

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended June 30, 2024
OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from ____ to ____
Commission File Number 1-37816

ALCOA CORPORATION
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
81-1789115
(I.R.S. Employer
Identification No.)
201 Isabella Street, Suite 500,
Pittsburgh, Pennsylvania
(Address of principal executive offices)
412-315-2900
(Registrant's telephone number, including area code)
Not applicable
(Former name, former address and former fiscal year, if changed since last report)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	AA	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company,” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
Emerging growth company	<input type="checkbox"/>		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

Indicate the number of shares outstanding of each of the registrant’s classes of stock, as of the latest practicable date.

Title or Class	Outstanding Shares as of August 1, 2024
Common Stock, par value \$0.01 per share	258,340,140
Series A Convertible Preferred Stock, par value \$0.01 per share	4,041,989

TABLE OF CONTENTS

<u>PART I – FINANCIAL INFORMATION</u>	1
Item 1. <u>Financial Statements</u>	1
Item 2. <u>Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	28
Item 3. <u>Quantitative and Qualitative Disclosures About Market Risk</u>	43
Item 4. <u>Controls and Procedures</u>	43
<u>PART II – OTHER INFORMATION</u>	43
Item 1. <u>Legal Proceedings</u>	43
Item 1A. <u>Risk Factors</u>	44
Item 2. <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	45
Item 5. <u>Other Information</u>	45
Item 6. <u>Exhibits</u>	46
<u>SIGNATURES</u>	47

Forward-Looking Statements

This report contains statements that relate to future events and expectations and as such constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include those containing such words as “aims,” “ambition,” “anticipates,” “believes,” “could,” “develop,” “endeavors,” “estimates,” “expects,” “forecasts,” “goal,” “intends,” “may,” “outlook,” “potential,” “plans,” “projects,” “reach,” “seeks,” “sees,” “should,” “strive,” “targets,” “will,” “working,” “would,” or other words of similar meaning. All statements by Alcoa Corporation that reflect expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, statements regarding forecasts concerning global demand growth for bauxite, alumina, and aluminum, and supply/demand balances; statements, projections or forecasts of future or targeted financial results, or operating performance (including our ability to execute on strategies related to environmental, social and governance matters, such as our Green Finance Framework); statements about strategies, outlook, and business and financial prospects; and statements about capital allocation and return of capital. These statements reflect beliefs and assumptions that are based on Alcoa Corporation’s perception of historical trends, current conditions, and expected future developments, as well as other factors that management believes are appropriate in the circumstances.

Forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties, and changes in circumstances that are difficult to predict. Although Alcoa Corporation believes that the expectations reflected in any forward-looking statements are based on reasonable assumptions, it can give no assurance that these expectations will be attained and it is possible that actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks and uncertainties. Such risks and uncertainties include, but are not limited to: (1) the impact of global economic conditions on the aluminum industry and aluminum end-use markets; (2) volatility and declines in aluminum and alumina demand and pricing, including global, regional, and product-specific prices, or significant changes in production costs which are linked to London Metal Exchange (LME) or other commodities; (3) the disruption of market-driven balancing of global aluminum supply and demand by non-market forces; (4) competitive and complex conditions in global markets; (5) our ability to obtain, maintain, or renew permits or approvals necessary for our mining operations; (6) rising energy costs and interruptions or uncertainty in energy supplies; (7) unfavorable changes in the cost, quality, or availability of raw materials or other key inputs, or by disruptions in the supply chain; (8) our ability to execute on our strategy to be a lower cost, competitive, and integrated aluminum production business and to realize the anticipated benefits from announced plans, programs, initiatives relating to our portfolio, capital investments, and developing technologies; (9) our ability to integrate and achieve intended results from joint ventures, other strategic alliances, and strategic business transactions; (10) economic, political, and social conditions, including the impact of trade policies and adverse industry publicity; (11) fluctuations in foreign currency exchange rates and interest rates, inflation and other economic factors in the countries in which we operate; (12) changes in tax laws or exposure to additional tax liabilities; (13) global competition within and beyond the aluminum industry; (14) our ability to obtain or maintain adequate insurance coverage; (15) disruptions in the global economy caused by ongoing regional conflicts; (16) legal proceedings, investigations, or changes in foreign and/or U.S. federal, state, or local laws, regulations, or policies; (17) climate change, climate change legislation or regulations, and efforts to reduce emissions and build operational resilience to extreme weather conditions; (18) our ability to achieve our strategies or expectations relating to environmental, social, and governance considerations; (19) claims, costs, and liabilities related to health, safety and environmental laws, regulations, and other requirements in the jurisdictions in which we operate; (20) liabilities resulting from impoundment structures, which could impact the environment or cause exposure to hazardous substances or other damage; (21) our ability to fund capital expenditures; (22) deterioration in our credit profile or increases in interest rates; (23) restrictions on our current and future operations due to our indebtedness; (24) our ability to continue to return capital to our stockholders through the payment of cash dividends and/or the repurchase of our common stock; (25) cyber attacks, security breaches, system failures, software or application vulnerabilities, or other cyber incidents; (26) labor market conditions, union disputes and other employee relations issues; (27) a decline in the liability discount rate or lower-than-expected investment returns on pension assets; and (28) the other risk factors discussed in Alcoa’s Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and other reports filed by Alcoa with the SEC, including those described in this report. Alcoa cautions readers not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. Alcoa disclaims any obligation to update publicly any forward-looking statements, whether in response to new information, future events or otherwise, except as required by applicable law. Market projections are subject to the risks described above and other risks in the market. Neither Alcoa nor any other person assumes responsibility for the accuracy and completeness of any of these forward-looking statements and none of the information contained herein should be regarded as a representation that the forward-looking statements contained herein will be achieved.

PART I – FINANCIAL INFORMATION

Item 1. Financial Statements.

Alcoa Corporation and Subsidiaries
Statement of Consolidated Operations (unaudited)
(in millions, except per-share amounts)

	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Sales (E)	\$ 2,906	\$ 2,684	\$ 5,505	\$ 5,354
Cost of goods sold (exclusive of expenses below)	2,533	2,515	4,937	4,919
Selling, general administrative, and other expenses	69	52	129	106
Research and development expenses	13	6	24	16
Provision for depreciation, depletion, and amortization	163	153	324	306
Restructuring and other charges, net (D)	18	24	220	173
Interest expense	40	27	67	53
Other (income) expenses, net (P)	(22)	6	37	60
Total costs and expenses	2,814	2,783	5,738	5,633
Income (loss) before income taxes	92	(99)	(233)	(279)
Provision for income taxes	61	22	43	74
Net income (loss)	31	(121)	(276)	(353)
Less: Net income (loss) attributable to noncontrolling interest	11	(19)	(44)	(20)
NET INCOME (LOSS) ATTRIBUTABLE TO ALCOA CORPORATION	\$ 20	\$ (102)	\$ (232)	\$ (333)
EARNINGS PER SHARE ATTRIBUTABLE TO ALCOA CORPORATION COMMON SHAREHOLDERS (F):				
Basic	\$ 0.11	\$ (0.57)	\$ (1.29)	\$ (1.87)
Diluted	\$ 0.11	\$ (0.57)	\$ (1.29)	\$ (1.87)

The accompanying notes are an integral part of the consolidated financial statements.

Alcoa Corporation and Subsidiaries
Statement of Consolidated Comprehensive Income (unaudited)
(in millions)

	Alcoa Corporation		Noncontrolling interest		Total	
	Second quarter ended June 30,		Second quarter ended June 30,		Second quarter ended June 30,	
	2024	2023	2024	2023	2024	2023
Net income (loss)	\$ 20	\$ (102)	\$ 11	\$ (19)	\$ 31	\$ (121)
Other comprehensive (loss) income, net of tax (G):						
Change in unrecognized net actuarial gain/loss and prior service cost/benefit related to pension and other postretirement benefits	13	10	5	(2)	18	8
Foreign currency translation adjustments	(60)	25	(16)	11	(76)	36
Net change in unrecognized gains/losses on cash flow hedges	(62)	226	(1)	—	(63)	226
Total Other comprehensive (loss) income, net of tax	(109)	261	(12)	9	(121)	270
Comprehensive (loss) income	\$ (89)	\$ 159	\$ (1)	\$ (10)	\$ (90)	\$ 149

	Alcoa Corporation		Noncontrolling interest		Total	
	Six months ended June 30,		Six months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023	2024	2023
Net loss	\$ (232)	\$ (333)	\$ (44)	\$ (20)	\$ (276)	\$ (353)
Other comprehensive (loss) income, net of tax (G):						
Change in unrecognized net actuarial gain/loss and prior service cost/benefit related to pension and other postretirement benefits	22	14	6	(2)	28	12
Foreign currency translation adjustments	(182)	27	(70)	26	(252)	53
Net change in unrecognized gains/losses on cash flow hedges	68	104	(1)	—	67	104
Total Other comprehensive (loss) income, net of tax	(92)	145	(65)	24	(157)	169
Comprehensive (loss) income	\$ (324)	\$ (188)	\$ (109)	\$ 4	\$ (433)	\$ (184)

The accompanying notes are an integral part of the consolidated financial statements.

Alcoa Corporation and Subsidiaries
Consolidated Balance Sheet (unaudited)
(in millions)

	June 30, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents (M)	\$ 1,396	\$ 944
Receivables from customers (I)	939	656
Other receivables	135	152
Inventories (J)	1,975	2,158
Fair value of derivative instruments (M)	38	29
Prepaid expenses and other current assets	420	466
Total current assets	4,903	4,405
Properties, plants, and equipment	19,999	20,381
Less: accumulated depreciation, depletion, and amortization	13,496	13,596
Properties, plants, and equipment, net	6,503	6,785
Investments (H)	989	979
Deferred income taxes	311	333
Fair value of derivative instruments (M)	—	3
Other noncurrent assets	1,601	1,650
Total assets	\$ 14,307	\$ 14,155
LIABILITIES		
Current liabilities:		
Accounts payable, trade	\$ 1,619	\$ 1,714
Accrued compensation and retirement costs	358	357
Taxes, including income taxes	119	88
Fair value of derivative instruments (M)	251	214
Other current liabilities	740	578
Long-term debt due within one year (K & M)	79	79
Total current liabilities	3,166	3,030
Long-term debt, less amount due within one year (K & M)	2,469	1,732
Accrued pension benefits (L)	264	278
Accrued other postretirement benefits (L)	427	443
Asset retirement obligations	699	772
Environmental remediation (O)	191	202
Fair value of derivative instruments (M)	951	1,092
Noncurrent income taxes	133	193
Other noncurrent liabilities and deferred credits	591	568
Total liabilities	8,891	8,310
CONTINGENCIES AND COMMITMENTS (O)		
EQUITY		
Alcoa Corporation shareholders' equity:		
Common stock	2	2
Additional capital	9,196	9,187
Accumulated deficit	(1,562)	(1,293)
Accumulated other comprehensive loss (G)	(3,737)	(3,645)
Total Alcoa Corporation shareholders' equity	3,899	4,251
Noncontrolling interest	1,517	1,594
Total equity	5,416	5,845
Total liabilities and equity	\$ 14,307	\$ 14,155

The accompanying notes are an integral part of the consolidated financial statements.

Alcoa Corporation and Subsidiaries
Statement of Consolidated Cash Flows (unaudited)
(in millions)

	Six months ended June 30,	
	2024	2023
CASH FROM OPERATIONS		
Net loss	\$ (276)	\$ (353)
Adjustments to reconcile net loss to cash from operations:		
Depreciation, depletion, and amortization	324	306
Deferred income taxes	(75)	(36)
Equity (income) loss, net of dividends	(8)	123
Restructuring and other charges, net (D)	220	173
Net loss from investing activities – asset sales (P)	17	19
Net periodic pension benefit cost (L)	5	2
Stock-based compensation	22	21
(Gain) loss on mark-to-market derivative financial contracts	(19)	4
Other	31	59
Changes in assets and liabilities, excluding effects of divestitures and foreign currency translation adjustments:		
(Increase) decrease in receivables	(283)	71
Decrease in inventories	157	22
Decrease in prepaid expenses and other current assets	23	63
Decrease in accounts payable, trade	(57)	(277)
Decrease in accrued expenses	(30)	(48)
Increase (decrease) in taxes, including income taxes	70	(146)
Pension contributions (L)	(10)	(9)
Decrease (increase) in noncurrent assets	25	(66)
Decrease in noncurrent liabilities	(72)	(104)
CASH PROVIDED FROM (USED FOR) OPERATIONS	64	(176)
FINANCING ACTIVITIES		
Additions to debt	989	25
Payments on debt	(266)	(16)
Proceeds from the exercise of employee stock options	—	1
Dividends paid on Alcoa common stock	(37)	(36)
Payments related to tax withholding on stock-based compensation awards	(15)	(34)
Financial contributions for the divestiture of businesses (C)	(12)	(25)
Contributions from noncontrolling interest	65	122
Distributions to noncontrolling interest	(32)	(22)
Other	(13)	1
CASH PROVIDED FROM FINANCING ACTIVITIES	679	16
INVESTING ACTIVITIES		
Capital expenditures	(265)	(198)
Proceeds from the sale of assets	2	2
Additions to investments	(17)	(36)
Other	(1)	10
CASH USED FOR INVESTING ACTIVITIES	(281)	(222)
EFFECT OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS AND RESTRICTED CASH	(16)	5
Net change in cash and cash equivalents and restricted cash	446	(377)
Cash and cash equivalents and restricted cash at beginning of year	1,047	1,474
CASH AND CASH EQUIVALENTS AND RESTRICTED CASH AT END OF PERIOD	\$ 1,493	\$ 1,097

The accompanying notes are an integral part of the consolidated financial statements.

Alcoa Corporation and Subsidiaries
Statement of Changes in Consolidated Equity (unaudited)
(in millions)

	Alcoa Corporation shareholders						Non-controlling interest	Total equity
	Common stock		Additional capital	Accumulated deficit	Accumulated other comprehensive (loss) income			
Balance at January 1, 2023	\$	2	\$ 9,183	\$ (570)	\$ (3,539)	\$ 1,513	\$	6,589
Net loss	—	—	—	(231)	—	(1)	—	(232)
Other comprehensive (loss) income (G)	—	—	—	—	(116)	15	—	(101)
Stock-based compensation	—	—	10	—	—	—	—	10
Net effect of tax withholding for compensation plans and exercise of stock options	—	—	(33)	—	—	—	—	(33)
Dividends paid on Alcoa common stock (\$0.10 per share)	—	—	—	(18)	—	—	—	(18)
Contributions	—	—	—	—	—	86	—	86
Distributions	—	—	—	—	—	(6)	—	(6)
Other	—	—	2	—	—	(1)	—	1
Balance at March 31, 2023	\$	2	\$ 9,162	\$ (819)	\$ (3,655)	\$ 1,606	\$	6,296
Net loss	—	—	—	(102)	—	(19)	—	(121)
Other comprehensive income (G)	—	—	—	—	261	9	—	270
Stock-based compensation	—	—	11	—	—	—	—	11
Dividends paid on Alcoa common stock (\$0.10 per share)	—	—	—	(18)	—	—	—	(18)
Contributions	—	—	—	—	—	36	—	36
Distributions	—	—	—	—	—	(16)	—	(16)
Balance at June 30, 2023	\$	2	\$ 9,173	\$ (939)	\$ (3,394)	\$ 1,616	\$	6,458
Balance at January 1, 2024	\$	2	\$ 9,187	\$ (1,293)	\$ (3,645)	\$ 1,594	\$	5,845
Net loss	—	—	—	(252)	—	(55)	—	(307)
Other comprehensive income (loss) (G)	—	—	—	—	17	(53)	—	(36)
Stock-based compensation	—	—	10	—	—	—	—	10
Net effect of tax withholding for compensation plans and exercise of stock options	—	—	(15)	—	—	—	—	(15)
Dividends paid on Alcoa common stock (\$0.10 per share)	—	—	—	(19)	—	—	—	(19)
Contributions	—	—	—	—	—	61	—	61
Distributions	—	—	—	—	—	(6)	—	(6)
Other	—	—	2	—	—	(1)	—	1
Balance at March 31, 2024	\$	2	\$ 9,184	\$ (1,564)	\$ (3,628)	\$ 1,540	\$	5,534
Net income	—	—	—	20	—	11	—	31
Other comprehensive loss (G)	—	—	—	—	(109)	(12)	—	(121)
Stock-based compensation	—	—	12	—	—	—	—	12
Dividends paid on Alcoa common stock (\$0.10 per share)	—	—	—	(18)	—	—	—	(18)
Contributions	—	—	—	—	—	4	—	4
Distributions	—	—	—	—	—	(26)	—	(26)
Balance at June 30, 2024	\$	2	\$ 9,196	\$ (1,562)	\$ (3,737)	\$ 1,517	\$	5,416

The accompanying notes are an integral part of the consolidated financial statements.

Alcoa Corporation and Subsidiaries

Notes to the Consolidated Financial Statements (unaudited)

(dollars in millions, except per-share amounts; metric tons in thousands (kmt))

A. Basis of Presentation – The interim Consolidated Financial Statements of Alcoa Corporation and its subsidiaries (Alcoa Corporation, Alcoa, or the Company) are unaudited. These Consolidated Financial Statements include all adjustments, consisting only of normal recurring adjustments, considered necessary by management to fairly state the Company's results of operations, financial position, and cash flows. The results reported in these Consolidated Financial Statements are not necessarily indicative of the results that may be expected for the entire year. The 2023 year-end balance sheet data was derived from audited financial statements but does not include all disclosures required by accounting principles generally accepted in the United States of America (GAAP). This Quarterly Report on Form 10-Q should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2023, which includes disclosures required by GAAP.

In accordance with GAAP, certain situations require management to make estimates based on judgments and assumptions, which may affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements. They also may affect the reported amounts of revenues and expenses during the reporting periods. Management uses historical experience and all available information to make these estimates. Management regularly evaluates the judgments and assumptions used in its estimates, and results could differ from those estimates upon future events and their effects or new information.

Principles of Consolidation. The Consolidated Financial Statements of Alcoa Corporation include the accounts of Alcoa Corporation and companies in which Alcoa Corporation has a controlling interest, including those that comprise the Alcoa World Alumina & Chemicals (AWAC) joint venture (see below). Intercompany transactions have been eliminated. The equity method of accounting is used for investments in affiliates and other joint ventures over which Alcoa Corporation has significant influence but does not have effective control. Investments in affiliates in which Alcoa Corporation cannot exercise significant influence are accounted for at cost less any impairment, a measurement alternative in accordance with GAAP.

AWAC is an unincorporated global joint venture between Alcoa Corporation and Alumina Limited and consists of several affiliated operating entities, which own, have an interest in, or operate the bauxite mines and alumina refineries within Alcoa Corporation's Alumina segment (except for the Poços de Caldas mine and refinery and portions of the São Luís refinery, all in Brazil) and a portion (55%) of the Portland smelter (Australia) within Alcoa Corporation's Aluminum segment. Alcoa Corporation owns 60% and Alumina Limited owns 40% of these individual entities, which are consolidated by the Company for financial reporting purposes and include Alcoa of Australia Limited (AofA), Alcoa World Alumina LLC (AWA), Alcoa World Alumina Brasil Ltda. (AWAB), and Alúmina Española, S.A. (Española). Alumina Limited's interest in the equity of such entities is reflected as Noncontrolling interest on the accompanying Consolidated Balance Sheet. On August 1, 2024, the Company completed the acquisition of Alumina Limited (see Note C).

B. Recently Adopted and Recently Issued Accounting Guidance

In December 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (ASU) No. 2023-09 which includes changes to income tax disclosures, including greater disaggregation of information in the rate reconciliation and disclosure of taxes paid by jurisdiction. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. The adoption of this guidance will provide enhanced disclosures regarding income taxes and will not have a material impact on the Company's financial statements.

