total of $300 million. In connection with the discretionary contributions, the Company intends to make annuity purchases to lower risk and cost while maintaining minimum required contribution levels.

The information in this document addresses the frequently asked questions applicable to the impacted U.S.- salaried employees concerning these actions.

GENERAL PENSION QUESTIONS

1. What is happening to my pension plan?

- As of January 1, 2021, you will no longer accrue retirement benefits through the pension plan, also known as a pension plan "freeze;"
- Your benefits accrued through December 31, 2020 in the pension plan are protected, but will no longer grow based on compensation or service;
- You will continue to accrue service toward eligibility for any early retirement provisions in the pension plan; and
- Alcoa will provide active employees with additional retirement contributions on and after January 1, 2021 through the Alcoa Retirement Savings Plan. In addition to your own contributions and the company's matching contributions, an Employer Retirement Income Contribution (ERIC) will be provided to help you prepare for retirement.

2. What is ERIC?

ERIC stands for the Employer Retirement Income Contribution that Alcoa contributes to your Alcoa Retirement Savings Plan account, also referred to as your 401(k), beginning January 2021. Alcoa's contribution is made regardless of whether you are contributing your own money. Currently, the Alcoa ERIC contribution is 3% of eligible compensation and is contributed each pay period.

3. Why is the freeze happening three years from now?

By announcing changes in advance, Alcoa intends to give those who are impacted time to prepare and adjust their savings strategies, as needed.

4. Who is impacted by this change?

The transition to earning all future retirement benefits under Alcoa's Retirement Savings Plan will affect all salaried employees who are participants in the pension plan on December 31, 2020. Salaried employees hired or rehired on or after March 1, 2006 do not participate in the pension plan and are not affected by the January 1, 2021 change because they currently receive their retirement benefits through the Alcoa Retirement Savings Plan.

5. What happens if I am on a leave of absence or inactive status on the freeze date?

Your pension plan benefit will be frozen as of December 31, 2020 regardless of your status.

6. What happens to the nonqualified pension plan?

If you are eligible for the plan, benefit accruals will be frozen as of December 31, 2020.

7. Alcoa plans to contribute about $300 million to the U.S. and Canada pension plans in 2018 beyond what is required. How does this impact me?

The primary purpose of the additional contributions is improving the plans' funded status, therefore reducing risk. The funds will also help facilitate an annuity purchase planned for later this year. Plan assets will be used to transfer pension payments for some retirees to an insurance company. A portion of the additional contributions will remain in the plans, improving their funded status and further securing those benefits.

YOUR DEFINED BENEFIT PENSION

8. What is happening to the pension benefit I accrued?

Any pension benefit currently accrued is protected by law and you will continue to accrue pension benefits based on your compensation and service through December 31, 2020. Your frozen accrued pension benefit as of January 1, 2021 will continue to be an important part of your Alcoa retirement benefits.

9. Does freezing the pension plan impact early retirement factors or other plan provisions?

No. The requirements for early retirement have not changed. For details on early retirement eligibility, see your Summary Plan Description or UPoint. Service for early retirement eligibility provisions continues to accrue after December 31, 2020.

10. What does it mean that I continue to accrue vesting service under the pension plan even after it is frozen?
If you remain an Alcoa employee, your frozen pension plan benefit amount will be calculated based on your age and service through December 31, 2020. However, your vesting service continues to increase after December 31, 2020 until you separate from service. Early retirement eligibility is based on your age and vesting service when you leave the company, not the freeze date.

This means, generally if you were hired prior to January 1, 2000, a full pension benefit prior to age 62 may be available to you permitting retirement after 30 years of service at any age without a reduction in the amount of your benefit accrued as of December 31, 2020. For example, if you have 28 years of vesting service on the freeze date of January 1, 2021 and continue to work an additional two years before retiring, you become eligible for the full 30-year retirement type if applicable in your plan. While your pension benefit will be calculated using the 28 years of service accrued through December 31, 2020, your benefit will not be reduced for receipt before age 62.

For more information about the types of retirement available to you, consult your Summary Plan Description or UPoint.

11. How do I receive an estimate of my projected retirement benefits?
Estimates of your benefits in retirement can be obtained on UPoint or by calling 1-844-31ALCOA (1-844-312-5262). Pension plan and Alcoa Retirement Savings Plan estimates reflecting the changes in 2021 will be available in the second quarter of 2018. Until the system is updated, you will only be able to request pension estimates with a termination date through December 31, 2020.

12. I was previously notified I can take a lump sum when I retire, does freezing the plan change that?
No, the plan provisions regarding the lump sum benefit option have not changed. As long as you were an employee accruing service on January 1, 2018, you may take your pension plan benefit in a lump sum or a monthly annuity after meeting all other plan requirements.