In November 2023, the FASB issued ASU 2023-07 which requires disclosure of significant segment expenses regularly provided to the chief operating decision maker (CODM), other segment items (not included in significant segment expenses for each reportable segment), the title and position of the CODM, and an explanation of how the CODM uses the reported measure of segment profit or loss to assess segment performance and allocate resources. The adoption of this guidance will not have a material impact on the Company's financial statements and will provide enhanced disclosures regarding reportable segments beginning in the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

C. Acquisitions and Divestitures

Alumina Limited Acquisition

On August 1, 2024, Alcoa completed the acquisition of all of the ordinary shares of Alumina Limited (Alumina Shares) through a wholly owned subsidiary, AAC Investments Australia 2 Pty Ltd. Alumina Limited holds a 40% ownership interest in the AWAC joint venture. The acquisition is intended to enhance Alcoa's position as a leading pure play, upstream aluminum company globally, while simplifying the Company's corporate structure and governance, resulting in greater operational flexibility and strategic optionality.

Under the Scheme Implementation Deed (the Agreement) entered into in March 2024, as amended in May 2024, holders of Alumina Shares received 0.02854 Alcoa CHES Depositary Interests (CDIs) for each Alumina Share (the Agreed Ratio), except that i) holders of Alumina Shares represented by American Depositary Shares, each of which represented 4 Alumina Shares, received 0.02854 shares of Alcoa common stock and ii) a certain shareholder received, for certain of their Alumina Shares, 0.02854 shares of Alcoa non-voting convertible preferred stock. The Alcoa CDIs are quoted on the Australian Stock Exchange.

At closing, Alumina Shares outstanding of 2,760,056,014 and 141,625,403 were exchanged for 78,772,422 and 4,041,989 shares of Alcoa common stock and Alcoa preferred stock, respectively. Based on Alcoa's closing share price as of July 26, 2024, the Agreed Ratio implies a value of A\$1.45 per Alumina Share and aggregate purchase consideration of approximately \$2,800 for Alumina Limited.

The transaction consisted in substance of the acquisition of Alumina Limited's noncontrolling interest in AWAC, the assumption of Alumina Limited's indebtedness (approximately \$385 as of August 1, 2024, see Note K), and the recognition of deferred tax assets (approximately \$100, see Note N) related to Alumina Limited's prior net operating losses. The increase in ownership in AWAC from 60% to 100%, as well as the assumption of Alumina Limited's assets and liabilities, will be accounted for as an equity transaction under ASC 810, Consolidation, with the difference in purchase consideration and the net assets acquired recognized as an increase in total Alcoa Corporation shareholders' equity. The accounting for the transaction is not yet complete and the final value of assets and liabilities acquired is subject to change. Additionally, as of June 30, 2024, the Company recognized transaction costs of \$9 in Prepaid expenses and other current assets, which will be reclassified to Additional capital as of August 1, 2024.

Under the terms of the Agreement, Alcoa agreed to provide a shareholder loan to AWAC in place of required capital contributions by Alumina Limited if Alumina Limited's net debt position exceeded \$420 prior to the acquisition closing. Alcoa was not required to and did not provide any shareholder loans to AWAC under this provision.

Warrick Rolling Mill Divestiture

In conjunction with the sale of its rolling mill located at Warrick Operations (Warrick Rolling Mill) in March 2021, the Company recorded estimated liabilities for site separation commitments.

The Company recorded charges of \$4 and \$15 in the second quarter and the six-month period of 2024, respectively, in Other (income) expenses, net on the accompanying Statement of Consolidated Operations related to these commitments. During the second quarter and the six-month period of 2024, the Company spent \$5 and \$12 against the reserve, respectively.

In the six-month period of 2023, the Company recorded a charge of \$17 in Other (income) expenses, net on the accompanying Statement of Consolidated Operations related to these commitments. During the second quarter and six-month period of 2023, the Company spent \$11 and \$25 against the reserve, respectively.

The remaining balance of \$14 at June 30, 2024 is expected to be spent in 2024.

D. Restructuring and Other Charges, Net

In the second quarter and the six-month period of 2024, Alcoa Corporation recorded Restructuring and other charges, net, of \$18 and \$220, respectively, which were primarily comprised of:

- A charge of \$8 and \$205, respectively, for the curtailment of the Kwinana (Australia) refinery; and,
- A charge of \$8 and \$12, respectively, for take-or-pay contract costs at the closed Wenatchee (Washington) smelter.

In June 2024, Alcoa completed the full curtailment of the Kwinana refinery, as planned, which was announced in January 2024. As of March 2024, the refinery had approximately 780 employees and this number will be reduced to approximately 250 in the third quarter of 2024 to manage certain processes that will continue until about the third quarter of 2025. At that time, the employee number will be further reduced to approximately 50. In addition to the employees separating as a result of the curtailment, approximately 150 employees will either terminate through the productivity program announced in the third quarter of 2023 or redeploy to other Alcoa operations. Charges related to the curtailment totaled \$205 in the six-month period of 2024 and included charges of \$129 for water management costs, \$41 for severance and employee termination costs for the separation of approximately 580 employees, \$15 for asset retirement obligations, \$13 for take-or-pay contracts, \$5 for asset impairments and \$2 for contract terminations. Related cash outlays of approximately \$225 (which includes existing employee related liabilities and asset retirement obligations) are expected through 2025, with approximately \$145 to be spent in 2024. The Company spent \$22 and \$24 against the reserve in the second quarter and six-month period of 2024, respectively.

In the second quarter and the six-month period of 2023, Alcoa Corporation recorded Restructuring and other charges, net, of \$24 and \$173, respectively, which were primarily comprised of:

- A charge of \$101 (six-month period only) for asset impairments and to establish reserves for environmental, demolition and employee severance costs related to the permanent closure of the Intalco (Washington) aluminum smelter;
- A charge of \$47 (six-month period only) for increased reserves for certain employee obligations related to the updated agreement for the San Ciprián (Spain) aluminum smelter; and,
- A charge of \$21 (both periods) related to the settlement of certain pension benefits.

In March 2023, Alcoa Corporation announced the closure of the Intalco aluminum smelter, which had been fully curtailed since 2020. The Company recorded charges of \$117 related to the closure, including a charge of \$16 in Cost of goods sold on the Statement of Consolidated Operations to write-down remaining inventories to net realizable value and a charge of \$101 in Restructuring and other charges, net on the Statement of Consolidated Operations. The restructuring charges were comprised of asset impairments of \$50, environmental and demolition obligation reserves of \$50, and severance and employee termination costs of \$1 for the separation of approximately 12 employees. Cash outlays related to the permanent closure of the site are expected to be \$85 over the next three years with approximately \$45 to be spent in 2024. The Company spent \$9 and \$13 against the reserve in the second quarter and six-month period of 2024, respectively.

In February 2023, the Company reached an updated viability agreement with the workers' representatives of the San Ciprián smelter to commence the restart process in phases beginning in January 2024. The smelter was curtailed in January 2022 as a result of an agreement reached with the workers' representatives in December 2021. Under the terms of the updated viability agreement, the Company is responsible for certain employee obligations during 2023 through 2025 and made additional commitments for capital improvements of \$78. The Company recorded charges of \$47 in Restructuring and other charges, net on the Statement of Consolidated Operations to establish the related reserve for employee obligations in the six month period of 2023. Cash outlays related to employee obligations are expected to be \$47 through 2025, with approximately \$36 to be spent in 2024. The Company spent \$9 and \$18 against the reserve in the second quarter and six-month period of 2024, respectively. At June 30, 2024, the Company had restricted cash of \$86 to be made available for remaining capital improvement commitments at the site of \$111 and smelter restart costs of \$32 for both the agreement reached with the worker's representatives in December 2021 and the updated viability agreement in February 2023. Restricted cash is included in Prepaid expenses and other current assets and Other noncurrent assets on the Consolidated Balance Sheet (see Note P).

Alcoa Corporation does not include Restructuring and other charges, net in the results of its reportable segments. The impact of allocating such charges to segment results would have been as follows:

	Second quarter ended June 30,				Six months ended June 30,			
	2024		2023		2024		2023	
Alumina	\$	8	\$	1	\$	205	\$	2
Aluminum		—		19		—		165
Segment total		8		20		205		167
Corporate		10		4		15		6
Total Restructuring and other charges, net	\$	18	\$	24	\$	220	\$	173

Activity and reserve balances for restructuring charges were as follows:

	Severance and employee termination costs	Other costs	Total
Balance at December 31, 2022	\$ 1	\$ 116	\$ 117
Restructuring and other charges, net	11	55	66
Cash payments	(6)	(118)	(124)
Reversals and other	—	4	4
Balance at December 31, 2023	6	57	63
Restructuring and other charges, net	43	156	199
Cash payments	(1)	(55)	(56)
Reversals and other	1	3	4
Balance at June 30, 2024	\$ 49	\$ 161	\$ 210

The activity and reserve balances include only Restructuring and other charges, net that impacted the reserves for Severance and employee termination costs and Other costs. Restructuring and other charges, net that affected other liability accounts such as Accrued pension benefits (see Note L), Asset retirement obligations, and Environmental remediation (see Note O) are excluded from the above activity and balances. Reversals and other includes reversals of previously recorded liabilities and foreign currency translation impacts.

The noncurrent portion of the reserve was \$22 and \$15 at June 30, 2024 and December 31, 2023, respectively.

E. Segment Information – Alcoa Corporation is a producer of bauxite, alumina, and aluminum products. The Company has two operating and reportable segments: (i) Alumina and (ii) Aluminum. Segment performance under Alcoa Corporation’s management reporting system is evaluated based on a number of factors; however, the primary measure of performance is the Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) for each segment. The Company calculates Segment Adjusted EBITDA as Total sales (third-party and intersegment) minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; and Research and development expenses. Alcoa Corporation’s Segment Adjusted EBITDA may not be comparable to similarly titled measures of other companies. The CODM function regularly reviews the financial information, including Adjusted EBITDA, of these two operating segments to assess performance and allocate resources.

The operating results of Alcoa Corporation’s reportable segments were as follows (differences between segment totals and consolidated amounts are in Corporate):

	Alumina	Aluminum	Total
Second quarter ended June 30, 2024			
Sales:			
Third-party sales	\$ 1,010	\$ 1,895	\$ 2,905
Intersegment sales	457	3	460
Total sales	\$ 1,467	\$ 1,898	\$ 3,365
Segment Adjusted EBITDA	\$ 186	\$ 233	\$ 419
Supplemental information:			
Depreciation, depletion, and amortization	\$ 90	\$ 68	\$ 158
Equity income	\$ 2	\$ 21	\$ 23
Second quarter ended June 30, 2023			
Sales:			
Third-party sales	\$ 894	\$ 1,788	\$ 2,682
Intersegment sales	397	4	401
Total sales	\$ 1,291	\$ 1,792	\$ 3,083
Segment Adjusted EBITDA	\$ 33	\$ 110	\$ 143
Supplemental information:			
Depreciation, depletion, and amortization	\$ 80	\$ 68	\$ 148
Equity loss	\$ (11)	\$ (16)	\$ (27)

	Alumina	Aluminum	Total
Six months ended June 30, 2024			
Sales:			
Third-party sales	\$ 1,971	\$ 3,533	\$ 5,504
Intersegment sales	852	7	859
Total sales	\$ 2,823	\$ 3,540	\$ 6,363
Segment Adjusted EBITDA	\$ 325	\$ 283	\$ 608
Supplemental information:			
Depreciation, depletion, and amortization	\$ 177	\$ 136	\$ 313
Equity (loss) income	\$ (9)	\$ 23	\$ 14
Six months ended June 30, 2023			
Sales:			
Third-party sales	\$ 1,751	\$ 3,598	\$ 5,349
Intersegment sales	818	7	825
Total sales	\$ 2,569	\$ 3,605	\$ 6,174
Segment Adjusted EBITDA	\$ 136	\$ 294	\$ 430
Supplemental information:			
Depreciation, depletion, and amortization	\$ 157	\$ 138	\$ 295
Equity loss	\$ (28)	\$ (73)	\$ (101)

The following table reconciles Total Segment Adjusted EBITDA to Consolidated net income (loss) attributable to Alcoa Corporation:

	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Total Segment Adjusted EBITDA	\$ 419	\$ 143	\$ 608	\$ 430
Unallocated amounts:				
Transformation ⁽¹⁾	(16)	(17)	(30)	(25)
Intersegment eliminations	(29)	31	(37)	23
Corporate expenses ⁽²⁾	(41)	(24)	(75)	(54)
Provision for depreciation, depletion, and amortization	(163)	(153)	(324)	(306)
Restructuring and other charges, net (D)	(18)	(24)	(220)	(173)
Interest expense	(40)	(27)	(67)	(53)
Other income (expenses), net (P)	22	(6)	(37)	(60)
Other ⁽³⁾	(42)	(22)	(51)	(61)
Consolidated income (loss) before income taxes	92	(99)	(233)	(279)
Provision for income taxes	(61)	(22)	(43)	(74)
Net (income) loss attributable to noncontrolling interest	(11)	19	44	20
Consolidated net income (loss) attributable to Alcoa Corporation	\$ 20	\$ (102)	\$ (232)	\$ (333)

(1) Transformation includes, among other items, the Adjusted EBITDA of previously closed operations.

(2) Corporate expenses are composed of general administrative and other expenses of operating the corporate headquarters and other global administrative facilities, as well as research and development expenses of the corporate technical center.

(3) Other includes certain items that are not included in the Adjusted EBITDA of the reportable segments.

The following table details Alcoa Corporation's Sales by product division:

	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Aluminum	\$ 1,934	\$ 1,824	\$ 3,595	\$ 3,670
Alumina	904	774	1,794	1,488
Energy	29	26	62	54
Bauxite	96	109	157	236
Other ⁽¹⁾	(57)	(49)	(103)	(94)
	\$ 2,906	\$ 2,684	\$ 5,505	\$ 5,354

(1) Other includes realized gains and losses related to embedded derivative instruments designated as cash flow hedges of forward sales of aluminum.

F. Earnings Per Share – Basic earnings per share (EPS) amounts are computed by dividing earnings by the average number of common shares outstanding. Diluted EPS amounts assume the issuance of common stock for all potentially dilutive share equivalents outstanding.

The share information used to compute basic and diluted EPS attributable to Alcoa Corporation common shareholders was as follows (shares in millions):

	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Net income (loss) attributable to Alcoa Corporation	\$ 20	\$ (102)	\$ (232)	\$ (333)
Average shares outstanding – basic	180	178	179	178
Effect of dilutive securities:				
Stock options	—	—	—	—
Stock units	1	—	—	—
Average shares outstanding – diluted	181	178	179	178

In the six-month period of 2024, basic average shares outstanding and diluted average shares outstanding were the same because the effect of potential shares of common stock was anti-dilutive. Had Alcoa generated net income in the six-month period of 2024, two million common share equivalents related to three million outstanding stock units and stock options combined would have been included in diluted average shares outstanding for the period.

In the second quarter and six-month period of 2023, basic average shares outstanding and diluted average shares outstanding were the same because the effect of potential shares of common stock was anti-dilutive. Had Alcoa generated net income in the second quarter or six-month period of 2023, two million and three million common share equivalents, respectively, related to three million outstanding stock units and stock options combined would have been included in diluted average shares outstanding for the periods.

G. Accumulated Other Comprehensive Loss

The following table details the activity of the three components that comprise Accumulated other comprehensive loss for both Alcoa Corporation's shareholders and Noncontrolling interest:

	Alcoa Corporation		Noncontrolling interest	
	Second quarter ended		Second quarter ended	
	June 30,		June 30,	
	2024	2023	2024	2023
Pension and other postretirement benefits (L)				
Balance at beginning of period	\$ 9	\$ 66	\$ (14)	\$ (5)
Other comprehensive income (loss):				
Unrecognized net actuarial gain/loss and prior service cost/benefit	10	(18)	7	(2)
Tax (expense) benefit ⁽²⁾	(2)	8	(2)	—
Total Other comprehensive income (loss) before reclassifications, net of tax	8	(10)	5	(2)
Amortization of net actuarial gain/loss and prior service cost/benefit ⁽¹⁾	5	26	—	—
Tax expense ⁽²⁾	—	(6)	—	—
Total amount reclassified from Accumulated other comprehensive loss, net of tax ⁽⁷⁾	5	20	—	—
Total Other comprehensive income (loss)	13	10	5	(2)
Balance at end of period	\$ 22	\$ 76	\$ (9)	\$ (7)
Foreign currency translation				
Balance at beginning of period	\$ (2,715)	\$ (2,683)	\$ (1,037)	\$ (1,025)
Other comprehensive (loss) income	(60)	25	(16)	11
Balance at end of period	\$ (2,775)	\$ (2,658)	\$ (1,053)	\$ (1,014)
Cash flow hedges (M)				
Balance at beginning of period	\$ (922)	\$ (1,038)	\$ —	\$ 1
Other comprehensive (loss) income:				
Net change from periodic revaluations	(153)	241	—	—
Tax benefit (expense) ⁽²⁾	31	(38)	—	—
Total Other comprehensive (loss) income before reclassifications, net of tax	(122)	203	—	—
Net amount reclassified to earnings:				
Aluminum contracts ⁽³⁾	75	33	—	—
Financial contracts ⁽⁴⁾	—	—	—	—
Interest rate contracts ⁽⁵⁾	(1)	(3)	(1)	—
Foreign exchange contracts ⁽⁶⁾	—	(3)	—	—
Sub-total	74	27	(1)	—
Tax expense ⁽²⁾	(14)	(4)	—	—
Total amount reclassified from Accumulated other comprehensive loss, net of tax ⁽⁷⁾	60	23	(1)	—
Total Other comprehensive (loss) income	(62)	226	(1)	—
Balance at end of period	\$ (984)	\$ (812)	\$ (1)	\$ 1
Total Accumulated other comprehensive loss	\$ (3,737)	\$ (3,394)	\$ (1,063)	\$ (1,020)

	Alcoa Corporation		Noncontrolling interest	
	Six months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Pension and other postretirement benefits (L)				
Balance at beginning of period	\$ —	\$ 62	\$ (15)	\$ (5)
Other comprehensive income (loss):				
Unrecognized net actuarial gain/loss and prior service cost/benefit	14	(18)	7	(2)
Tax (expense) benefit ⁽²⁾	(3)	8	(2)	—
Total Other comprehensive income (loss) before reclassifications, net of tax	11	(10)	5	(2)
Amortization of net actuarial gain/loss and prior service cost/benefit ⁽¹⁾	11	30	1	—
Tax expense ⁽²⁾	—	(6)	—	—
Total amount reclassified from Accumulated other comprehensive loss, net of tax ⁽⁷⁾	11	24	1	—
Total Other comprehensive income (loss)	22	14	6	(2)
Balance at end of period	\$ 22	\$ 76	\$ (9)	\$ (7)
Foreign currency translation				
Balance at beginning of period	\$ (2,593)	\$ (2,685)	\$ (983)	\$ (1,040)
Other comprehensive (loss) income	(182)	27	(70)	26
Balance at end of period	\$ (2,775)	\$ (2,658)	\$ (1,053)	\$ (1,014)
Cash flow hedges (M)				
Balance at beginning of period	\$ (1,052)	\$ (916)	\$ —	\$ 1
Other comprehensive (loss) income:				
Net change from periodic revaluations	(36)	54	—	—
Total Other comprehensive (loss) income before reclassifications, net of tax	(36)	54	—	—
Net amount reclassified to earnings:				
Aluminum contracts ⁽³⁾	132	94	—	—
Financial contracts ⁽⁴⁾	—	(20)	—	—
Interest rate contracts ⁽⁵⁾	(1)	(2)	(1)	—
Foreign exchange contracts ⁽⁶⁾	(4)	(8)	—	—
Sub-total	127	64	(1)	—
Tax expense ⁽²⁾	(23)	(14)	—	—
Total amount reclassified from Accumulated other comprehensive loss, net of tax ⁽⁷⁾	104	50	(1)	—
Total Other comprehensive income (loss)	68	104	(1)	—
Balance at end of period	\$ (984)	\$ (812)	\$ (1)	\$ 1
Total Accumulated other comprehensive loss	\$ (3,737)	\$ (3,394)	\$ (1,063)	\$ (1,020)

⁽¹⁾ These amounts were included in the computation of net periodic benefit cost for pension and other postretirement benefits (see Note L).

⁽²⁾ These amounts were reported in Provision for income taxes on the accompanying Statement of Consolidated Operations.

⁽³⁾ These amounts were reported in Sales on the accompanying Statement of Consolidated Operations.

⁽⁴⁾ These amounts were reported in Cost of goods sold on the accompanying Statement of Consolidated Operations.

⁽⁵⁾ These amounts were reported in Other (income) expenses, net on the accompanying Statement of Consolidated Operations.

⁽⁶⁾ For the second quarter and six-month period of 2024, these amounts were reported in Sales (both periods) on the accompanying Statement of Consolidated Operations. For the second quarter and six-month period of 2023, \$4 was reported in Cost of goods sold (both periods) and \$(7) and \$(12) were reported in Sales, respectively, on the accompanying Statement of Consolidated Operations.

⁽⁷⁾ A positive amount indicates a corresponding charge to earnings and a negative amount indicates a corresponding benefit to earnings.

H. Investments – A summary of unaudited financial information for Alcoa Corporation’s equity investments is as follows (amounts represent 100% of investee financial information):

Second quarter ended June 30, 2024	Saudi Arabia Joint Venture	Mining	Energy	Other
Sales	\$ 804	\$ 158	\$ 59	\$ 114
Cost of goods sold	613	104	25	104
Net income (loss)	102	14	29	(20)
Equity in net income (loss) of affiliated companies, before reconciling adjustments	26	6	11	(9)
Other	(4)	—	—	12
Alcoa Corporation’s equity in net income of affiliated companies	22	6	11	3

Second quarter ended June 30, 2023

Sales	\$ 700	\$ 172	\$ 59	\$ 116
Cost of goods sold	620	101	32	106
Net (loss) income	(99)	14	22	(33)
Equity in net (loss) income of affiliated companies, before reconciling adjustments	(25)	6	9	(15)
Other	(3)	1	1	7
Alcoa Corporation’s equity in net (loss) income of affiliated companies	(28)	7	10	(8)

Six months ended June 30, 2024

Sales	\$ 1,515	\$ 273	\$ 122	\$ 229
Cost of goods sold	1,212	207	50	209
Net income (loss)	94	9	60	(36)
Equity in net income (loss) of affiliated companies, before reconciling adjustments	24	4	23	(17)
Other	(12)	—	(1)	7
Alcoa Corporation’s equity in net income (loss) of affiliated companies	12	4	22	(10)

Six months ended June 30, 2023

Sales	\$ 1,300	\$ 359	\$ 117	\$ 237
Cost of goods sold	1,302	204	59	219
Net (loss) income	(351)	38	46	(49)
Equity in net (loss) income of affiliated companies, before reconciling adjustments	(88)	17	18	(23)
Other	(15)	1	1	—
Alcoa Corporation’s equity in net (loss) income of affiliated companies	(103)	18	19	(23)

The Company’s basis in the ELYSIS™ Limited Partnership (ELYSIS) as of June 30, 2024 and 2023, included in Other in the table above, has been reduced to zero for its share of losses incurred to date. As a result, the Company has \$66 in unrecognized losses as of June 30, 2024 that will be recognized upon additional contributions into the partnership.

The results for the Saudi Arabia joint venture for the six-month period of 2023 include an adjustment to the estimate for the settlement of a dispute with an industrial utility for periods in 2021 and 2022. Alcoa’s share of this adjustment is \$41 which is included in Other (income) expenses, net on the Statement of Consolidated Operations for the six-month period of 2023. Alcoa’s total share of this dispute of \$62 includes \$21 that was recorded in the fourth quarter of 2022.

I. Receivables

In 2023, a wholly-owned special purpose entity (SPE) of the Company entered into and subsequently amended an agreement with a financial institution to sell up to \$130 of certain customer receivables without recourse on a revolving basis. The termination date of the agreement is November 14, 2024. Company subsidiaries sell customer receivables to the SPE, which then transfers the receivables to the financial institution. The Company does not maintain effective control over the transferred receivables, and therefore accounts for the transfers as sales of receivables.

Alcoa Corporation guarantees the performance obligations of the Company subsidiaries, and unsold customer receivables are pledged as collateral to the financial institution to secure the sold receivables. The SPE held unsold customer receivables of \$239 and \$104 pledged as collateral against the sold receivables as of June 30, 2024 and December 31, 2023, respectively.

The Company continues to service the customer receivables that were transferred to the financial institution. As Alcoa collects customer payments, the SPE transfers additional receivables to the financial institution rather than remitting cash.

In the second quarter of 2024, the Company sold gross customer receivables of \$293 and reinvested collections of \$293 from previously sold receivables, resulting in no net cash remittance to the financial institution. In the six-month period of 2024, the Company sold gross customer receivables of \$600 and reinvested collections of \$584 from previously sold receivables, resulting in net cash proceeds from the financial institution of \$16.

In the second quarter of 2023, the Company sold gross customer receivables of \$98 and reinvested collections of \$104 from previously sold receivables, resulting in a net cash remittance to the financial institution of \$6. In the six-month period of 2023, the Company sold gross customer receivables of \$174 and reinvested collections of \$127 from previously sold receivables, resulting in net cash proceeds from the financial institution of \$47.

Cash collections from previously sold receivables yet to be reinvested of \$89 and \$99 were included in Accounts payable, trade on the accompanying Consolidated Balance Sheet as of June 30, 2024 and December 31, 2023, respectively. Cash received from sold receivables under the agreement are presented within operating activities in the Statement of Consolidated Cash Flows.

J. Inventories

	June 30, 2024	December 31, 2023
Finished goods	\$ 320	\$ 355
Work-in-process	268	287
Bauxite and alumina	530	586
Purchased raw materials	612	700
Operating supplies	245	230
	\$ 1,975	\$ 2,158

K. Debt

Short-term Borrowings

Inventory Repurchase Agreements

The Company has entered into inventory repurchase agreements whereby the Company sold aluminum to a third party and agreed to subsequently repurchase substantially similar inventory. The Company did not record sales upon each shipment of inventory and the net cash received of \$31 and \$56 related to these agreements was recorded in Short-term borrowings within Other current liabilities on the Consolidated Balance Sheet as of June 30, 2024 and December 31, 2023, respectively. The associated inventory sold was reflected in Prepaid expenses and other current assets on the Consolidated Balance Sheet as of June 30, 2024 and December 31, 2023, respectively.

During the second quarter and six-month period of 2024, the Company recorded borrowings of \$24 and \$45, respectively, and repurchased \$45 and \$70, respectively, of inventory related to these agreements. During the second quarter and six-month period of 2023, the Company recorded borrowings of \$25 (six-month period only) and repurchased \$15 (both periods) of inventory related to these agreements.

The cash received and subsequently paid under the inventory repurchase agreements is included in Cash provided from financing activities on the Statement of Consolidated Cash Flows.

144A Debt

2031 Notes

In March 2024, Alcoa Nederland Holding B.V. (ANHBV), a wholly-owned subsidiary of Alcoa Corporation, completed a Rule 144A (U.S. Securities Act of 1933, as amended) debt issuance for \$750 aggregate principal amount of 7.125% Senior Notes due 2031 (the 2031 Notes), which carry a green bond designation. The net proceeds of this issuance were \$737, reflecting a discount to the initial purchasers of the 2031 Notes as well as issuance costs. The Company is utilizing the net proceeds to finance and/or refinance, in whole or in part, new and/or existing qualifying projects on a two-year look back and three-year look forward that meet certain eligibility criteria within its Green Finance Framework. The net proceeds also support the Company's cash position and ongoing cash needs, including with respect to its previously announced portfolio actions.

The discount to the initial purchasers, as well as costs to complete the financing, were deferred and are being amortized to interest expense over the term of the 2031 Notes. Interest on the 2031 Notes is paid semi-annually in March and September, and interest payments will commence September 15, 2024. The indenture contains customary affirmative and negative covenants that are similar to those included in the indenture that governs ANHBV's 4.125% Senior Notes due 2029 issued in March 2021, such as limitations on liens, limitations on sale and leaseback transactions, a prohibition on a reduction in the ownership of AWAC entities below an agreed level, and the calculation of certain financial ratios.

ANHBV has the option to redeem the 2031 Notes on at least 10 days, but not more than 60 days, notice to the holders of the 2031 Notes under multiple scenarios, including, in whole or in part, at any time or from time to time on and after March 15, 2027, at the applicable redemption price specified in the indenture (up to 103.563% of the principal amount plus any accrued and unpaid interest in each case). Also, the 2031 Notes are subject to repurchase upon the occurrence of a change in control repurchase event (as defined in the indenture) at a repurchase price in cash equal to 101% of the aggregate principal amount of the 2031 Notes repurchased, plus any accrued and unpaid interest on the 2031 Notes repurchased.

The 2031 Notes are guaranteed on a senior unsecured basis by the Company and its subsidiaries that are party to the indenture. The 2031 Notes rank equally in right of payment with all of ANHBV's existing and future senior unsecured indebtedness, including the ANHBV's senior notes with maturities in 2027, 2028 and 2029; rank senior in right of payment to any future subordinated obligations of ANHBV; and are effectively subordinated to ANHBV's existing and future secured indebtedness, including under the Revolving Credit Agreement, to the extent of the value of property and assets securing such indebtedness. See Part II Item 8 of Alcoa Corporation's Annual Report on Form 10-K in Note M to the Consolidated Financial Statements for the year ended December 31, 2023 for more information related to ANHBV's existing debt and related covenants.

Credit Facilities

Revolving Credit Facility

The Company has a \$1,250 revolving credit and letter of credit facility in place for working capital and/or other general corporate purposes (the Revolving Credit Facility). The Revolving Credit Facility, established in September 2016, amended and restated in June 2022 and amended in January 2024, is scheduled to mature in June 2027. Subject to the terms and conditions under the Revolving Credit Facility, the Company or ANHBV, a wholly-owned subsidiary of Alcoa Corporation, may borrow funds or issue letters of credit. Under the terms of the January 2024 amendment, the Company agreed to provide collateral for its obligations under the Revolving Credit Facility. See Part II Item 8 of Alcoa Corporation's Annual Report on Form 10-K in Note M to the Consolidated Financial Statements for the year ended December 31, 2023 for more information on the Revolving Credit Facility.

As of June 30, 2024, the Company was in compliance with all financial covenants. The Company may access the entire amount of commitments under the Revolving Credit Facility. There were no borrowings outstanding at June 30, 2024 and December 31, 2023, and no amounts were borrowed during the second quarter and six-month periods of 2024 and 2023 under the Revolving Credit Facility.

Japanese Yen Revolving Credit Facility

The Company entered into a \$250 revolving credit facility available to be drawn in Japanese yen (the Japanese Yen Revolving Credit Facility) in April 2023. The Japanese Revolving Credit Facility was amended in January 2024 and in April 2024 (see below) and is scheduled to mature in April 2025. Subject to the terms and conditions under the facility, the Company or ANHBV may borrow funds. The facility includes covenants that are substantially the same as those included in the Revolving Credit Facility. Under the current terms of the January 2024 amendment, the Company agreed to provide collateral for its obligations under the Japanese Yen Revolving Credit Facility. See Part II Item 8 of Alcoa Corporation's Annual Report on Form 10-K in Note M to the Consolidated Financial Statements for the year ended December 31, 2023 for more information on the Japanese Yen Revolving Credit Facility.

As of June 30, 2024, the Company was in compliance with all financial covenants. The Company may access the entire amount of commitments under the Japanese Revolving Credit Facility. There were no borrowings outstanding at June 30, 2024 and December 31, 2023. During the second quarter of 2024, no amounts were borrowed. During the six-month period of 2024, \$201 (29,686 JPY) was borrowed and \$196 (29,686 JPY) was repaid. No amounts were borrowed during the second quarter and six-month period of 2023 under the Japanese Yen Revolving Credit Facility.

On April 26, 2024, the Company entered into an amendment extending the maturity of the Japanese Yen Revolving Credit Facility to April 2025.

Alumina Limited Revolving Credit Facility

In connection with the acquisition of Alumina Limited, the Company assumed approximately \$385 of indebtedness as of August 1, 2024, representing the amount drawn on Alumina Limited's revolving credit facility.

Alumina Limited has a \$500 revolving credit facility with tranches maturing in October 2025 (\$100), January 2026 (\$150), July 2026 (\$150), and June 2027 (\$100). Alumina Limited's facility contains a financial covenant limiting the incurrence of indebtedness. As of June 30, 2024, Alumina Limited was in compliance with such covenant and could access the remaining commitments under the facility.

Alumina Limited's revolving credit facility also contains a clause that allows a majority of lenders, upon a change of control, to issue a notice to Alumina Limited requiring repayment within 90 business days of issuing the notice (the 90-day Notice). Alcoa has engaged with the facility lenders and the lenders have indicated their intention to delay issuing the 90-day Notice until at least December 1, 2024, providing additional time for Alcoa to consider potential repayment or refinancing options subsequent to the acquisition of Alumina Limited.

L. Pension and Other Postretirement Benefits

The components of net periodic benefit cost were as follows:

Pension benefits	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Service cost	\$ 3	\$ 3	\$ 5	\$ 5
Interest cost ⁽¹⁾	27	29	54	60
Expected return on plan assets ⁽¹⁾	(35)	(37)	(70)	(76)
Recognized net actuarial loss ⁽¹⁾	8	7	16	14
Curtailments ⁽²⁾	—	—	1	—
Settlements ⁽²⁾	(1)	21	(1)	21
Net periodic benefit cost	\$ 2	\$ 23	\$ 5	\$ 24

Other postretirement benefits	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Service cost	\$ —	\$ 1	\$ 1	\$ 2
Interest cost ⁽¹⁾	6	7	12	13
Recognized net actuarial loss ⁽¹⁾	2	1	3	2
Amortization of prior service benefit ⁽¹⁾	(4)	(4)	(7)	(7)
Net periodic benefit cost	\$ 4	\$ 5	\$ 9	\$ 10

⁽¹⁾ These amounts were reported in Other (income) expenses, net on the accompanying Statement of Consolidated Operations (see Note P).

⁽²⁾ These amounts were reported in Restructuring and other charges, net on the accompanying Statement of Consolidated Operations and Cash Flows.

Plan Actions. In 2024, management initiated the following actions to a certain pension plan:

Action #1 – On January 8, 2024, Alcoa announced the full curtailment of the Kwinana refinery. As a result, curtailment accounting was triggered within Alcoa's Australian pension plan. The Company recorded a \$1 decrease to Other noncurrent assets and recognized a curtailment loss of \$1 (\$0 after-tax) in Restructuring and other charges, net on the accompanying Statement of Consolidated Operations.

Action #2 – In the second quarter of 2024, settlement accounting and a related plan remeasurement was triggered within Alcoa's Australian pension plan as a result of participants electing lump sum payments. Alcoa recorded a \$19 increase to Other noncurrent assets and recognized a settlement gain of \$1 (\$0 after-tax) in Restructuring and other charges, net on the Statement of Consolidated Operations.

Action #	Number of affected plan participants	Weighted average discount rate as of prior plan remeasurement date	Plan remeasurement date	Weighted average discount rate as of plan remeasurement date	Increase (decrease) to other noncurrent assets	Curtailment loss ⁽¹⁾	Settlement gain ⁽²⁾
1	~110	N/A	N/A	N/A	\$ (1)	\$ 1	\$ —
2	~10	4.81%	June 30, 2024	5.23%	19	—	(1)
	~120				\$ 18	\$ 1	\$ (1)

(1) This amount represents the net actuarial loss arising from the curtailment and was recognized immediately in Restructuring and other charges, net on the accompanying Statement of Consolidated Operations.

(2) This amount represents the net actuarial gain and was reclassified from Accumulated other comprehensive loss to Restructuring and other charges, net on the accompanying Statement of Consolidated Operations.

Funding and Cash Flows. It is Alcoa's policy to fund amounts for defined benefit pension plans sufficient to meet the minimum requirements set forth in each applicable country's benefits laws and tax laws, including the Employee Retirement Income Security Act of 1974 (ERISA) for U.S. plans. From time to time, the Company contributes additional amounts as deemed appropriate.

Under ERISA regulations, a plan sponsor that establishes a pre-funding balance by making discretionary contributions to a U.S. defined benefit pension plan may elect to apply all or a portion of this balance toward its minimum required contribution obligations to the related plan in future years.

In the first and second quarters of 2024, management made such elections related to the Company's U.S. plans and intends to do so for the remainder of 2024. As a result, Alcoa's minimum required contribution to defined benefit pension plans in 2024 is estimated to be approximately \$18, of which approximately \$4 was contributed to non-U.S. plans during the second quarter of 2024. In the six-month period of 2024, \$10 was contributed to non-U.S. plans.

In the second quarter of 2023, \$5 was contributed to non-U.S. plans. In six-month period of 2023, \$9 was contributed to non-U.S. plans.

M. Derivatives and Other Financial Instruments

Fair Value

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy distinguishes between (i) market participant assumptions developed based on market data obtained from independent sources (observable inputs) and (ii) an entity's own assumptions about market participant assumptions developed based on the best information available in the circumstances (unobservable inputs). The fair value hierarchy consists of three broad levels, which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy are described below:

- Level 1 - Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, including quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable for the asset or liability (e.g., interest rates); and inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs that are both significant to the fair value measurement and unobservable.

Derivatives

Alcoa Corporation is exposed to certain risks relating to its ongoing business operations, including the risks of changing commodity prices, foreign currency exchange rates, and interest rates. Alcoa Corporation's commodity and derivative activities include aluminum, energy, foreign exchange, and interest rate contracts which are held for purposes other than trading. They are used to mitigate uncertainty and volatility, and to cover underlying exposures. While Alcoa does not generally enter into derivative contracts to mitigate the risk associated with changes in aluminum price, the Company may do so in isolated cases to address discrete commercial or operational conditions. Alcoa is not involved in trading activities for energy, weather derivatives, or other nonexchange commodity trading activities.

Alcoa Corporation's aluminum and foreign exchange contracts are predominantly classified as Level 1 under the fair value hierarchy. All of the Level 1 contracts are designated as either fair value or cash flow hedging instruments. Alcoa Corporation also has several derivative instruments classified as Level 3 under the fair value hierarchy, which are either designated as cash flow hedges or undesignated. Alcoa includes the changes in its equity method investee's Level 2 derivatives in Accumulated other comprehensive loss in the accompanying Consolidated Balance Sheet.

The following tables present the detail for Level 1 and 3 derivatives (see additional Level 3 information in further tables below):

	June 30, 2024		December 31, 2023	
	Assets	Liabilities	Assets	Liabilities
Level 1 derivative instruments	\$ 4	\$ 11	\$ 16	\$ 9
Level 3 derivative instruments	34	1,191	16	1,297
Total	\$ 38	\$ 1,202	\$ 32	\$ 1,306
Less: Current	38	251	29	214
Noncurrent	\$ —	\$ 951	\$ 3	\$ 1,092

	2024		2023	
	Unrealized loss recognized in Other comprehensive loss	Realized gain (loss) reclassified from Other comprehensive loss to earnings	Unrealized gain recognized in Other comprehensive loss	Realized gain (loss) reclassified from Other comprehensive loss to earnings
Second quarter ended June 30,				
Level 1 derivative instruments	\$ (7)	\$ —	\$ 42	\$ 28
Level 3 derivative instruments	(146)	(75)	197	(58)
Noncontrolling and equity interest (Level 2)	—	1	2	3
Total	\$ (153)	\$ (74)	\$ 241	\$ (27)

For the second quarter of 2024, the realized gains and losses on Level 1 cash flow hedges were immaterial. For the second quarter of 2023, the realized gain of \$28 on Level 1 cash flow hedges was comprised of a \$32 gain recognized in Sales and a \$4 loss recognized in Cost of goods sold.

	2024		2023	
	Unrealized loss recognized in Other comprehensive loss	Realized gain (loss) reclassified from Other comprehensive loss to earnings	Unrealized gain recognized in Other comprehensive loss	Realized gain (loss) reclassified from Other comprehensive loss to earnings
Six months ended June 30,				
Level 1 derivative instruments	\$ (10)	\$ 4	\$ 31	\$ 44
Level 3 derivative instruments	(26)	(132)	23	(110)
Noncontrolling and equity interest (Level 2)	—	1	—	2
Total	\$ (36)	\$ (127)	\$ 54	\$ (64)

For the six-month period of 2024, the realized gain of \$4 on Level 1 cash flow hedges was recognized in Sales. For the six-month period of 2023, the realized gain of \$44 on Level 1 cash flow hedges was comprised of a \$48 gain recognized in Sales and a \$4 loss recognized in Cost of goods sold.