13. Can I rollover my pension plan lump sum benefit to another employer's plan or an IRA?
Yes, you can elect a rollover after you separate from service. Rollovers can be made to a qualified IRA and certain other qualified plans of a former or future employer.

14. Can I rollover my pension plan benefit to the Alcoa Retirement Savings Plan?
No. The Alcoa Retirement Savings Plan only accepts rollovers while you are employed and in order for you to collect any pension benefits from the pension plan you must separate from service.

15. Can I begin receiving my Alcoa pension plan benefit after the freeze while I am still employed?
No. You must no longer be employed by the company to begin your pension benefit, regardless of whether you take the lump sum or the monthly annuity.

YOUR ALCOA RETIREMENT SAVINGS PLAN AND EMPLOYER RETIREMENT INCOME CONTRIBUTION (ERIC)

Effective January 1, 2021, your Alcoa retirement benefits will be provided through the ERIC feature of the Alcoa Retirement Savings Plan. You will also continue to participate in the employer matching feature of the Alcoa Retirement Savings Plan.

16. How will I continue to earn retirement benefits after December 31, 2020?

Your retirement benefits for service with the company on and after January 1, 2021 will be earned through the Alcoa Retirement Savings Plan in the form of your own pre-tax and after-tax savings, the company's matching contributions, and an Employer Retirement Income Contribution (ERIC).

17. What is eligible compensation for ERIC?

Eligible compensation is your base salary plus any incentive compensation and variable pay. Individual recognition awards or any special one-time payments are not included.

18. Will I still receive ERIC even if I don't contribute to the Alcoa Retirement Savings Plan?

Yes. An account will be set up for you if you do not already have one and ERIC will be contributed by the company regardless if you choose to make contributions to the Plan.

19. Will I automatically be vested in the Alcoa Retirement Savings Plan?

Yes. All contributions to the plan, including ERIC, are immediately vested, which means you do not forfeit these amounts if you leave the Company.

20. Will I be able to choose how to invest the new contribution to my Alcoa Retirement Savings Plan Account?

Yes. The company-provided ERIC contribution will be invested according to your investment elections in the Alcoa Retirement Savings Plan. If you haven't made an investment election in the plan, the funds in your account will be invested in the appropriate Qualified Default Investment Alternative (QDIA) fund. Your investment choice applies to all money contributed by you and Alcoa and can be changed at any time using UPoint.

21. Will I continue to get the Alcoa Retirement Savings Plan match?

Yes. Alcoa currently matches 100% of the first 6% of eligible compensation you contribute on a pre-tax basis.

22. Can I take ERIC in cash instead of Alcoa contributing it to the Alcoa Retirement Savings Plan?

No. The contributions will only be made to the Alcoa Retirement Savings Plan.

23. How does the pension plan compare with the Alcoa Retirement Savings Plan?
Your current pension plan is a defined benefit plan because the benefit is based on a formula specified by the plan. This benefit is fully paid by Alcoa and the benefit calculated for you is expressed as a fixed monthly annuity payment beginning on your normal retirement date (but may be taken as a lump sum payment). Your benefit is held in a trust and underlying assets are invested by the company. Your spouse is your automatic beneficiary.

The Alcoa Retirement Savings Plan is a defined contribution plan because the employer contribution is based on a formula specified by the plan. Your benefit is determined by your contributions, the company contributions, and the investment performance of your account. You manage the investments of the assets in your account which are also held in a trust. At retirement, you may take your benefit as a lump sum, or roll over amounts to an IRA. You may also take periodic distributions until age 69. You may designate beneficiaries other than your spouse with your spouse's consent.

24. Will the Alcoa Retirement Savings Plan and ERIC provide adequate retirement income?
The ERIC and company matching contributions provide a significant contribution to your retirement savings. However, just like the current pension plan, the Alcoa Retirement Savings Plan is not intended to provide all your retirement income. Your total retirement benefit will be comprised of your pension plan benefit, your Alcoa Retirement Savings Plan account balance, your personal savings and your Social Security benefit.

25. If I am eligible to participate in the deferred compensation plan, will the company contribute to that plan in addition to the Alcoa Retirement Savings Plan?
Yes. If your ERIC contribution to the Alcoa Retirement Savings Plan is limited by IRS rules, Alcoa will provide the ERIC balance to the deferred compensation plan.

YOUR RETIREE HEALTH CARE COVERAGE

If you were hired prior to January 1, 2002, and you leave Alcoa eligible for retirement (excluding deferred vested retirement type), you are eligible for retiree health care coverage.

26. What is changing?
Effective January 1, 2021, you will continue to have access to health care coverage, but Alcoa will no longer provide a contribution towards the cost of pre-Medicare coverage.