The following table presents the outstanding quantities of derivative instruments classified as Level 1:

	Classification	June 30, 2024	June 30, 2023
Aluminum (in kmt)	Commodity buy forwards	133	187
Aluminum (in kmt)	Commodity sell forwards	80	206
Foreign currency (in millions of euro)	Foreign exchange buy forwards	61	86
Foreign currency (in millions of euro)	Foreign exchange sell forwards	16	18
Foreign currency (in millions of Norwegian krone)	Foreign exchange buy forwards	85	232
Foreign currency (in millions of Brazilian real)	Foreign exchange buy forwards	351	1,010
Foreign currency (in millions of Canadian dollar)	Foreign exchange buy forwards	22	—

Alcoa Corporation routinely uses Level 1 aluminum derivative instruments to manage exposures to changes in the fair value of firm commitments for the purchases or sales of aluminum. Additionally, Alcoa uses Level 1 aluminum derivative instruments to manage LME exposures at certain locations with profitability improvement actions (expires December 2024), and the Alumar (Brazil) smelter restart (expired December 2023).

Alcoa Corporation uses Level 1 foreign exchange forward contracts to mitigate the risk of foreign exchange exposure related to euro power purchases in Norway (expires December 2026), U.S. dollar aluminum sales in Norway (expires June 2025), U.S. dollar alumina and aluminum sales in Brazil (expires August 2025), and U.S. dollar aluminum sales in Canada (expires March 2025).

Additional Level 3 Disclosures

The following table presents quantitative information related to the significant unobservable inputs described above for Level 3 derivative instruments (megawatt hours in MWh):

	June 30, 2024	Unobservable Input	Unobservable Input Range	
Asset Derivatives				
Financial contract (undesignated)	\$	34	Interrelationship of forward energy price, LME forward price, and the Consumer Price Index	Electricity (per MWh) 2024: \$93.52 2024: \$40.54 LME (per mt) 2024: \$2,491 2024: \$2,562
Total Asset Derivatives	\$	34		
Liability Derivatives				
Power contract	\$	180	MWh of energy needed to produce the forecasted mt of aluminum	LME (per mt) 2024: \$2,491 2027: \$2,742 Electricity Rate of 4 million MWh per year
Power contracts		1,008	MWh of energy needed to produce the forecasted mt of aluminum	LME (per mt) 2024: \$2,491 2029: \$2,734 2036: \$2,934 Midwest premium (per pound) 2024: \$0.1999 2029: \$0.2365 2036: \$0.2365 Electricity Rate of 18 million MWh per year
Power contract		2	MWh of energy needed to produce the forecasted mt of aluminum	LME (per mt) 2024: \$2,491 2024: \$2,524 Midwest premium (per pound) 2024: \$0.1999 2024: \$0.2240 Electricity Rate of 2 million MWh per year
Power contract (undesignated)		1	Estimated spread between the 30-year debt yield of Alcoa and the counterparty	Credit spread 1.71%: 30-year debt yield spread 6.98%: Alcoa (estimated) 5.27%: counterparty
Total Liability Derivatives	\$	1,191		

The fair values of Level 3 derivative instruments recorded in the accompanying Consolidated Balance Sheet were as follows:

Asset Derivatives	June 30, 2024	December 31, 2023
Derivatives not designated as hedging instruments:		
Current—financial contract	\$ 34	\$ 16
Total derivatives not designated as hedging instruments	\$ 34	\$ 16
Total Asset Derivatives	\$ 34	\$ 16
Liability Derivatives		
Derivatives designated as hedging instruments:		
Current—power contracts	\$ 245	\$ 210
Noncurrent—power contracts	945	1,087
Total derivatives designated as hedging instruments	\$ 1,190	\$ 1,297
Derivatives not designated as hedging instruments:		
Noncurrent—embedded credit derivative	1	—
Total derivatives not designated as hedging instruments	\$ 1	\$ —
Total Liability Derivatives	\$ 1,191	\$ 1,297

Assuming market rates remain constant with the rates at June 30, 2024, a realized loss of \$245 related to power contracts is expected to be recognized in Sales over the next 12 months.

At June 30, 2024 and December 31, 2023, the power contracts with embedded derivatives designated as cash flow hedges include hedges of forecasted aluminum sales of 1,344 kmt and 1,456 kmt, respectively.

The following tables present the reconciliation of activity for Level 3 derivative instruments:

	Assets	
Second quarter ended June 30, 2024	Financial contracts	
April 1, 2024	\$	12
Total gains or losses included in:		
Other income, net (unrealized/realized)		55
Settlements and other		(33)
June 30, 2024	\$	34
Change in unrealized gains or losses included in earnings for derivative instruments held at June 30, 2024:		
Other income, net	\$	55

	Liabilities	
	Power contracts	Embedded credit derivative
Second quarter ended June 30, 2024		
April 1, 2024	\$ 1,120	\$ —
Total gains or losses included in:		
Sales (realized)	(76)	—
Other expenses, net (unrealized/realized)	—	1
Other comprehensive income (unrealized)	146	—
June 30, 2024	\$ 1,190	\$ 1
Change in unrealized gains or losses included in earnings for derivative instruments held at June 30, 2024:		
Other expenses, net	\$ —	\$ 1

Six months ended June 30, 2024	Assets	
	Financial contracts	
January 1, 2024	\$	16
Total gains or losses included in:		
Other income, net (unrealized/realized)		50
Settlements and other		(32)
June 30, 2024	\$	34
Change in unrealized gains or losses included in earnings for derivative instruments held at June 30, 2024:		
Other income, net	\$	50

	Liabilities	
	Power contracts	Embedded credit derivative
Six months ended June 30, 2024		
January 1, 2024	\$ 1,297	\$ —
Total gains or losses included in:		
Sales (realized)	(133)	—
Other expenses, net (unrealized/realized)	—	1
Other comprehensive income (unrealized)	26	—
June 30, 2024	\$ 1,190	\$ 1
Change in unrealized gains or losses included in earnings for derivative instruments held at June 30, 2024:		
Other expenses, net	\$ —	\$ 1

There were no purchases, sales, or settlements of Level 3 derivative instruments in the periods presented.

Other Financial Instruments

The carrying values and fair values of Alcoa Corporation's other financial instruments were as follows:

	June 30, 2024		December 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Cash and cash equivalents	\$ 1,396	\$ 1,396	\$ 944	\$ 944
Restricted cash	97	97	103	103
Short-term borrowings	31	31	56	56
Long-term debt due within one year	79	79	79	79
Long-term debt, less amount due within one year	2,469	2,477	1,732	1,702

The following methods were used to estimate the fair values of other financial instruments:

Cash and cash equivalents and Restricted cash. The carrying amounts approximate fair value because of the short maturity of the instruments. The fair value amounts for Cash and cash equivalents and Restricted cash were classified in Level 1 of the fair value hierarchy.

Short-term borrowings and Long-term debt, including amounts due within one year. The fair value of Long-term debt, less amounts due within one year was based on quoted market prices for public debt and on interest rates that are currently available to Alcoa Corporation for issuance of debt with similar terms and maturities for non-public debt. The fair value amounts for all Short-term borrowings and Long-term debt were classified in Level 2 of the fair value hierarchy.

N. Income Taxes – Alcoa Corporation's estimated annualized effective tax rate (AETR) for 2024 as of June 30, 2024 differs from the U.S. federal statutory rate of 21% primarily due to losses in certain jurisdictions with full valuation allowances resulting in no tax benefit. In addition, income in foreign jurisdictions with higher statutory tax rates contribute to the variance from 21%.

	Six months ended June 30,	
	2024	2023
Loss before income taxes	\$ (233)	\$ (279)
Estimated annualized effective tax rate	105.1 %	(29.3) %
Income tax (benefit) expense	\$ (245)	\$ 82
Unfavorable (favorable) tax impact related to losses in jurisdictions with no tax benefit	288	(11)
Discrete tax expense	—	3
Provision for income taxes	\$ 43	\$ 74

Alcoa Australia Holdings Pty Ltd (AAH), a wholly-owned indirect subsidiary of Alcoa, made an election prior to July 31, 2024 that results in Alcoa's other wholly-owned Australian subsidiaries joining AAH's tax consolidated group (the AAH Tax Consolidated Group). As a result of the acquisition of Alumina Limited, Alumina Limited and all of its Australian subsidiaries, as well as AofA and all of its subsidiaries, joined the AAH Tax Consolidated Group on August 1, 2024. Alcoa will recognize a deferred tax asset of approximately \$100 related to the portion of Alumina Limited's Australian net operating loss carryforwards that the Company has determined are more likely than not to be realized as a result of the consolidated return election.

The Inflation Reduction Act of 2022 (IRA) contains a number of tax credits and other incentives for investments in renewable energy production, carbon capture, and other climate-related actions, as well as the production of critical minerals. In December 2023, the U.S. Treasury issued guidance on Section 45X of the Advanced Manufacturing Tax Credit. The Notice of Proposed Rulemaking (the Notice) clarifies that commercial grade aluminum can qualify for the credit, which was designed to incentivize domestic production of critical materials important for the global transition to renewable energy. In the second quarter and six-month period of 2024, the Company recorded benefits of \$10 and \$20 in Cost of goods sold, respectively, related to its Massena West smelter (New York) and its Warrick smelter (Indiana). As of June 30, 2024, benefits of \$36 were included in Other receivables and \$20 were included in Other noncurrent assets on the Consolidated Balance Sheet. As of December 31, 2023, benefits of \$36 were included in Other receivables on the Consolidated Balance Sheet.

O. Contingencies

Environmental Matters

Alcoa Corporation participates in environmental assessments and cleanups at several locations. These include currently or previously owned or operated facilities and adjoining properties, and waste sites, including Superfund (Comprehensive Environmental Response, Compensation and Liability Act (CERCLA)) sites.

Alcoa Corporation's environmental remediation reserve balance reflects the most probable costs to remediate identified environmental conditions for which costs can be reasonably estimated. The following table details the changes in the carrying value of recorded environmental remediation reserves:

Balance at December 31, 2022	\$	284
Liabilities incurred		39
Cash payments		(55)
Reversals of previously recorded liabilities		(1)
Foreign currency translation and other		1
Balance at December 31, 2023		268
Liabilities incurred		1
Cash payments		(16)
Foreign currency translation and other		(1)
Balance at June 30, 2024	\$	252

At June 30, 2024 and December 31, 2023, the current portion of the environmental remediation reserve balance was \$61 and \$66, respectively.

Payments related to remediation expenses applied against the reserve were \$10 and \$16 in the second quarter and six-month period of 2024, respectively. These amounts include mandated expenditures as well as those not required by any regulatory authority or third party.

During the second quarter and six-month period of 2023, the Company incurred liabilities of \$4 and \$18, respectively. The Company incurred liabilities of \$14 for the six-month period of 2023 primarily related to the closure of the previously curtailed Intalco aluminum smelter, which was recorded in Restructuring and other charges, net (see Note D) on the Statement of Consolidated Operations, and incurred liabilities of \$4 for the second quarter of 2023 for ongoing remediation work at various other sites, which was recorded in Cost of goods sold on the accompanying Statement of Consolidated Operations. Payments related to remediation expenses applied against the reserve were \$16 and \$23 in the second quarter and six-month period of 2023, respectively. These amounts include mandated expenditures as well as those not required by any regulatory authority or third party. Further, the Company recorded a reversal of a reserve of \$1 during the six-month period of 2023 due to the determination that certain remaining site remediation is no longer required.

The estimated timing of cash outflows from the environmental remediation reserve at June 30, 2024 was as follows:

2024 (excluding the six months ended June 30, 2024)	\$	48
2025 – 2029		119
Thereafter		85
Total	\$	252

Reserve balances at June 30, 2024 and December 31, 2023, associated with significant sites with active remediation underway or for future remediation were \$199 and \$211, respectively. In management's judgment, the Company's reserves are sufficient to satisfy the provisions of the respective action plans. Upon changes in facts or circumstances, a change to the reserve may be required. The Company's significant sites include:

Suriname—The reserve associated with the 2017 closure of the Suralco refinery and bauxite mine is for treatment and disposal of refinery waste and soil remediation. The work began in 2017 and is expected to be completed at the end of 2029.

Hurricane Creek, Arkansas—The reserve associated with the 1990 closure of two mining areas and refineries near Hurricane Creek, Arkansas is for ongoing monitoring and maintenance for water quality surrounding the mine areas and residue disposal areas.

Massena, New York—The reserve associated with the 2015 closure of the Massena East smelter by the Company's subsidiary, Reynolds Metals Company, is for subsurface soil remediation to be performed after demolition of the structures. Remediation work commenced in 2021 and will take four to eight years to complete.

Point Comfort, Texas—The reserve associated with the 2019 closure of the Point Comfort alumina refinery is for disposal of industrial wastes contained at the site, subsurface remediation, and post-closure monitoring and maintenance. The final remediation plan is currently being developed, which may result in a change to the existing reserve.

Sherwin, Texas—In connection with the 2018 settlement of a dispute related to the previously-owned Sherwin alumina refinery, the Company's subsidiary, Copano Enterprises LLC, accepted responsibility for the final closure of four bauxite residue waste disposal areas (known as the Copano facility). Work commenced on the first residue disposal area in 2018 and is expected to be completed no later than May 2028. Other than ongoing maintenance and repair activities, work on the next three areas has not commenced but is expected to be completed by 2048, depending on its potential re-use.

Longview, Washington—In connection with a 2018 Consent Decree and Cleanup Action Plan with the State of Washington Department of Ecology, the Company's subsidiary, Northwest Alloys as landowner, accepted certain responsibilities for future remediation of contaminated soil and sediments at the site located near Longview, Washington. In December 2020, the lessee of the land, who was a partner in the remediation of the site, filed for bankruptcy and exited the site in January 2021. The full site remediation project design, including long-term and post-closure monitoring and maintenance at the site, was approved in March 2023. In the third quarter of 2023, changes in scope and cost increases for remediation resulted in an increase to the reserve. The project is planned to be completed by the end of 2026.

Addy, Washington—The reserve associated with the 2022 closure of the Addy magnesium smelter facility is for site-wide remediation and investigation and post-closure monitoring and maintenance. Remediation work is not expected to begin until 2026 and will take three to five years to complete. The final remediation plan is currently being developed, which may result in a change to the existing reserve.

Ferndale, Washington—The reserve associated with the 2023 closure of the Intalco aluminum smelter in Ferndale, Washington is for below grade site remediation and five years of post-closure maintenance and monitoring. The final remediation plan is under review.

Other Sites—The Company is in the process of decommissioning various other plants and remediating sites in several countries for potential redevelopment or to return the land to a natural state. In aggregate, there are remediation projects at 32 other sites that are planned or underway. These activities will be completed at various times in the next three to five years, after which ongoing monitoring and other activities may be required. At June 30, 2024 and December 31, 2023, the reserve balance associated with these activities was \$53 and \$57, respectively.

Tax

Brazil (AWAB)—Under Brazilian law, taxpayers who generate non-cumulative federal value added tax credits related to exempt exports may either request a refund in cash (monetization) or offset them against other federal taxes owed. In 2012, AWAB requested monetization of \$136 (R\$273) from the Brazilian Federal Revenue Office (RFB) and received \$68 (R\$136) that year. In March 2013, AWAB was notified by the RFB that approximately \$110 (R\$220) of value added tax credits previously claimed were being disallowed and a penalty of 50% was assessed. \$41 (R\$82) of the cash received in 2012 related to the disallowed amount. The value added tax credits were claimed by AWAB for both fixed assets and export sales related to the Juruti bauxite mine and Alumar refinery expansion for tax years 2009 through 2011. The RFB has disallowed credits they allege belong to the consortium in which AWAB owns an interest and should not have been claimed by AWAB. Credits have also been disallowed as a result of challenges to apportionment methods used, questions about the use of the credits, and an alleged lack of documented proof. AWAB presented defense of its claim to the RFB on April 8, 2013.

In February 2022, the RFB notified AWAB that it had inspected the value added tax credits claimed for 2012 and disallowed \$4 (R\$19). In its decision, the RFB allowed credits of \$14 (R\$65) that were similar to those previously disallowed for 2009 through 2011. In July 2022, the RFB notified AWAB that it had inspected the value added tax credits claimed for 2013 and disallowed \$13 (R\$66). In its decision, the RFB allowed credits of \$10 (R\$53) that were similar to those previously disallowed for 2009 through 2011. AWAB received the 2012 allowed credits with interest of \$9 (R\$44) in March 2022 and the 2013 allowed credits with interest of \$6 (R\$31) in August 2022. The decisions on the 2012 and 2013 credits provide positive evidence to support management's opinion that there is no basis for these credits to be disallowed. AWAB will continue to dispute the credits that were disallowed for 2012 and 2013. If AWAB is successful in this administrative process, the RFB would have no further recourse. If unsuccessful in this process, AWAB has the option to litigate at a judicial level. Separately from AWAB's administrative appeal, in June 2015, a new tax law was enacted repealing the provisions in the tax code that were the basis for the RFB assessing a 50% penalty in this matter. As such, the estimated range of reasonably possible loss for these matters is \$0 to \$55 (R\$305). It is management's opinion that the allegations have no basis; however, at this time, the Company is unable to reasonably predict an outcome for this matter.

Australia (AofA)—In December 2019, AofA received a statement of audit position (SOAP) from the Australian Taxation Office (ATO) related to the pricing of certain historic third-party alumina sales. The SOAP proposed adjustments that would result in additional income tax payable by AofA. During 2020, the SOAP was the subject of an independent review process within the ATO. At the conclusion of this process, the ATO determined to continue with the proposed adjustments and issued Notices of Assessment (the Notices) that were received by AofA on July 7, 2020. The Notices asserted claims for income tax payable by AofA of approximately \$143 (A\$214). The Notices also included claims for compounded interest on the tax amount totaling approximately \$474 (A\$707).

On September 17, 2020, the ATO issued a position paper with its preliminary view on the imposition of administrative penalties related to the tax assessment issued to AofA. This paper proposed penalties of approximately \$86 (A\$128).

AofA disagreed with the Notices and with the ATO's proposed position on penalties. During 2020, AofA lodged formal objections to the Notices, provided a submission on the ATO's imposition of interest and submitted a response to the ATO's position paper on penalties. After the ATO completes its review of AofA's response to the penalties position paper, the ATO could issue a penalty assessment.

To date, AofA has not received a response to its submission on the ATO's imposition of interest or its response to the ATO's position paper on penalties.

Through February 1, 2022, AofA did not receive a response from the ATO on AofA's formal objections to the Notices and, on that date, AofA submitted statutory notices to the ATO requiring the ATO to make decisions on AofA's objections within a 60-day period. On April 1, 2022, the ATO issued its decision disallowing the Company's objections related to the income tax assessment, while the position on penalties and interest remains outstanding.

On April 29, 2022, AofA filed proceedings in the Australian Administrative Appeals Tribunal (AAT) against the ATO to contest the Notices. The AAT held the first directions hearing on July 25, 2022 ordering AofA to file its evidence and related materials by November 4, 2022, ATO to file its materials by April 14, 2023 and AofA to file reply materials by May 26, 2023. AofA filed its evidence and related materials on November 4, 2022. The ATO did not file its materials by April 14, 2023. At a directions hearing on May 17, 2023, the ATO was granted an extension to file its materials by August 18, 2023. At a directions hearing on September 26, 2023, the ATO was granted an additional extension to file its materials by November 3, 2023. The ATO filed its materials on November 13, 2023. At a directions hearing on November 22, 2023, AofA was ordered to file any reply materials by March 15, 2024. AofA filed its reply materials on March 15, 2024. The substantive hearing was completed in June 2024, and AofA is awaiting the AAT's decision.

The Company maintains that the sales subject to the ATO's review, which were ultimately sold to Aluminium Bahrain B.S.C., were the result of arm's length transactions by AofA over two decades and were made at arm's length prices consistent with the prices paid by other third-party alumina customers.

In accordance with the ATO's dispute resolution practices, AofA paid 50% of the assessed income tax amount exclusive of interest and any penalties, or approximately \$74 (A\$107), during the third quarter 2020, and the ATO is not expected to seek further payment prior to final resolution of the matter. If AofA is ultimately successful, any amounts paid to the ATO as part of the 50% payment would be refunded. AofA funded the payment with cash on hand and recorded the payment within Other noncurrent assets as a noncurrent prepaid tax asset; at June 30, 2024 the related balance was \$72 (A\$107).

Further interest on the unpaid tax will continue to accrue during the dispute. The initial interest assessment and the additional interest accrued are deductible against taxable income by AofA but would be taxable as income in the year the dispute is resolved if AofA is ultimately successful. AofA applied this deduction beginning in the third quarter of 2020, reducing cash tax payments. At June 30, 2024 and December 31, 2023, total reductions in cash tax payments were \$209 (A\$312) and \$199 (A\$293), respectively, and are reflected within Other noncurrent liabilities and deferred credits as a noncurrent accrued tax liability.

The Company continues to believe it is more likely than not that AofA's tax position will be sustained and therefore is not recognizing any tax expense in relation to this matter. However, because the ultimate resolution of this matter is uncertain at this time, the Company cannot predict the potential loss or range of loss associated with the outcome, which may materially affect its results of operations and financial condition. References to any assessed U.S. dollar amounts presented in connection with this matter have been converted into U.S. dollars from Australian dollars based on the exchange rate in the respective period.

Legal Proceedings

St. Croix Proceedings—Prior to 2012, Alcoa Inc., the Company’s former parent company, was served with two multi-plaintiff actions alleging personal injury or property damage from Hurricane Georges or winds blowing material from the Company’s former St. Croix alumina facility. These actions were subsequently consolidated into the Red Dust Claims docket in 2017.

In March 2022, the Superior Court of the Virgin Islands issued an amended case management order dividing complaints filed in the Red Dust docket into groups of 50 complaints, designated Groups A through I. The parties selected 10 complaints from Group A to proceed to trial as the Group A lead cases. In May 2024, the Court issued an amended case management order with regard to the Group A lead cases scheduling trials to begin in November 2024. Trials with regard to the Group A lead cases will continue through July 2025. The Court further ordered the parties to participate in mediation on or before August 31, 2024. After completing its case analysis in the second quarter of 2024, the Company recorded a reserve for its estimate of probable loss and a related receivable for insurance proceeds with no material impact to the results of operations.

General

In addition to the matters discussed above, various other lawsuits, claims, and proceedings have been or may be instituted or asserted against Alcoa Corporation, including those pertaining to environmental, safety and health, commercial, tax, product liability, intellectual property infringement, governance, employment, and employee and retiree benefit matters, and other actions and claims arising out of the normal course of business. While the amounts claimed in these other matters may be substantial, the ultimate liability is not readily determinable because of the considerable uncertainties that exist. Accordingly, it is possible that the Company’s liquidity or results of operations in a particular period could be materially affected by one or more of these other matters. However, based on facts currently available, management believes that the disposition of these other matters that are pending or asserted will not have a material adverse effect, individually or in the aggregate, on the financial position of the Company.

P. Other Financial Information

Other (Income) Expenses, Net

	Second quarter ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Equity (gain) loss	\$ (22)	\$ 44	\$ 5	\$ 139
Foreign currency losses (gains), net	57	(39)	81	(55)
Net loss from asset sales	6	1	17	15
Net (gain) loss on mark-to-market derivative instruments	(54)	9	(49)	(17)
Non-service costs – pension and other postretirement benefits	4	3	8	6
Other, net	(13)	(12)	(25)	(28)
	\$ (22)	\$ 6	\$ 37	\$ 60

Other Noncurrent Assets

	June 30, 2024	December 31, 2023
Prepaid gas transmission contract	\$ 296	\$ 297
Value added tax credits	287	336
Gas supply prepayment	261	283
Deferred mining costs, net	186	187
Prepaid pension benefit	153	125
Goodwill	144	146
Noncurrent prepaid tax asset	72	73
Noncurrent restricted cash	53	71
Intangibles, net	35	37
Other	114	95
	\$ 1,601	\$ 1,650

Cash and Cash Equivalents and Restricted Cash

	June 30, 2024	December 31, 2023
Cash and cash equivalents	\$ 1,396	\$ 944
Current restricted cash	44	32
Noncurrent restricted cash	53	71
	\$ 1,493	\$ 1,047

Q. Supplier Finance Programs

The Company has various supplier finance programs with third-party financial institutions that are made available to suppliers to facilitate payment term negotiations. Under the terms of these agreements, participating suppliers receive payment in advance of the payment date from third-party financial institutions for qualifying invoices. Alcoa's obligations to its suppliers, including amounts due and payment terms, are not impacted by its suppliers' participation in these programs. The Company does not pledge any assets as security or provide any guarantees beyond payment of outstanding invoices at maturity under these arrangements. The Company does not pay fees to the financial institutions under these arrangements. At June 30, 2024 and December 31, 2023, qualifying supplier invoices outstanding under these programs were \$123 and \$104, respectively, and have payment terms ranging from 50 to 110 days. These obligations are included in Accounts payable, trade on the accompanying Consolidated Balance Sheet.

R. Subsequent Events

On August 1, 2024, the Company completed the acquisition of Alumina Limited (see Note C).

On July 31, 2024, the Board of Directors declared a quarterly cash dividend of \$0.10 per share of the Company's common stock and Series A convertible preferred stock, to be paid on August 29, 2024 to stockholders of record as of the close of business on August 12, 2024. Dividends on Alcoa's common and preferred shares are paid in U.S. dollars. Dividends on CDIs paid in a currency other than U.S. dollar will be determined using foreign currency exchange rates as of August 22, 2024.

In May 2022, the Company received a Notice of Violation (NOV) from the U.S. Environmental Protection Agency (the EPA). The NOV alleges violations under the Clean Air Act at the Company's Intalco smelter from when the smelter was operational. The EPA referred the matter to the U.S. Department of Justice, Environment and Natural Resources Division (the DOJ) in May 2022. The DOJ and the Company agreed to a stipulated settlement, which was filed with the United States District Court for the Western District of Washington at Seattle on July 18, 2024, requiring the Company to pay a civil fine of \$5. An accrual for this matter was included within Other current liabilities on the Consolidated Balance Sheet as of June 30, 2024.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

(dollars in millions, except per-share amounts, average realized prices, and average cost amounts; metric tons in thousands (kmt); dry metric tons in millions (mdmt))

Business Update

Alcoa continued to progress the acquisition of Alumina Limited during the second quarter of 2024 and announced the completion of the acquisition on August 1, 2024. The acquisition is intended to enhance Alcoa’s position as a leading pure play, upstream aluminum company globally, while simplifying the Company’s corporate structure and governance, resulting in greater operational and financial flexibility and strategic optionality.

Additionally, Alcoa continued to execute initiatives to further enhance its operations and reduce controllable costs. The Company’s smelters in Canada and Norway set year-to-date production records, and the Alumar smelter established stability and increased operating capacity to approximately 72 percent. The full curtailment of the Kwinana refinery in Australia was completed in June 2024, as planned.

Alumina Limited Acquisition

On August 1, 2024, Alcoa completed the acquisition of all of the ordinary shares of Alumina Limited (Alumina Shares) through a wholly owned subsidiary, AAC Investments Australia 2 Pty Ltd. Alumina Limited holds a 40% ownership interest in the AWAC joint venture. Under the Scheme Implementation Deed (the Agreement) entered into in March 2024, as amended in May 2024, holders of Alumina Shares received 0.02854 Alcoa CHES Depositary Interests (CDIs) for each Alumina Share (the Agreed Ratio), except that i) holders of Alumina Shares represented by American Depositary Shares, each of which represented 4 Alumina Shares, received 0.02854 shares of Alcoa common stock and ii) a certain shareholder received, for certain of their Alumina Shares, 0.02854 shares of Alcoa non-voting convertible preferred stock. The Alcoa CDIs are quoted on the Australian Stock Exchange under the trading symbol AAI.

At closing, Alumina Shares outstanding of 2,760,056,014 and 141,625,403 were exchanged for 78,772,422 and 4,041,989 shares of Alcoa common stock and Alcoa preferred stock, respectively. Based on Alcoa’s closing share price as of July 26, 2024, the Agreed Ratio implies a value of A\$1.45 per Alumina Share and aggregate purchase consideration of approximately \$2,800 for Alumina Limited.

For Alcoa shareholders, the transaction enhances Alcoa’s vertical integration along the value chain across bauxite mining, alumina refining, and aluminum smelting, increases Alcoa’s economic interest in its bauxite and alumina assets, simplifies governance, and reaffirms Alcoa’s commitment to Western Australia. In addition to the implied premium over prior share prices, Alumina Limited shareholders’ ownership is diversified to a large-scale, global upstream aluminum portfolio.

The transaction consisted in substance of the acquisition of Alumina Limited’s noncontrolling interest in AWAC, the assumption of Alumina Limited’s indebtedness (approximately \$385 as of August 1, 2024), and the recognition of deferred tax assets (approximately \$100) related to Alumina Limited’s prior net operating losses. The accounting for the transaction is not yet complete and the final value of assets and liabilities acquired is subject to change. Alcoa’s fees and expenses related to the transaction include financial advisor fees, filing fees, legal and accounting fees, and regulatory fees. The Company expects to incur approximately \$35 of transaction costs related to the transaction. In the third quarter of 2024, Net income attributable to noncontrolling interest will be reported through July 31, 2024 and cease thereafter.

Additionally, under the terms of the Agreement, Alcoa agreed to provide a shareholder loan to AWAC in place of required capital contributions by Alumina Limited if Alumina Limited’s net debt position exceeded \$420 prior to the acquisition closing. Alcoa was not required to and did not provide any shareholder loans to AWAC under this provision.

Portfolio Actions

Kwinana Refinery

In June 2024, Alcoa completed the full curtailment of the Kwinana refinery, as planned, which was announced in January 2024. The Company’s decision to fully curtail the refinery was made based on a variety of factors, including the refinery’s age, scale, operating costs, and current bauxite grades, in addition to market conditions.

Prior to the curtailment, the refinery had been operating at approximately 80 percent of its annual nameplate capacity of 2.2 million metric tons since January 2023, when the Company reduced production in response to a domestic natural gas shortage in Western Australia due to production challenges experienced by key gas suppliers.

As of March 2024, the refinery had approximately 780 employees and this number will be reduced to approximately 250 in the third quarter of 2024 to manage certain processes that will continue until about the third quarter of 2025. At that time, the employee number will be further reduced to approximately 50.

Alumar Smelter

During the second quarter of 2024, the Company resumed the controlled pace for the restart of the Alumar smelter and continued actions to improve the smelter's overall performance, after the smelter experienced operational instability in the prior quarter. The site was operating at approximately 72 percent of the site's total annual capacity of 268 kmt (Alcoa share) as of June 30, 2024.

San Ciprián Operations

During the second quarter of 2024, Alcoa continued its focus on improving the competitiveness of both the San Ciprián refinery and smelter, while progressing the process for the potential sale of the complex. Alcoa completed the restart of approximately 6 percent of pots at the San Ciprián smelter in the first quarter of 2024, in compliance with the February 2023 updated viability agreement.

Improving the competitiveness of the complex is dependent on finding competitive energy for both the smelter and refinery. While electricity and gas prices have declined since the global energy crisis in 2022, power prices remain uneconomical due to (i) a lack of material indirect carbon dioxide cost compensation from the Spanish government; (ii) substantial transmission costs; and (iii) permitting delays and adjustments to renewable power generation projects associated with two long-term power purchase agreements with renewable energy providers that Alcoa entered into in 2022. Additionally, Alcoa initiated a process for the potential sale of the complex during the first quarter of 2024 which is expected to conclude in the second half of 2024. Any long-term solution for the complex requires the support of the government and workers' representatives.

The refinery and smelter incurred substantial losses in the first half of 2024 and in prior years, which have been funded with internal credit lines that are nearing their limits and for which the operations have no ability to repay. The operations have approximately \$100 of available funding with cash on hand and availability under internal credit lines. Although aluminum and alumina prices improved during the first half of 2024, the San Ciprián complex remains unviable based on current and forward market assumptions for delivered energy in Spain and sales prices. While the Company had restricted cash of \$86 remaining at June 30, 2024 (see Aluminum below) to be made available for capital improvements at the site and smelter restart costs, the workers' representatives have rejected the use of this cash to fund operating losses at the smelter. Based on current economic conditions, and barring reaching an acceptable outcome on either achieving economic viability or completing a sale of the complex, the San Ciprián operations are expected to incur losses in 2024 and Alcoa anticipates that available funding will be exhausted by the end of 2024. At that point, Alcoa will not provide additional funding and difficult decisions will have to be considered regarding the future of the San Ciprián complex.

Warrick Operations

During the first quarter 2024, the Company completed the restart of one potline (54,000 mtpy) at its Warrick Operations site in Indiana that began in October 2023, and incurred restart expenses of \$3.

Other Matters

In March 2024, the Company completed an offering of \$750 aggregate principal amount of 7.125 percent senior notes due in 2031. This was the Company's first notes issuance under its Green Finance Framework, which prioritizes climate change mitigation expenditures related to circular or low carbon products, pollution prevention technologies, renewable energy, and water management. The Company is utilizing net proceeds from the issuance, which can be allocated to qualifying expenditures on a two-year look back and three-year look forward, to cover expenses associated with both new and existing decarbonization and water management projects, research and development, renewable energy, and the production of low carbon alumina and aluminum products. The net proceeds also support the Company's cash position and ongoing cash needs, including with respect to its previously announced portfolio actions. The Company does not expect to allocate part of the net proceeds to significant capital investments in breakthrough technologies as those are not expected to occur within the applicable time period.

During the first quarter of 2024, the Company initiated and fully deployed a productivity and competitiveness program across its global operations and functions. The program is part of the Company's objective to improve overall competitiveness and profitability and includes a target to save approximately 5 percent of operating costs, exclusive of raw materials, energy and transportation costs, which are already under active management and cost control programs. Total savings are expected to approximate \$100 on a run rate basis and to be achieved by the first quarter of 2025.

The Company paid a quarterly cash dividend of \$0.10 per share of the Company's common stock in June 2024, totaling \$18.

See the below sections for additional details on the above-described actions.

Results of Operations

The discussion that follows includes a comparison of our results of operations and liquidity and capital resources for the quarterly and year-to-date periods outlined in the table below.

Selected Financial Data:

Statement of Operations	Quarter ended <i>Sequential</i>		Six months ended <i>Year-to-date</i>	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Sales	\$ 2,906	\$ 2,599	\$ 5,505	\$ 5,354
Cost of goods sold (exclusive of expenses below)	2,533	2,404	4,937	4,919
Selling, general administrative, and other expenses	69	60	129	106
Research and development expenses	13	11	24	16
Provision for depreciation, depletion, and amortization	163	161	324	306
Restructuring and other charges, net	18	202	220	173
Interest expense	40	27	67	53
Other (income) expenses, net	(22)	59	37	60
Total costs and expenses	2,814	2,924	5,738	5,633
Income (loss) before income taxes	92	(325)	(233)	(279)
Provision for (benefit from) income taxes	61	(18)	43	74
Net income (loss)	31	(307)	(276)	(353)
Less: Net income (loss) attributable to noncontrolling interest	11	(55)	(44)	(20)
Net income (loss) attributable to Alcoa Corporation	\$ 20	\$ (252)	\$ (232)	\$ (333)

Selected Financial Metrics	Quarter ended		Six months ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Diluted income (loss) per share attributable to Alcoa Corporation common shareholders	\$ 0.11	\$ (1.41)	\$ (1.29)	\$ (1.87)
Third-party shipments of alumina (kmt)	2,267	2,397	4,664	4,065
Third-party shipments of aluminum (kmt)	677	634	1,311	1,223
Average realized price per metric ton of alumina	\$ 399	\$ 372	\$ 385	\$ 367
Average realized price per metric ton of aluminum	\$ 2,858	\$ 2,620	\$ 2,743	\$ 3,000
Average Alumina Price Index (API) ⁽¹⁾	\$ 392	\$ 356	\$ 374	\$ 351
Average London Metal Exchange (LME) 15-day lag ⁽²⁾	\$ 2,486	\$ 2,201	\$ 2,343	\$ 2,331

⁽¹⁾ API (Alumina Price Index) is a pricing mechanism that is calculated by the Company based on the weighted average of a prior month's daily spot prices published by the following three indices: CRU Metallurgical Grade Alumina Price; Platts Metals Daily Alumina PAX Price; and FastMarkets Metal Bulletin Non-Ferrous Metals Alumina Index.

⁽²⁾ LME (London Metal Exchange) is a globally recognized exchange for commodity trading, including aluminum. The LME pricing component represents the underlying base metal component, based on quoted prices for aluminum on the exchange.

Overview

Sequential period comparison

Net income (loss) attributable to Alcoa Corporation was \$20 in the second quarter of 2024 compared with \$(252) in the first quarter of 2024. The favorable change of \$272 is primarily a result of:

- Higher average realized price of aluminum and alumina
- Lower restructuring charges
- Favorable mark-to-market results on derivative instruments
- Favorable equity earnings

Partially offset by:

- Higher taxes on higher earnings
- Unfavorable currency revaluation impacts
- Increased interest expense

Year-to-date comparison

Net income (loss) attributable to Alcoa Corporation was \$(232) in the six-month period of 2024 compared with \$(333) in the six-month period of 2023. The favorable change of \$101 is primarily a result of:

- Favorable raw material and energy costs
- Lower equity losses

Partially offset by:

- Lower average realized price of aluminum
- Unfavorable currency revaluation impacts
- Decrease in value add product sales

Sales

Sequential period comparison

Sales increased \$307 primarily as a result of:

- Higher average realized price of aluminum and alumina
- Higher shipments of aluminum
- Higher volumes and price from bauxite offtake and supply agreements

Partially offset by:

- Lower shipments of alumina

Year-to-date comparison

Sales increased \$151 primarily as a result of:

- Higher shipments of aluminum and alumina
- Higher average realized price of alumina
- Increased offtake from an aluminum joint venture supply agreement

Partially offset by:

- Lower average realized price of aluminum
- Lower volumes and price from bauxite offtake and supply agreements
- Lower trading activities
- Decrease in value add product sales

Cost of goods sold

Sequential period comparison

Cost of goods sold as a percentage of sales decreased 5% primarily as a result of:

- Higher average realized price of aluminum and alumina
- Lower production costs primarily in the Aluminum segment

Partially offset by:

- Higher energy costs primarily due to unfavorable natural gas prices

Year-to-date comparison

Cost of goods sold as a percentage of sales decreased 2% primarily as a result of:

- Favorable raw material costs
- Higher average realized price of alumina
- Lower energy costs across both segments

Partially offset by:

- Lower average realized price of aluminum
- Decrease in value add product sales
- Higher production costs primarily in the Alumina segment

Selling, general administrative, and other expenses

Selling, general administrative, and other expenses increased \$9 in comparison to the first quarter of 2024 and increased \$23 in comparison to the six-month period of 2023. Both the sequential and year-to-date increases are primarily a result of higher labor costs.

Provision for depreciation, depletion, and amortization

Sequential period comparison

Depreciation increased \$2 primarily as a result of:

- Higher depreciation due to the write off of assets for projects no longer being pursued

Year-to-date comparison

Depreciation increased \$18 primarily as a result of:

- Higher depreciation in Brazil and Australia for mine reclamation and bauxite residue storage asset retirement obligations

Interest expense

Interest expense increased \$13 in comparison to the first quarter of 2024 and increased \$14 in comparison to the six-month period of 2023. Both the sequential and year-to-date increases are primarily a result of additional interest on the \$750 7.125% Senior Notes issued in March 2024.