27. What is the current retiree coverage?

Pre-Medicare retirees are currently offered coverage that is similar to what is offered to current active salaried employees. Alcoa provides an annual pre-Medicare subsidy for each of the retiree and covered spouse based upon the retiree's years of service and the retiree pays the remaining cost. When retirees or their covered spouses reach age 65, the Alcoa subsidy for the retiree or covered spouse ends and coverage is offered through a Medicare Exchange. An Exchange offers a choice of plans and carriers to enable you to choose coverage that is best for you and your family.

28. If I retire from Alcoa before 2021 and am eligible for pre-Medicare coverage, will I be able to elect retiree health care coverage and continue to receive the Alcoa contribution throughout my retirement?

No. The contribution provided by Alcoa toward your pre-Medicare retiree health care coverage will be provided through the earlier of December 31, 2020 or when you become eligible for Medicare coverage. After that date, you will be responsible for the full cost of your coverage and that of your covered dependents.

29. Will the pre-Medicare coverage options change when the subsidy ends in 2021?

Alcoa reserves the right to change the benefit coverages, carriers, and Exchange at any time. The coverage options are independent of the subsidy. You will be notified of your coverage options during the annual enrollment period, which is generally in October of each year for coverage effective the following year.

30. If I leave Alcoa and choose to take my lump sum or monthly annuity immediately, will I be eligible for Alcoa's retiree health care coverage?

If you leave Alcoa after attaining early or normal retirement eligibility, you can begin your pension at any time. You will have a one-time opportunity to elect Alcoa retiree health care coverage. If you decline retiree health care coverage when initially offered, you will not be eligible for retiree health care coverage in the future. If you leave Alcoa prior to attaining early or normal retirement eligibility (you terminate as a deferred vested participant), you can still begin your vested pension plan benefit at any time, but you are not eligible for retiree health care; pre-Medicare or Medicare.

For more information about the types of retirement available to you, consult your Summary Plan Description or UPoint.

PREPARING FOR THE FUTURE

31. Do I need to do anything because of the changes?

The change to the pension plan, ERIC enrollment, and retiree medical will automatically apply January 1, 2021. You are encouraged to discuss all changes with your personal financial advisor as well as review your rate of contributions to the Alcoa Retirement Savings Plan, your investment direction, and your eligibility to make catch-up contributions.

32. What can I do to best take advantage of the Alcoa Retirement Savings Plan?
As your account balance grows, your opportunity for investment returns increases. It is a good idea to start saving as early as you can and if you are able, contribute at least 6% to receive the current full company match. Also, saving in the plan offers significant tax advantages. Not only are your pre-tax savings not taxed, after-tax savings, company contributions and any investment gains on your entire account balance grow tax-deferred until taken out of the plan.

Beginning with the year you turn 50, if you are contributing at least 6% in pre-tax savings, you can choose to make additional pre-tax contributions (known as catch-up contributions) of up to $6,000 adjusted annually.

Please review your Summary Plan Description and discuss your options with your financial and tax advisor. The current plan Summary Plan Document can be found on UPoint.

33. How can I save now for health care expenses in retirement?
If you are enrolled in the High Deductible Health Plan (HDHP), you may contribute money now to pay for health care expenses in retirement through the health savings account (HSA) feature. Payroll contributions are made on a pre-tax basis and may be invested in a choice of funds after your balance is $1,000. The tax advantage continues throughout retirement when you use your HSA balance to pay for qualified health care expenses. If you are not enrolled in the HDHP, you may want to consider this option during the next annual enrollment period.

34. How can I learn more about planning and saving for retirement?
Alcoa continues to provide many tools to assist with planning. The following resources can be found on UPoint:

- Under the Savings and Retirement tab, select Retirement Savings Plan then select Get Advice to learn more about Professional Management and Online Advice for Alcoa Retirement Savings Plan investments;
- Model different retirement scenarios or apply for a retirement benefit through the Pension tab also under Savings and Retirement;
- Review Summary Plan Descriptions for each of your benefit plans; and
- Explore the health savings account option which allows you to contribute money now on a tax-favored basis to pay for health care expenses in retirement.

  It is also important to review your beneficiary designations under all of your benefit plans and make sure the information is current and in accordance with your wishes.

Information in this document reflects the current provisions of the benefit plans and the current tax laws. The governing terms of each of the plans are contained in the official plan documents. If there are any differences between this document and the plan documents, the plan documents will govern. Alcoa reserves the right to make changes to the plans at any time.

FOLLOW UP -- FREQUENTLY ASKED QUESTIONS

Pension Plan for Certain Salaried Employees of Alcoa USA Corp ("pension plan") and Retirees Group Benefit Plan for Certain Salaried Employees of Alcoa USA Corp.

In January 2018, Alcoa announced beginning January 1, 2021, salaried employees in the U.S. and Canada, where the largest portion of liabilities for pension plans and other post-employment benefit reside, will no longer accrue retirement benefits under defined benefit pension plans; and for U.S.-salaried employees and retirees, the company contribution toward pre-Medicare retiree health care will be eliminated.