Other (income) expenses, net

Sequential period comparison

Other (income) expenses, net was \$(22) in the second quarter of 2024 compared with \$59 in the first quarter of 2024. The favorable change of \$81 was primarily a result of:

- Favorable mark-to-market results on derivative instruments due to higher power prices in the current quarter
- Increase in equity income from the Ma'aden aluminum joint venture primarily due to higher aluminum prices
- Lower ELYSIS capital contributions, reducing loss recognition
- Decrease in equity losses from the Ma'aden bauxite and alumina joint venture primarily due to lower raw material and production costs, and higher alumina prices

Partially offset by:

- Unfavorable currency revaluation impacts primarily due to losses recognized in the current quarter due to the U.S. dollar strengthening against the Brazilian real, partially offset by the absence of gains recognized in the first quarter due to the U.S. dollar strengthening against the Norwegian krone

Year-to-date comparison

Other (income) expenses, net was \$37 in the six-month period of 2024 compared with \$60 in the six-month period of 2023. The favorable change of \$23 was primarily a result of:

- Decrease in equity losses from the Ma'aden aluminum joint venture primarily due to the absence of a charge for a utility settlement and higher shipments
- Mark-to-market results on derivative instruments primarily due to higher power prices in the current year
- Lower ELYSIS capital contributions, reducing loss recognition
- Decrease in equity losses from the Ma'aden bauxite and alumina joint venture primarily due to higher shipments, higher alumina prices, and lower production costs

Partially offset by:

- Unfavorable currency revaluation impacts primarily due to the U.S. dollar strengthening against the Brazilian real in the current year, partially offset by the absence of gains recognized in the prior year due to the U.S. dollar weakening against the Brazilian real

Restructuring and other charges, net*Sequential period comparison*

In the second quarter of 2024, Restructuring and other charges, net of \$18 primarily related to:

- \$8 for the curtailment of the Kwinana refinery
- \$8 for Wenatchee take-or-pay energy contract

In the first quarter of 2024, Restructuring and other charges, net of \$202 primarily related to:

- \$197 for the curtailment of the Kwinana refinery
- \$4 for Wenatchee take-or-pay energy contract

Year-to-date comparison

In the six-month period of 2024, Restructuring and other charges, net of \$220 primarily related to:

- \$205 for the curtailment of the Kwinana refinery
- \$12 for Wenatchee take-or-pay energy contract

In the six-month period of 2023, Restructuring and other charges, net of \$173 primarily related to:

- \$101 for the permanent closure of the previously curtailed Intalco aluminum smelter
- \$47 for the updated restart agreement for the San Ciprián aluminum smelter
- \$21 for the settlement of certain pension benefits

Provision for (benefit from) income taxes*Sequential period comparison*

The Provision for income taxes in the second quarter of 2024 was \$61 on income before taxes of \$92 or 66.3%. In comparison, the first quarter of 2024 Benefit from income taxes was \$(18) on a loss before taxes of \$(325) or 5.5%.

The increase in tax expense of \$79 is primarily attributable to higher income in the jurisdictions where taxes are paid. Additionally, the Company had losses in jurisdictions where it maintains a full tax valuation allowance.

Year-to-date comparison

The Provision for income taxes in the six-month period of 2024 was \$43 on a loss before taxes of \$(233) or (18.5)%. In comparison, the six-month period of 2023 Provision for income taxes was \$74 on a loss before taxes of \$(279) or (26.5)%.

The decrease in tax expense of \$31 is primarily attributable to lower income in the jurisdictions where taxes are paid.

Noncontrolling interest*Sequential period comparison*

Net income (loss) attributable to noncontrolling interest was \$11 in the second quarter of 2024 compared with \$(55) in the first quarter of 2024. These amounts are entirely related to Alumina Limited's 40% ownership interest in several affiliated operating entities. Alcoa will recognize Net income (loss) attributable to Noncontrolling interest through the closing of the Alumina Limited acquisition.

The change is primarily a result of lower restructuring costs, favorable mark-to-market results on derivative instruments, and higher average realized price of alumina, partially offset by higher production costs and higher taxes.

Year-to-date comparison

Net income (loss) attributable to noncontrolling interest was \$(44) in the six-month period of 2024 compared with \$(20) in the six-month period of 2023. These amounts are entirely related to Alumina Limited's 40% ownership interest in several affiliated operating entities. Alcoa will recognize Net income (loss) attributable to Noncontrolling interest through the closing of Alumina Limited acquisition.

The change is primarily a result of higher restructuring costs, higher elimination of intercompany profit in inventory, and higher production costs, partially offset by higher average realized price of alumina, lower raw material and energy costs, and favorable mark-to-market results on derivative instruments.

Segment Information

Alcoa Corporation is a producer of bauxite, alumina, and aluminum products. The Company has two operating and reportable segments: (i) Alumina and (ii) Aluminum. Segment performance under Alcoa Corporation's management reporting system is evaluated based on a number of factors; however, the primary measure of performance is the Adjusted EBITDA (Earnings before interest, taxes, depreciation, and amortization) for each segment. The Company calculates Segment Adjusted EBITDA as Total sales (third-party and intersegment) minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; and Research and development expenses. Alcoa Corporation's Segment Adjusted EBITDA may not be comparable to similarly titled measures of other companies. The CODM function regularly reviews the financial information, including Adjusted EBITDA, of these two operating segments to assess performance and allocate resources.

Alumina

Business Update. The average API of \$392 per metric ton trended favorably compared to the prior quarter reflecting a 10% sequential increase.

In June 2024, Alcoa completed the full curtailment of the Kwinana refinery, as planned, which was announced in January 2024. As of March 2024, the refinery had approximately 780 employees and this number will be reduced to approximately 250 in the third quarter of 2024 to manage certain processes that will continue until about the third quarter of 2025. At that time, the employee number will be further reduced to approximately 50. In addition to the employees separating as a result of the curtailment, approximately 150 employees will either terminate through the productivity program announced in the third quarter of 2023 or redeploy to other Alcoa operations.

In the second quarter of 2024, Alcoa recorded restructuring charges of \$8 related to the curtailment of the refinery including \$6 for water management costs and \$2 for contract terminations. In the first quarter of 2024, Alcoa recorded restructuring charges of \$197 including \$123 for water management costs, \$41 for employee related costs, \$15 for asset retirement obligations, \$13 for take-or-pay contracts, and \$5 for asset impairments. Related cash outlays of approximately \$225 (which includes existing employee related liabilities and asset retirement obligations) are expected through 2025, with approximately \$145 to be spent in 2024. The Company spent \$22 and \$24 against the reserve in the second quarter and six-month period of 2024, respectively.

Capacity. The Alumina segment had a base capacity of 13,843 kmt with 3,204 kmt of curtailed refining capacity. In the second quarter of 2024, curtailed capacity increased 1,752 kmt due to the full curtailment of the Kwinana refinery (see above).

Total alumina shipments include metric tons that were not produced by the Alumina segment. Such alumina was purchased to satisfy certain customer commitments. The Alumina segment bears the risk of loss of the purchased alumina until control of the product has been transferred to this segment's customers. Additionally, operating costs in the table below includes all production related costs: raw materials consumed; conversion costs, such as labor, materials, and utilities; depreciation and amortization; and plant administrative expenses.

	Quarter ended		Six months ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Bauxite production (mdmt)	9.5	10.1	19.6	19.9
Third-party bauxite shipments (mdmt)	1.5	1.0	2.5	3.7
Alumina production (kmt)	2,539	2,670	5,209	5,314
Third-party alumina shipments (kmt)	2,267	2,397	4,664	4,065
Intersegment alumina shipments (kmt)	1,025	943	1,968	1,983
Total alumina shipments (kmt)	3,292	3,340	6,632	6,048
Third-party bauxite sales	\$ 96	\$ 64	\$ 160	\$ 249
Third-party alumina sales	914	897	1,811	1,502
Total segment third-party sales	\$ 1,010	\$ 961	\$ 1,971	\$ 1,751
Intersegment alumina sales	457	395	852	818
Total sales	\$ 1,467	\$ 1,356	\$ 2,823	\$ 2,569
Segment Adjusted EBITDA	\$ 186	\$ 139	\$ 325	\$ 136
Average realized third-party price per metric ton of alumina	\$ 399	\$ 372	\$ 385	\$ 367
Operating costs	\$ 1,189	\$ 1,163	\$ 2,352	\$ 2,176
Average cost per metric ton of alumina shipped	\$ 361	\$ 348	\$ 355	\$ 360

Production

Sequential period comparison

Alumina production decreased 5% primarily as a result of:

- Full curtailment of the Kwinana refinery in June 2024

Year-to-date comparison

Alumina production decreased 2% primarily as a result of:

- Full curtailment of the Kwinana refinery in June 2024
- Reduced production at the Australia refineries due to lower bauxite grade

Partially offset by:

- Increased production at the Alumar refinery due to the absence of unplanned equipment maintenance
- Increased production at the San Ciprián refinery as the refinery was operating at 50 percent capacity in the six-month period of 2024 and 30 to 50 percent capacity in the six-month period of 2023

Third-party sales

Sequential period comparison

Third-party sales increased \$49 primarily as a result of:

- Higher average realized price of \$27/ton principally driven by a higher average API
- Higher volumes and price from bauxite offtake and supply agreements
- Increased trading activity

Partially offset by:

- Lower shipments of alumina primarily due to the full curtailment of the Kwinana refinery
- Unfavorable currency impacts

Year-to-date comparison

Third-party sales increased \$220 primarily as a result of:

- Higher shipments of alumina primarily due to increased trading activity and sales of externally sourced alumina to satisfy certain customer commitments
- Higher average realized price of \$18/ton principally driven by a higher average API

Partially offset by:

- Lower volumes and price from bauxite offtake and supply agreements primarily caused by the shift to intrasegment sales due to higher production at the San Ciprián refinery

Intersegment sales

Sequential period comparison

Intersegment sales increased \$62 primarily as a result of:

- Higher alumina shipments primarily due to the Warrick smelter restart
- Higher average API on sales to the Aluminum segment

Year-to-date comparison

Intersegment sales increased \$34 primarily as a result of:

- Higher average API on sales to the Aluminum segment

Partially offset by

- Lower alumina shipments primarily due to lower production at the Australia refineries

Segment Adjusted EBITDA

Sequential period comparison

Segment Adjusted EBITDA increased \$47 primarily as a result of:

- Higher average realized price of \$27/ton principally driven by a higher average API

Partially offset by:

- Higher production costs primarily related to seasonal maintenance and costs associated with the Kwinana curtailment
- Higher energy costs primarily due to unfavorable natural gas prices

Year-to-date comparison

Segment Adjusted EBITDA increased \$189 primarily as a result of:

- Favorable raw material costs primarily on lower prices for caustic soda
- Higher average realized price of \$18/ton principally driven by a higher average API
- Favorable currency impacts
- Lower energy costs primarily due to favorable natural gas prices

Partially offset by:

- Higher production costs primarily related to operating certain of the Australia refineries with lower grade bauxite
-

Forward Look. For the third quarter of 2024 in comparison to the second quarter of 2024, the Alumina segment anticipates increased production costs related to lower bauxite grades in Australia.

The Company expects total 2024 alumina production and shipments to remain unchanged from the prior projection, ranging between 9.8 and 10.0 million metric tons and between 12.7 and 12.9 million metric tons, respectively. The difference between production and shipments reflects trading volumes and externally sourced alumina to fulfill customer contracts due to the curtailment of the Kwinana refinery.

Aluminum

Business Update. Aluminum prices increased sequentially with LME prices on a 15-day lag averaging \$2,486 per metric ton in the second quarter of 2024.

During the second quarter of 2024, the Company resumed the controlled pace for the restart of the Alumar smelter and continued actions to improve the smelter's overall performance, after the smelter experienced operational instability in the prior quarter. The site was operating at approximately 72 percent of the site's total annual capacity of 268 kmt (Alcoa share) as of June 30, 2024.

In April 2024, the U.S. Treasury, in coordination with the United Kingdom, announced sanctions on Russian aluminum. The sanctions ban imports into the U.S. and the United Kingdom of Russian Federation origin aluminum produced on or after April 13, 2024, and restrict activity at the London Metal Exchange and the Chicago Mercantile Exchange.

In March 2024, Alcoa completed the restart of approximately 54,000 mtpy of capacity at its Warrick Operations site in Indiana that began in October 2023. Alcoa incurred restart expenses of \$3 during the first quarter of 2024.

San Ciprián Smelter

In March 2024, Alcoa completed the restart of approximately 6 percent of total pots at the San Ciprián smelter as required by the February 2023 updated viability agreement. The Company incurred restart expenses \$2 during the six-month period of 2024. In connection with the December 2021 agreement and the February 2023 updated viability agreement, the Company has restricted cash of \$86 remaining at June 30, 2024 to be made available for capital improvements at the site and smelter restart costs. The workers' representatives have rejected the use of this cash to fund operating losses at the smelter.

Total aluminum third-party shipments include metric tons that were not produced by the Aluminum segment. Such aluminum was purchased by this segment to satisfy certain customer commitments. The Aluminum segment bears the risk of loss of the purchased aluminum until control of the product has been transferred to this segment's customer. Additionally, Total shipments includes offtake from a joint venture supply agreement.

The average realized third-party price per metric ton of aluminum includes three elements: a) the underlying base metal component, based on quoted prices from the LME; b) the regional premium, which represents the incremental price over the base LME component that is associated with the physical delivery of metal to a particular region (e.g., the Midwest premium for metal sold in the United States); and c) the product premium, which represents the incremental price for receiving physical metal in a particular shape (e.g., billet, slab, rod, etc.) or alloy.

Operating costs includes all production related costs: raw materials consumed; conversion costs, such as labor, materials, and utilities; depreciation and amortization; and plant administrative expenses.

	Quarter ended		Six months ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Production (kmt)	543	542	1,085	1,041
Total shipments (kmt)	677	634	1,311	1,223
Third-party aluminum sales	\$ 1,934	\$ 1,661	\$ 3,595	\$ 3,670
Other ⁽¹⁾	(39)	(23)	(62)	(72)
Total segment third-party sales	\$ 1,895	\$ 1,638	\$ 3,533	\$ 3,598
Intersegment sales	3	4	7	7
Total sales	\$ 1,898	\$ 1,642	\$ 3,540	\$ 3,605
Segment Adjusted EBITDA	\$ 233	\$ 50	\$ 283	\$ 294
Average realized third-party price per metric ton	\$ 2,858	\$ 2,620	\$ 2,743	\$ 3,000
Operating costs	\$ 1,643	\$ 1,568	\$ 3,211	\$ 3,281
Average cost per metric ton of aluminum shipped	\$ 2,427	\$ 2,474	\$ 2,450	\$ 2,682

⁽¹⁾ Other includes third-party sales of energy, as well as realized gains and losses related to embedded derivative instruments designated as cash flow hedges of forward sales of aluminum.

Production

Sequential period comparison

Production was consistent with the first quarter's strong output

Year-to-date comparison

Production increased 4% primarily as a result of:

- Warrick smelter and Alumar smelter restarts

Third-party sales

Sequential period comparison

Third-party sales increased \$257 primarily as a result of:

- Higher average realized price of \$238/ton driven by a higher average LME (on a 15-day lag) and higher regional premiums
- Higher shipments, primarily due to the timing of shipments and restart of capacity at the Warrick smelter in the first quarter of 2024

Year-to-date comparison

Third-party sales decreased \$65 primarily as a result of:

- Lower average realized price of \$257/ton driven by lower regional premiums and the absence of gains from the Alumar smelter restart hedge program which ended in December 2023
- Lower trading activities
- Decrease in value add product sales due to overall lower market demand and product premiums in Europe and North America
- Unfavorable currency impacts

Partially offset by:

- Higher shipments, primarily due to the Alumar smelter and Warrick smelter restarts
- Increased offtake from a joint venture supply agreement

Segment Adjusted EBITDA

Sequential period comparison

Segment Adjusted EBITDA increased \$183 primarily as a result of:

- Higher average realized price

Partially offset by:

- Unfavorable raw material costs primarily on higher average alumina input costs

Year-to-date comparison

Segment Adjusted EBITDA decreased \$11 primarily as a result of:

- Lower average realized price
- Decrease in value add product sales

Partially offset by:

- Favorable raw material costs primarily on lower market prices for carbon materials
- Lower energy costs, primarily in Brazil

The following table provides consolidated capacity and curtailed capacity (each in kmt) for each smelter owned by Alcoa Corporation:

Facility	Country	June 30, 2024		March 31, 2024		June 30, 2023	
		Capacity ⁽¹⁾	Curtailed	Capacity ⁽¹⁾	Curtailed	Capacity ⁽¹⁾	Curtailed
Portland ⁽²⁾	Australia	197	35	197	42	197	49
São Luís (Alumar) ⁽³⁾	Brazil	268	75	268	84	268	118
Baie Comeau	Canada	324	—	324	—	314	—
Bécancour	Canada	350	—	350	—	350	—
Deschambault	Canada	287	—	287	—	287	—
Fjarðaál	Iceland	351	—	351	—	351	—
Lista	Norway	95	31	95	31	95	31
Mosjøen	Norway	200	—	200	—	200	—
San Ciprián ⁽⁴⁾	Spain	228	214	228	214	228	228
Massena West	U.S.	130	—	130	—	130	—
Warrick ⁽⁵⁾	U.S.	215	54	215	54	269	162
		2,645	409	2,645	425	2,689	588

(1) These figures represent Alcoa Corporation's share of the facility Nameplate Capacity based on its ownership interest in the respective smelter.

(2) In the fourth quarter of 2023, the Company began the restart of 16,000 mtpy of previously curtailed capacity at the Portland smelter in Australia. The smelter had previously been operating at approximately 75 percent of the site's annual capacity of 197,000 mtpy (Alcoa share) since March 2023.

(3) In 2021, the Company announced the restart of its 268,000 metric tons per year (mtpy) share of capacity at the Alumar smelter in São Luís, Brazil. Production began in the second quarter of 2022. Curtailed capacity decreased from June 30, 2023 as a result of the restart process.

(4) In December 2021, the Company announced a two-year curtailment of the San Ciprián smelter's 228,000 mtpy of annual smelting capacity. In February 2023, the Company and the workers' representatives reached an updated viability agreement for the phased restart of the smelter beginning in January 2024. In the first quarter of 2024, the Company completed the restart of approximately 6% of pots, in accordance with the updated viability agreement.

(5) In the first quarter of 2024, the Company completed the restart of one potline (54,000 mtpy) at its Warrick Operations site that began in October 2023. The line was curtailed in July 2022. In the fourth quarter of 2023, the Company also approved the permanent closure of 54,000 mtpy of previously curtailed capacity (which had not operated since 2016).

Forward Look. For the third quarter of 2024 in comparison to the second quarter of 2024, the Aluminum segment expects lower raw material costs.

The Company expects total 2024 Aluminum segment production and shipments to remain unchanged from the prior projection, ranging between 2.2 and 2.3 million metrics tons and between 2.5 and 2.6 million metric tons, respectively.

Reconciliations of Certain Segment Information

Reconciliation of Total Segment Third-Party Sales to Consolidated Sales

	Quarter ended		Six months ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Alumina	\$ 1,010	\$ 961	\$ 1,971	\$ 1,751
Aluminum	1,895	1,638	3,533	3,598
Total segment third-party sales	\$ 2,905	\$ 2,599	\$ 5,504	\$ 5,349
Other	1	—	1	5
Consolidated sales	\$ 2,906	\$ 2,599	\$ 5,505	\$ 5,354

Reconciliation of Total Segment Operating Costs to Consolidated Cost of Goods Sold

	Quarter ended		Six months ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Alumina	\$ 1,189	\$ 1,163	\$ 2,352	\$ 2,176
Aluminum	1,643	1,568	3,211	3,281
Other ⁽¹⁾	233	198	431	516
Total segment operating costs	3,065	2,929	5,994	5,973
Eliminations ⁽²⁾	(431)	(391)	(822)	(847)
Provision for depreciation, depletion, and amortization ⁽³⁾	(158)	(155)	(313)	(295)
Other ⁽⁴⁾	57	21	78	88
Consolidated cost of goods sold	\$ 2,533	\$ 2,404	\$ 4,937	\$ 4,919

(1) Other largely relates to the Aluminum segment's energy product division and the Alumina segment's purchases of bauxite from offtake or other supply agreements that is sold to third-parties.

(2) Represents the elimination of Cost of goods sold related to intersegment sales between Alumina and Aluminum.

(3) Provision for depreciation, depletion, and amortization is included in the operating costs used to calculate average cost for each of the alumina and aluminum product divisions (see Alumina and Aluminum above). However, for financial reporting purposes, Provision for depreciation, depletion, and amortization is presented as a separate line item on Alcoa Corporation's Statement of Consolidated Operations.

(4) Other includes costs related to Transformation, and certain other items that are not included in the operating costs of segments (see footnotes 1 and 3 in the Reconciliation of Total Segment Adjusted EBITDA to Consolidated Net Income (Loss) Attributable to Alcoa Corporation below).