The information in this document addresses additional frequently asked questions received at the U.S. employee information sessions hosted in January.

GENERAL PENSION QUESTIONS

1. What interest rate is used to determine the lump sum present value of my benefit?

The lump sum calculation interest rates and mortality table are established annually. The calculation requires a set of three interest rates published as of November of the year preceding the calendar year in which the lump sum will be provided and a specified mortality table, as periodically updated by the Internal Revenue Commissioner. For example, all lump sum present values determined for benefit commencement dates in 2018 use November 2017 rates of 2.20%, 3.57%, and 4.24% and the 2018 Applicable Mortality Table for lump sum payments. The interest rates are published here https://www.irs.gov/retirement-plans/minimum-present-value-segment-rates.

2. Will the lump sum present value of my benefit freeze January 1, 2021?

Your accrued benefit amount – one part of the lump sum present value calculation – will be frozen as of December 31, 2020, but the lump sum present value of your frozen accrued benefit will change based on your age, retirement eligibility, and the lump sum interest rates and mortality in effect when you receive your lump sum. You are encouraged to use the UPoint site to model different termination and retirement dates and the impact on your potential lump sum amount.

SAVINGS PLAN QUESTIONS

3. How do you enroll in catch-up contributions?

You may enroll in catch-up contributions by making your election in the Savings Plan section of UPoint. This election must be made each year as required by law and can be made at any time.

To be eligible for catch-up contributions, you must be at least age 50 in that year and contributing at least 6% in pre-tax savings. You can make up to $6,000 in additional pre-tax contributions as catch-up contributions annually. Catch-up contributions are made on a per-pay-period basis and you specify the dollar amount you want to contribute from each pay. Your catch-up contributions will automatically stop when you reach $6,000 for the year.

4. How can I maximize my savings in the Savings Plan?
You can save both pre-tax and after-tax contributions, but combined, the most you can save is 25%. (If you are eligible to make catch-up contributions, you can contribute more than 25%.) Employees may save the following percent of eligible earnings (in whole percentages):

- 1 to 25% on a pre-tax basis up to the maximum IRS dollar limit ($18,500 in 2018), or
- 1 to 10% on an after-tax basis.

Keep in mind Alcoa currently matches 100% of your first 6% of pre-tax contributions on a pay period basis. Note, if you save at too high of a pre-tax rate, you may hit the $18,500 limit before maximizing the company matching contribution. For help estimating your optimal pre-tax contribution, refer to UPoint > Benefits > Savings Plan > Contributions > Change Contributions > Considerations for Company Matching Contributions.

The IRS limits all combined pre-tax and after-tax employee and employer contributions (including ERIC) to the Savings Plan to $55,000 in 2018. Catch-up contributions do not count toward this limit.

HEALTH CARE QUESTIONS

5. If I opt out of retiree healthcare coverage:

- **at retirement because my spouse has coverage, or**
- **as a pre-Medicare retiree,**

can I get access to Alcoa pre-Medicare or Medicare coverage later?
No, if you decide to opt out of your Alcoa retiree healthcare benefits, you will not be permitted to enroll or have any access in the future. If you elect COBRA upon retirement, your one-time opportunity to elect Alcoa retiree healthcare will be at the end of your COBRA period.

6. Is the High Deductible Health Plan (HDHP) with health savings account (HSA) option available to Alcoa retirees eligible for retiree medical coverage?
Yes, pre-Medicare retiree medical coverage options currently include a standard Preferred Provider Organization (PPO) and a HDHP with HSA option. Note, if you accrue an HSA balance while employed, you may use those funds to pay eligible healthcare expenses in retirement (including some insurance premiums) regardless of the medical plan you choose in retirement.

7. Who is eligible to contribute to an HSA?

To contribute to an HSA, you must be covered by an HDHP. You can't have medical coverage under a plan that is not a HDHP, including coverage as a dependent under another plan (for example, under your spouse's plan). You also can't be enrolled in Medicare.

8. What is the limit on HSA contributions?

For 2018, if you elected HDHP coverage, the maximum pre-tax contributions for individual and family coverage are $3,450 and $6,850, respectively. Employee and employer contributions count towards this HSA contribution limit published annually. Your HSA contribution can be changed any time during the year.

If each spouse elects family HDHP coverage under a separate plan, the total contribution limit for 2018 is $6,850.

9. Can I make catch-up contributions to my HSA?

Individuals 55 and older with HDHP coverage can make additional pre-tax contributions each year until they enroll in Medicare. Currently, the HSA catch-up contribution amount is $1,000 annually.

Information in this document reflects the current provisions of the benefit plans and the current tax laws. The governing terms of each of the plans are contained in the official plan documents. If there are any differences between this document and the plan documents, the plan documents will govern. Alcoa reserves the right to make changes to the plans at any time.