Reconciliation of Total Segment Adjusted EBITDA to Consolidated Net Income (Loss) Attributable to Alcoa Corporation

	Quarter ended		Six months ended	
	June 30, 2024	March 31, 2024	June 30, 2024	June 30, 2023
Total Segment Adjusted EBITDA	\$ 419	\$ 189	\$ 608	\$ 430
Unallocated amounts:				
Transformation ⁽¹⁾	(16)	(14)	(30)	(25)
Intersegment eliminations	(29)	(8)	(37)	23
Corporate expenses ⁽²⁾	(41)	(34)	(75)	(54)
Provision for depreciation, depletion, and amortization	(163)	(161)	(324)	(306)
Restructuring and other charges, net	(18)	(202)	(220)	(173)
Interest expense	(40)	(27)	(67)	(53)
Other income (expenses), net	22	(59)	(37)	(60)
Other ⁽³⁾	(42)	(9)	(51)	(61)
Consolidated income (loss) before income taxes	92	(325)	(233)	(279)
(Provision for) benefit from income taxes	(61)	18	(43)	(74)
Net (income) loss attributable to noncontrolling interest	(11)	55	44	20
Consolidated net income (loss) attributable to Alcoa Corporation	\$ 20	\$ (252)	\$ (232)	\$ (333)

(1) Transformation includes, among other items, the Adjusted EBITDA of previously closed operations.

(2) Corporate expenses are composed of general administrative and other expenses of operating the corporate headquarters and other global administrative facilities, as well as research and development expenses of the corporate technical center.

(3) Other includes certain items that are not included in the Adjusted EBITDA of the reportable segments.

Environmental Matters

See the Environmental Matters section of Note O to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

Liquidity and Capital Resources

Management believes that the Company's cash on hand, projected cash flows, and liquidity options, combined with its strategic actions, will be adequate to fund its short-term (at least 12 months) and long-term operating and investing needs. The Company plans to opportunistically access liquidity sources to support its cash position and ongoing cash needs. Further, the Company has flexibility related to its use of cash; other than the Alumina Limited debt assumed as of August 1, 2024, the Company has no significant debt maturities until 2027 and no significant cash contribution requirements related to its pension plan obligations. Alcoa is considering potential repayment or refinancing options for the Alumina Limited debt assumed.

Although management believes that Alcoa's projected cash flows and other liquidity options will provide adequate resources to fund operating and investing needs, the Company's access to, and the availability of, financing on acceptable terms in the future will be affected by many factors, including: (i) Alcoa Corporation's credit rating; (ii) the liquidity of the overall capital markets; (iii) the current state of the economy and commodity markets, and (iv) short- and long-term debt ratings. There can be no assurances that the Company will continue to have access to capital markets on terms acceptable to Alcoa Corporation.

Changes in market conditions caused by global or macroeconomic events, such as ongoing regional conflicts, high inflation, and changing global monetary policies could have adverse effects on Alcoa's ability to obtain additional financing and cost of borrowing. Inability to generate sufficient earnings could impact the Company's ability to meet the financial covenants in our outstanding debt and revolving credit facility agreements and limit our ability to access these sources of liquidity or refinance or renegotiate our outstanding debt or credit agreements on terms acceptable to the Company. Additionally, the impact on market conditions from such events could adversely affect the liquidity of Alcoa's customers, suppliers, and joint venture partners and equity method investments, which could negatively impact the collectability of outstanding receivables and our cash flows.

Cash from Operations

Cash provided from operations was \$64 in the six-month period of 2024 compared with cash used for operations of \$176 in the same period of 2023. Notable changes to sources and (uses) of cash included:

- \$124 favorable change in net loss, excluding the impacts from restructuring charges, primarily due to lower raw material and energy costs, partially offset by lower aluminum pricing; and,
- \$183 less income taxes paid on prior year earnings, as well as on lower current year earnings in the jurisdictions where taxes are paid.

During 2024, AofA will continue to record its tax provision and tax liability without effect of the ATO assessment, since it expects to prevail. The tax payable will remain on AofA's balance sheet as a noncurrent liability, increased by the tax effect of subsequent periods' interest deductions, until dispute resolution. At June 30, 2024, the noncurrent liability resulting from the cumulative interest deductions was \$209 (A\$312). See description of the tax dispute in Note O to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

The Company utilizes a Receivables Purchase Agreement facility to sell up to \$130 of certain receivables through an SPE to a financial institution on a revolving basis. Alcoa Corporation guarantees the performance obligations of the Company subsidiaries, and unsold customer receivables are pledged as collateral to the financial institution to secure the sold receivables. At June 30, 2024, the SPE held unsold customer receivables of \$239 pledged as collateral against the sold receivables.

The Company continues to service the customer receivables that were transferred to the financial institution. As Alcoa collects customer payments, the SPE transfers additional receivables to the financial institution rather than remitting cash. In the six-month period of 2024, the Company sold gross customer receivables of \$600 and reinvested collections of \$584 from previously sold receivables, resulting in net cash proceeds from the financial institution of \$16. In the six-month period of 2023, the Company sold gross customer receivables of \$174 and reinvested collections of \$127 from previously sold receivables, resulting in net cash proceeds from the financial institution of \$47. Cash collections from previously sold receivables yet to be reinvested of \$89 were included in Accounts payable, trade on the accompanying Consolidated Balance Sheet as of June 30, 2024. Cash received from sold receivables under the agreement are presented within operating activities in the Statement of Consolidated Cash Flows. See Note I to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

Financing Activities

Cash provided from financing activities was \$679 in the six-month period of 2024 compared with \$16 in the same period of 2023.

The source of cash in the six-month period of 2024 was primarily \$737 net proceeds from the bond issuance (see below) and \$33 of net contributions from Alumina Limited (see Noncontrolling interest above), partially offset by \$37 of dividends paid and \$25 of net payments on short-term borrowings (see below).

Short-term Borrowings

The Company has entered into inventory repurchase agreements whereby the Company sold aluminum to a third party and agreed to subsequently repurchase substantially similar inventory. The Company did not record sales upon each shipment of inventory and the net cash received of \$31 related to these agreements was recorded in Short-term borrowings within Other current liabilities on the Consolidated Balance Sheet as of June 30, 2024.

During the six-month period of 2024, the Company recorded borrowings of \$45 and repurchased \$70 of inventory related to these agreements. During the six-month period of 2023, the Company recorded borrowings of \$25 and repurchased \$15 of inventory related to these agreements.

The cash received and subsequently paid under the inventory repurchase agreements is included in Cash provided from financing activities on the Statement of Consolidated Cash Flows.

144A Debt

In March 2024, ANHBV, a wholly-owned subsidiary of Alcoa Corporation, completed a Rule 144A (U.S. Securities Act of 1933, as amended) debt issuance for \$750 aggregate principal amount of 7.125% Senior Notes due 2031 (the 2031 Notes), which carry a green bond designation. The net proceeds of this issuance were \$737, reflecting a discount to the initial purchasers of the 2031 Notes as well as issuance costs. See Note K to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

Credit Facilities

Revolving Credit Facility

The Company has a \$1,250 revolving credit and letter of credit facility in place for working capital and/or other general corporate purposes (the Revolving Credit Facility). The Revolving Credit Facility, established in September 2016, amended and restated in June 2022 and amended in January 2024, is scheduled to mature in June 2027. Subject to the terms and conditions under the Revolving Credit Facility, the Company or ANHBV, a wholly-owned subsidiary of Alcoa Corporation, may borrow funds or issue letters of credit. Under the terms of the January 2024 amendment, the Company agreed to provide collateral for its obligations under the Revolving Credit Facility. See Part II Item 8 of Alcoa Corporation's Annual Report on Form 10-K in Note M to the Consolidated Financial Statements for the year ended December 31, 2023 for more information on the Revolving Credit Facility.

As of June 30, 2024, the Company was in compliance with all financial covenants. The Company may access the entire amount of commitments under the Revolving Credit Facility. There were no borrowings outstanding at June 30, 2024, and no amounts were borrowed during the six-month periods of 2024 and 2023 under the Revolving Credit Facility.

Japanese Yen Revolving Credit Facility

The Company entered into a \$250 revolving credit facility available to be drawn in Japanese yen (the Japanese Yen Revolving Credit Facility) in April 2023. The Japanese Revolving Credit Facility was amended in January 2024 and in April 2024 (see below) and is scheduled to mature in April 2025. Subject to the terms and conditions under the facility, the Company or ANHBV may borrow funds. The facility includes covenants that are substantially the same as those included in the Revolving Credit Facility. Under the current terms of the January 2024 amendment, the Company agreed to provide collateral for its obligations under the Japanese Yen Revolving Credit Facility. See Part II Item 8 of Alcoa Corporation's Annual Report on Form 10-K in Note M to the Consolidated Financial Statements for the year ended December 31, 2023 for more information on the Japanese Yen Revolving Credit Facility.

As of June 30, 2024, the Company was in compliance with all financial covenants. The Company may access the entire amount of commitments under the Japanese Revolving Credit Facility. There were no borrowings outstanding at June 30, 2024. During the six-month period of 2024, \$201 (29,686 JPY) was borrowed and \$196 (29,686 JPY) was repaid. No amounts were borrowed during the six-month period of 2023 under the Japanese Yen Revolving Credit Facility.

On April 26, 2024, the Company entered into an amendment extending the maturity of the Japanese Yen Revolving Credit Facility to April 2025.

Alumina Limited Revolving Credit Facility

In connection with the acquisition of Alumina Limited, the Company assumed approximately \$385 of indebtedness as of August 1, 2024, representing the amount drawn on Alumina Limited's revolving credit facility.

Alumina Limited has a \$500 revolving credit facility with tranches maturing in October 2025 (\$100), January 2026 (\$150), July 2026 (\$150), and June 2027 (\$100). Alumina Limited's facility contains a financial covenant limiting the incurrence of indebtedness. As of June 30, 2024, Alumina Limited was in compliance with such covenant and could access the remaining commitments under the facility.

Alumina Limited's revolving credit facility also contains a clause that allows a majority of lenders, upon a change of control, to issue a notice to Alumina Limited requiring repayment within 90 business days of issuing the notice (the 90-day Notice). Alcoa has engaged with the facility lenders and the lenders have indicated their intention to delay issuing the 90-day Notice until at least December 1, 2024, providing additional time for Alcoa to consider potential repayment or refinancing options subsequent to the acquisition of Alumina Limited.

Dividend

On July 31, 2024, the Board of Directors declared a quarterly cash dividend of \$0.10 per share of the Company's common stock and Series A convertible preferred stock, to be paid on August 29, 2024 to stockholders of record as of the close of business on August 12, 2024. Dividends on Alcoa's common and preferred shares are paid in U.S. dollars. Dividends on CDIs paid in a currency other than U.S. dollar will be determined using foreign currency exchange rates as of August 22, 2024.

On May 9, 2024, the Board of Directors declared a quarterly cash dividend of \$0.10 per share of the Company's common stock to stockholders of record as of the close of business on May 21, 2024. In June 2024, the Company paid cash dividends of \$18.

Ratings

Alcoa Corporation's cost of borrowing and ability to access the capital markets are affected not only by market conditions but also by the short- and long-term debt ratings assigned to Alcoa Corporation's debt by the major credit rating agencies.

On March 6, 2024, Moody's Investor Service downgraded the rating of ANHBV's long-term debt from Baa3 to Ba1 and revised the outlook from negative to stable.

On March 4, 2024, Fitch Ratings downgraded the rating for Alcoa Corporation and ANHBV's long-term debt from BBB- to BB+ and revised the outlook from negative to stable.

On March 4, 2024, Standard and Poor's Global Ratings downgraded the rating of Alcoa Corporation's long-term debt from BB+ to BB and revised the outlook from positive to stable.

Ratings are not a recommendation to buy or hold any of our securities and they may be revised or revoked at any time at the sole discretion of the rating organization.

Investing Activities

Cash used for investing activities was \$281 in the six-month period of 2024 compared with \$222 for the same period of 2023.

In the six-month period of 2024, the use of cash was primarily attributable to \$265 related to capital expenditures and \$17 of cash contributions to the ELYSIS partnership.

In the six-month period of 2023, the use of cash was primarily attributable to \$198 related to capital expenditures and \$36 of cash contributions to the ELYSIS partnership.

Recently Adopted and Recently Issued Accounting Guidance

See Note B to the Consolidated Financial Statements in Part I Item 1 of this Form 10-Q.

Dissemination of Company Information

Alcoa Corporation intends to make future announcements regarding company developments and financial performance through its website, <http://www.alcoa.com>, as well as through press releases, filings with the Securities and Exchange Commission, conference calls, and webcasts.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

See Part II Item 7A Quantitative and Qualitative Disclosures About Market Risk of Alcoa Corporation's Annual Report on Form 10-K for the year ended December 31, 2023. Our exposure to market risk has not changed materially since December 31, 2023. Refer to Part I Item 1 of this Form 10-Q in Note M to the Consolidated Financial Statements under caption Derivatives for additional information.

Item 4. Controls and Procedures.

(a) Evaluation of Disclosure Controls and Procedures

Alcoa Corporation's Chief Executive Officer and Chief Financial Officer have evaluated the Company's disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the U.S. Securities Exchange Act of 1934, as amended, as of the end of the period covered by this report, and they have concluded that these controls and procedures were effective as of June 30, 2024.

(b) Changes in Internal Control over Financial Reporting

There have been no changes in internal control over financial reporting during the second quarter of 2024, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings.

In the ordinary course of its business, Alcoa is involved in a number of lawsuits and claims, both actual and potential. Various lawsuits, claims, and proceedings have been or may be instituted or asserted against Alcoa Corporation, including those pertaining to environmental, safety and health, commercial, tax, product liability, intellectual property infringement, governance, employment, employee and retiree benefit matters, and other actions and claims arising out of the normal course of business. While the amounts claimed in these other matters may be substantial, the ultimate liability is not readily determinable because of the considerable uncertainties that exist. Accordingly, it is possible that the Company's liquidity or results of operations in a particular period could be materially affected by one or more of these other matters. However, based on facts currently available, management believes that the disposition of these other matters that are pending or asserted will not have a material adverse effect, individually or in the aggregate, on the financial position of the Company.

A discussion of our material pending lawsuits and claims can be found in Part I Item 3 Legal Proceedings of Alcoa Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

St. Croix Proceedings—Prior to 2012, Alcoa Inc., the Company's former parent company, was served with two multi-plaintiff actions alleging personal injury or property damage from Hurricane Georges or winds blowing material from the Company's former St. Croix alumina facility. These actions were subsequently consolidated into the Red Dust Claims docket in 2017.

In March 2022, the Superior Court of the Virgin Islands issued an amended case management order dividing complaints filed in the Red Dust docket into groups of 50 complaints, designated Groups A through I. The parties selected 10 complaints from Group A to proceed to trial as the Group A lead cases. In May 2024, the Court issued an amended case management order with regard to the Group A lead cases scheduling trials to begin in November 2024. Trials with regard to the Group A lead cases will continue through July 2025. The Court further ordered the parties to participate in mediation on or before August 31, 2024. See "St. Croix Proceedings" under Part I Item 1 of this Form 10-Q in Note O to the Consolidated Financial Statements and "St. Croix Proceedings - Abednego and Abraham cases" under Part I Item 3 Legal Proceedings of Alcoa Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2023 for additional information regarding this legal proceeding.

Environmental Matters

SEC regulations require disclosure of certain environmental matters when a governmental authority is a party to the proceedings and such proceedings involve potential monetary sanctions that Alcoa Corporation reasonably believes will exceed a specified threshold. Pursuant to these regulations, the Company uses a threshold of \$1 for purposes of determining whether disclosure of any such proceedings is required.

Intalco (Washington) Notice of Violation—In May 2022, the Company received a Notice of Violation (NOV) from the U.S. Environmental Protection Agency (the EPA). The NOV alleges violations under the Clean Air Act at the Company's Intalco smelter from when the smelter was operational. The EPA referred the matter to the U.S. Department of Justice, Environment and Natural Resources Division (the DOJ) in May 2022. The DOJ and the Company agreed to a stipulated settlement, which was filed with the United States District Court for the Western District of Washington at Seattle on July 18, 2024, requiring the Company to pay a civil fine of \$5.

Item 1A. Risk Factors.

We face a number of risks that could materially and adversely affect our business, results of operations, cash flow, liquidity, or financial condition. A full discussion of our risk factors can be found in Part I Item 1A. Risk Factors of Alcoa Corporation's Annual Report on Form 10-K for the fiscal year ended December 31, 2023. The information below includes additional risks relating to the completion of the Alumina Limited acquisition.

The issuance of shares of Alcoa common stock dilutes the ownership position of the Company's existing stockholders and the price of Alcoa common stock may be affected.

The Alumina Limited shareholders now beneficially own approximately 31.5% of the fully diluted shares of Alcoa common stock (including the shares of Alcoa common stock issuable upon conversion of the shares of non-voting convertible preferred stock). Consequently, the Company's existing stockholders own a smaller proportion of Alcoa common stock and of the Company's voting power than the proportion of Alcoa common stock and of the Company's voting power owned before the completion of the Alumina Limited acquisition and, as a result, have less influence on the Company's management and policies.

The issuance of the new shares of Alcoa common stock could have the effect of depressing the market price for Alcoa common stock. In addition, Alumina Limited shareholders may decide not to hold and instead to sell the new shares of Alcoa common stock or CDIs received, which could have the effect of depressing the market price for Alcoa common stock. The price of Alcoa common stock and CDIs may fluctuate significantly in the days following the completion of the acquisition, including as a result of factors over which the Company has no control.

The secondary listing of the Alcoa common stock on the ASX via CDIs could lead to price variations and other impacts on the price of Alcoa common stock.

Alcoa common stock is listed as CDIs on the ASX in addition to Alcoa Corporation's existing primary listing on the New York Stock Exchange (NYSE).

Dual listing may result in price variations between Alcoa Corporation's securities listed on the different exchanges due to a number of factors, including that Alcoa common stock listed on the NYSE is traded in U.S. dollars and CDIs listed on the ASX are traded in Australian dollars, inherently introducing exchange rate volatility, and differences between the trading schedules and time zones of the two exchanges, among other factors. A decrease in the price of Alcoa Corporation's securities in one market may result in a decrease in the price of Alcoa Corporation's securities in the other market. Dual listing also presents the Company with the opportunity to raise additional funds through the issuance of CDIs, which could cause dilution to stockholders.

Alcoa Corporation's exposure to fluctuations in foreign currency exchange rates has increased.

Alcoa Corporation has been subject to foreign currency exchange risk because it conducts business operations in several foreign countries, including Australia, through its foreign subsidiaries or affiliates, which conduct business in their respective local currencies. As the Alumina Limited acquisition is completed, Alcoa Corporation's international operations account for a more significant portion of Alcoa Corporation's overall operations than previously and Alcoa Corporation's exposure to fluctuations in foreign currency exchange rates has increased.

The integration of Alumina Limited will subject Alcoa Corporation to liabilities that exist or may exist at Alumina Limited.

The integration of Alumina Limited with Alcoa Corporation may pose special risks, including write-offs and unanticipated costs or charges, and will subject Alcoa Corporation to liabilities that exist or may exist at Alumina Limited, including liabilities relating to Alumina Limited's revolving credit facility and potential tax liabilities. Although Alcoa Corporation and its advisers conducted due diligence on the operations of Alumina Limited, there can be no guarantee that Alcoa Corporation is aware of all liabilities of Alumina Limited. These liabilities, and any additional risks and uncertainties related to the transaction not currently known to Alcoa Corporation or that Alcoa Corporation may currently deem immaterial or unlikely to occur, could negatively impact Alcoa Corporation's business, financial condition, and results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Issuer Purchases of Equity Securities

The table below sets forth information regarding the repurchase of shares of our common stock during the periods indicated.

Period	Total Number of Shares Purchased	Weighted Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program	Approximate Dollar Value of Shares that May Yet be Purchased Under the Program ⁽¹⁾
April 1 to April 30	—	—	—	\$ 500,000,000
May 1 to May 31	—	—	—	500,000,000
June 1 to June 30	—	—	—	500,000,000
Total	—	—	—	

⁽¹⁾ On July 20, 2022, Alcoa Corporation announced that its Board of Directors approved a common stock repurchase program under which the Company may purchase shares of its outstanding common stock up to an aggregate transactional value of \$500, depending on the Company's continuing analysis of market, financial, and other factors (the July 2022 authorization).

As of the date of this report, the Company is currently authorized to repurchase up to a total of \$500, in the aggregate, of its outstanding shares of common stock under the July 2022 authorization. Repurchases under this program may be made using a variety of methods, which may include open market purchases, privately negotiated transactions, or pursuant to a Rule 10b5-1 plan. This program may be suspended or discontinued at any time and does not have a predetermined expiration date. Alcoa Corporation intends to retire repurchased shares of common stock.

Item 5. Other Information.

Trading Arrangements

None of the Company's directors or "officers," as defined in Rule 16a-1(f) of the Exchange Act, adopted, modified, or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408 of Regulation S-K, during the Company's fiscal quarter ended June 30, 2024.

Item 6. Exhibits.

- 2.1 [Deed of Amendment and Restatement of the Scheme Implementation Deed, dated as of May 20, 2024, by and among Alcoa Corporation, AAC Investments Australia 2 Pty Ltd and Alumina Limited \(incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed May 20, 2024 \(File No. 1-37816\)\).](#)
- 3.1 [Certificate of Designation \(incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed August 1, 2024 \(File No. 1-37816\)\).](#)
- 3.2 [Amended and Restated Bylaws of Alcoa Corporation, as adopted on July 31, 2024 \(incorporated by reference to Exhibit 3.2 to the Company's Form 8-K filed August 1, 2024 \(File No. 1-37816\)\).](#)
- 10.1 [Alcoa Corporate Non-Employee Director Compensation Policy, effective August 1, 2024 \(filed herewith\)*](#)
- 10.2 [Terms and Conditions for Deferred Fee Restricted Share Units Director Awards, effective August 1, 2024 \(filed herewith\)*](#)
- 10.3 [Terms and Conditions for Restricted Share Units Annual Director Awards, effective August 1, 2024 \(filed herewith\)*](#)
- 10.4 [Alcoa Corporation 2016 Deferred Fee Plan for Directors, effective December 2016, as amended and restated on December 5, 2018, effective August 1, 2024 \(filed herewith\)*](#)
- 31.1 [Certification of Principal Executive Officer required by Rule 13a-14\(a\) or 15d-14\(a\) \(filed herewith\)](#)
- 31.2 [Certification of Principal Financial Officer required by Rule 13a-14\(a\) or 15d-14\(a\) \(filed herewith\)](#)
- 32.1 [Certification of Principal Executive Officer required by Rule 13a-14\(b\) or Rule 15d-14\(b\) and Section 1350 of Chapter 63 of Title 18 of the United States Code \(furnished herewith\)](#)
- 32.2 [Certification of Principal Financial Officer required by Rule 13a-14\(b\) or Rule 15d-14\(b\) and Section 1350 of Chapter 63 of Title 18 of the United States Code \(furnished herewith\)](#)
- 101.INS Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
- 101.SCH Inline XBRL Taxonomy Extension Schema with Embedded Linkbases Document
- 104 Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Denotes management contracts or compensatory plans or arrangements required to be filed as Exhibits to this Form 10-Q.

Certain schedules exhibits, and appendices have been omitted in accordance with to Item 601(a)(5) of Regulation S-K. The Company hereby undertakes to furnish copies of any omitted schedule, exhibit, or appendix to the Commission upon request.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Alcoa Corporation

August 2, 2024

Date

/s/ Molly S. Beerman

Molly S. Beerman

Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

August 2, 2024

Date

/s/ Renee R. Henry

Renee R. Henry

Senior Vice President and Controller
(Principal Accounting Officer)



ALCOA CORPORATION

NON-EMPLOYEE DIRECTOR COMPENSATION POLICY

Effective August 1, 2024

1. General. This Non-Employee Director Compensation Policy (the “Policy”), sets forth the cash and equity-based compensation that has been approved by the Board of Directors (the “Board”) of Alcoa Corporation, a Delaware corporation (the “Company”), as payable to eligible non-employee members of the Board (“Non-Employee Directors”). The cash and equity-based compensation described in this Policy shall be paid or be made, as applicable, automatically and without further action of the Board, to each Non-Employee Director who may be eligible to receive such compensation. This Policy shall remain in effect until it is revised or rescinded by further action of the Board.

2. Cash Compensation.

(a) **Annual Retainers.** Each Non-Employee Director shall be eligible to receive an annual cash retainer of \$130,000 for service on the Board. In addition, a Non-Employee Director shall receive the following additional annual retainers, as applicable:

Non-Employee Director Position	Additional Annual Cash Retainer Fee
Non-Executive Chairman Fee	\$175,000
Audit Committee Chair Fee (includes Audit Committee Member Fee)	\$27,500
Audit Committee Member Fee	\$11,000
Compensation and Benefits Committee Chair Fee	\$20,000
Governance and Nominating Committee Chair Fee	\$20,000
Other Committee Chair Fee	\$16,500

(b) **Payment of Retainers.** The annual retainers described in Section 2(a) shall be earned on a quarterly basis based on a calendar quarter and shall be paid by the Company in arrears not later than the third business day following the end of each calendar quarter (if not deferred by the Non-Employee Director in accordance with subsection (c) hereof). In the event a Non-Employee Director does not serve as a Non-Employee Director, or in the applicable positions described in Section 2(a), for an entire calendar quarter, the retainer paid to such Non-Employee Director shall be prorated for the portion of such calendar quarter actually served as a Non-Employee Director, or in such positions, as applicable.

(c) **Deferral of Retainers.** Non-Employee Directors may elect to defer payment of all or a portion of the annual retainers described in Section 2(a) into specified investment funds and/or into vested restricted share units for shares of the Company’s common stock, which deferral will be made pursuant to the terms of the Company’s 2016 Deferred Fee Plan for Directors, as may be amended from time to time, or its successor plan (the “Deferred Fee Plan”). Unless otherwise determined by the Board, any restricted share units will be granted under the Alcoa Corporation 2016 Stock Incentive Plan or its successor plan (the “Equity Plan”), on the date on which such retainer(s) would otherwise have been paid in cash.

3. Equity Compensation. Non-Employee Directors shall be granted the equity awards described below. The awards described below in paragraphs 3(a) and 3(b) shall be granted under and shall be subject to the terms and provisions of the Equity Plan and shall be granted subject to an award agreement in substantially the same form approved by the Board on or prior to the grant date, setting forth the terms of the award, consistent with the Equity Plan. For purposes of this Section 3, the number of shares subject to any restricted share unit award will be determined by dividing the grant date dollar value specified under subsection (a) or (b) hereof by the Fair Market Value (as defined in the Equity Plan) of a share of the Company's common stock on the grant date.

(a) Annual Equity Award. A person who is a Non-Employee Director immediately following each annual meeting of the Company's stockholders and who will continue to serve as a Non-Employee Director following such annual meeting shall be automatically granted, on the second market trading day following the date of each such annual meeting, a restricted share unit award with a grant date value equal to \$160,000 (the "Annual Equity Award"). The Annual Equity Award shall vest on the earlier of the first anniversary date of the grant date or the date of the Company's next subsequent annual meeting of stockholders following the grant date.

(b) Pro-Rated Annual Equity Award. On the tenth calendar day following the effective date of a person's commencement of service as a Non-Employee Director (or, if such date is not a market trading day, the first market trading day thereafter), and provided such person has not otherwise received an Annual Equity Award for the relevant year under Section 3(a), the Non-Employee Director shall be automatically granted a restricted share unit award with a grant date value equal to \$160,000 multiplied by a fraction, the numerator of which is 365 less the number of days that have elapsed from the date of the Company's last annual meeting of stockholders to the Non-Employee Director's effective date of commencement of service, and the denominator of which is 365 (the "Pro-Rated Award"). The Pro-Rated Award shall vest on the date of the Company's next subsequent annual meeting of stockholders following the date of the Non-Employee Director's commencement of service with the Board.

(c) Deferral of Equity Award. Payment of the Annual Equity Award or any Pro-Rated Award will be deferred until the Non-Employee Director's separation from service, in accordance with the terms of the Deferred Fee Plan, unless otherwise required by applicable laws.

4. Stock Ownership Guideline. Non-Employee Directors are required to attain ownership of at least \$750,000 in the Company's common stock and maintain such ownership until retirement from the Board.

5. Policy Subject to Amendment, Modification and Termination. This Policy may be amended, modified or terminated by the Board in the future at its sole discretion, provided that no such action that would materially and adversely impact the rights with respect to annual retainers payable in the fiscal quarter during which a Non-Employee Director is then performing services shall be effective without the consent of the affected Non-Employee Director.

ALCOA CORPORATION
TERMS AND CONDITIONS FOR DEFERRED FEE RESTRICTED SHARE UNITS
DIRECTOR AWARDS

These terms and conditions, including Appendices A and B attached hereto, (jointly, the “Award Terms”) are authorized by the Board of Directors as of August 1, 2024. They are deemed to be incorporated into and form a part of every Award of Restricted Share Units issued to a Director in lieu of Fees (as defined in the Alcoa Corporation 2016 Deferred Fee Plan for Directors) under the Alcoa Corporation 2016 Stock Incentive Plan, as may be amended from time to time (the “Plan”).

Terms that are defined in the Plan have the same meanings in the Award Terms.

General Terms and Conditions

1. This Award of Restricted Share Units is granted in lieu of Fees pursuant to the Participant’s election under the Alcoa Corporation 2016 Deferred Fee Plan for Directors, as may be amended from time to time (the “Deferred Fee Plan”). In accordance with the Deferred Fee Plan, the number of Shares subject to this Award has been determined by dividing the dollar amount of the Fees subject to the Director’s election by the fair market value of a Share on the date(s) that such Fees (or any installment thereof) would otherwise have been paid in cash to the Participant, rounded down to the nearest number of whole Shares; any remaining amount representing the value of a fractional Share will be paid in cash to the Participant as soon as practicable following the grant date of this Award, but in any event by no later than March 15th of the year following the year in which the relevant Fees were earned. Restricted Share Units are subject to the provisions of the Plan and the provisions of the Award Terms. If the Plan and the Award Terms are inconsistent, the provisions of the Plan will govern. Interpretations of the Plan and the Award Terms by the Board are binding on the Participant and the Company. A Restricted Share Unit is an undertaking by the Company to issue the number of Shares indicated in the Participant’s account with the Company’s designated stock plan broker or service provider (the “Broker”), subject to the fulfillment of certain conditions, except to the extent otherwise provided in the Plan or herein. A Participant has no voting rights or rights to receive dividends on Restricted Share Units, but the Board of Directors may authorize that dividend equivalents be accrued on Restricted Share Units. Any dividend equivalents on Restricted Share Units will be paid in the same manner and at the same time as the Restricted Share Units to which they relate, as set forth in paragraph 3 below.

Vesting and Payment

2. *Vesting.* A Restricted Share Unit granted in lieu of Fees pursuant to the Participant’s election under the Deferred Fee Plan (a “Deferred Fee RSU Award” as defined in the Deferred Fee Plan) is 100% vested on the grant date.

3. *Payment.* A Participant will receive one Share upon payment of each Restricted Share Unit. Payment of Restricted Share Units is governed by the Deferred Fee Plan. Except as otherwise set forth in the Deferred Fee Plan, payment of Restricted Share Units will occur upon the earlier of the Participant’s “separation from service” (as defined in Section 409A of the Code and the Treasury Regulations thereunder) and the Participant’s death, within the payment periods specified in the Deferred Fee Plan. In accordance with the deferral election provisions of the Deferred Fee Plan, the Participant may elect to receive payment of his or her Restricted Share Units in either a single lump sum or in ten (10) annual installments, except as otherwise required or recommended due to applicable local law or set forth in the Deferred Fee Plan. In the absence of such election by the Participant, a Restricted Share Unit will be paid in a single lump sum.

Taxes

4. The Participant acknowledges that the Participant will consult with his or her personal tax advisor regarding any income tax, social security contributions or other tax-related items (“Taxes”) that arise in connection with the Restricted Share Units. The Participant is relying solely on such advisor and is not relying in any part on any statement or representation of the Company or any of its agents. The Company shall not be responsible for withholding any applicable Taxes, unless required by applicable law. The Company may take such action as it

deems appropriate to ensure that all Taxes, which are the Participant's sole and absolute responsibility, are withheld or collected from the Participant, if and to the extent required by applicable law. In this regard, the Company will have the power and the right to require the Participant to remit to the Company, the amount necessary to satisfy federal, state and local taxes, U.S. or non-U.S., required by law or regulation to be withheld with respect to any taxable event arising as a result of the Restricted Share Units. Notwithstanding the foregoing, unless otherwise determined by the Board, any obligation to withhold Taxes will be met by the Company by withholding from the Shares to be issued upon payment of the Restricted Share Unit that number of Shares with a fair market value on the payment date equal to the Taxes required to be withheld at the minimum required rates or, to the extent permitted under applicable accounting principles, at up to the maximum individual tax rate for the applicable tax jurisdiction.

Beneficiaries

5. If permitted by the Company, the Participant will be entitled to designate one or more beneficiaries to receive all Restricted Share Units at the time of death of the Participant. All beneficiary designations will be on beneficiary designation forms approved for the Plan. Copies of the form will generally be available from the Broker or may otherwise be obtained from the Company.
6. Beneficiary designations on an approved form will be effective at the time received by the Company, including, as applicable, through submission to the Broker. A Participant may revoke a beneficiary designation at any time by written notice to the Company, including as applicable, through submission to the Broker, or by filing a new designation form. Any designation form previously filed by a Participant will be automatically revoked and superseded by a later-filed form.
7. A Participant will be entitled to designate any number of beneficiaries on the form, and the beneficiaries may be natural or corporate persons.
8. The failure of any Participant to obtain any recommended signature on the form will not prohibit the Company from treating such designation as valid and effective. No beneficiary will acquire any beneficial or other interest in any Restricted Share Unit prior to the death of the Participant who designated such beneficiary.
9. Unless the Participant indicates on the form that a named beneficiary is to receive Restricted Share Units only upon the prior death of another named beneficiary, all beneficiaries designated on the form will be entitled to share equally in the Restricted Share Units. Unless otherwise indicated, all such beneficiaries will have an equal, undivided interest in all such Restricted Share Units.
10. Should a beneficiary die after the Participant but before the Restricted Share Unit is paid, such beneficiary's rights and interest in the Award will be transferable by the beneficiary's last will and testament or by the laws of descent and distribution. A named beneficiary who predeceases the Participant will obtain no rights or interest in a Restricted Share Unit, nor will any person claiming on behalf of such individual. Unless otherwise specifically indicated by the Participant on the beneficiary designation form, beneficiaries designated by class (such as "children," "grandchildren" etc.) will be deemed to refer to the members of the class living at the time of the Participant's death, and all members of the class will be deemed to take "per capita."
11. If a Participant does not designate a beneficiary or if the Company does not permit a beneficiary designation, the Restricted Share Units that have not been paid at the time of death of the Participant will be paid to the Participant's legal heirs pursuant to the Participant's last will and testament or by the laws of descent and distribution.

Adjustments

12. In the event of an Equity Restructuring, the Board will equitably adjust the Restricted Share Unit as it deems appropriate to reflect the Equity Restructuring, which may include (i) adjusting the number and type of securities subject to the Restricted Share Unit; and (ii) adjusting the terms and conditions of the Restricted Share Unit. The adjustments provided under this paragraph 12 will be nondiscretionary and final and binding on all interested parties, including the affected Participant and the Company; provided that the Board will determine whether an adjustment is equitable.

Miscellaneous Provisions

13. *Stock Exchange Requirements; Applicable Laws.* Notwithstanding anything to the contrary in the Award Terms, no Shares issuable upon payment of the Restricted Share Units, and no certificate representing all or any part of such Shares, shall be issued or delivered if, in the opinion of counsel to the Company, such issuance or delivery would cause the Company to be in violation of, or to incur liability under, any securities law, or any rule, regulation or procedure of any U.S. national securities exchange upon which any securities of the Company are listed, or any listing agreement with any such securities exchange, or any other requirement of law or of any administrative or regulatory body having jurisdiction over the Company or a Subsidiary.
14. *Stockholder Rights.* No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Shares until the Restricted Share Unit shall have vested and been paid in the form of Shares in accordance with the provisions of the Award Terms.
15. *Notices.* Any notice required or permitted under the Award Terms shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or five days after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to the Participant at the address maintained for the Participant in the Company's records or, in either case, as subsequently modified by written notice to the other party.
16. *Severability and Judicial Modification.* If any provision of the Award Terms is held to be invalid or unenforceable under the applicable laws of any country, state, province, territory or other political subdivision or the Company elects not to enforce such restriction, the remaining provisions shall remain in full force and effect and the invalid or unenforceable provision shall be modified only to the extent necessary to render that provision valid and enforceable to the fullest extent permitted by law. If the invalid or unenforceable provision cannot be, or is not, modified, that provision shall be severed from the Award Terms and all other provisions shall remain valid and enforceable.
17. *Successors.* The Award Terms shall be binding upon and inure to the benefit of the Company and its successors and assigns, on the one hand, and the Participant and his or her heirs, beneficiaries, legatees and personal representatives, on the other hand.
18. *Appendices.* Notwithstanding any provisions in the Award Terms, for Participants residing and/or providing services outside the United States, the Restricted Share Unit shall be subject to the additional terms and conditions set forth in Appendix A to the Award Terms and to any special terms and conditions for the Participant's country set forth in Appendix B to the Award Terms. Moreover, if the Participant relocates outside the United States or relocates between the countries included in Appendix B, subject to compliance with Section 409A of the Code, the additional terms and conditions set forth in Appendix A and the special terms and conditions for such country set forth in Appendix B will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendices constitute part of the Award Terms.
19. *Imposition of Other Requirements.* The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Restricted Share Unit and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
20. *Compliance with Code Section 409A.* It is intended that the Restricted Share Unit granted pursuant to the Award Terms be compliant with Section 409A of the Code and the Award Terms shall be interpreted, construed and operated to reflect this intent. Notwithstanding the foregoing, the Award Terms and the Plan may be amended at any time, without the consent of any party, to the extent necessary or desirable to satisfy any of the requirements under Section 409A of the Code, but the Company shall not be under any obligation to make any such amendment. Further, the Company and its Subsidiaries do not make any representation to the Participant that the Restricted Share Unit granted pursuant to the Award Terms satisfies the requirements of Section 409A of the Code, and the Company and its Subsidiaries will have no liability or other obligation to indemnify or hold harmless the Participant or any other party for any tax, additional tax, interest or penalties that the Participant or any other party may incur in the

event that any provision of the Award Terms or any amendment or modification thereof or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A of the Code.

21. *Waiver.* A waiver by the Company of breach of any provision of the Award Terms shall not operate or be construed as a waiver of any other provision of the Award Terms, or of any subsequent breach by the Participant or any other Participant.

22. *No Advice Regarding Award.* The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant is hereby advised to consult with the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.

23. *Governing Law and Venue.* As stated in the Plan, the Restricted Share Unit and the provisions of the Award Terms and all determinations made and actions taken thereunder, to the extent not otherwise governed by the laws of the United States, shall be governed by the laws of the State of Delaware, United States of America, without reference to principles of conflict of laws, and construed accordingly. The jurisdiction and venue for any disputes arising under, or any actions brought to enforce (or otherwise relating to), the Restricted Share Unit will be exclusively in the courts in the State of Delaware, including the Federal Courts located therein (should Federal jurisdiction exist).

24. *Electronic Delivery and Acceptance.* The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

25. *Entire Agreement.* The Award Terms and the Plan embody the entire understanding and agreement of the parties with respect to the subject matter hereof, and no promise, condition, representation or warranty, express or implied, not stated or incorporated by reference herein, shall bind either party hereto.

Acceptance of Award

26. In accordance with Section 15(c) of the Plan (as in effect at the grant date), the Participant may reject the Restricted Share Unit by notifying the Company within 30 days of the grant date that he or she does not accept the Restricted Share Unit. The Participant's acceptance of the Restricted Share Unit constitutes the Participant's acceptance of and agreement with the Award Terms. Notwithstanding the foregoing, if required by the Company, the Participant will provide a signed copy of the Award Terms in such manner and within such timeframe as may be requested by the Company. The Company has no obligation to issue Shares to the Participant if the Participant does not accept the Restricted Share Unit.

APPENDIX A
TO THE ALCOA CORPORATION
2016 Stock Incentive Plan
Terms and Conditions for Restricted Share Units
For Non-U.S. Participants

This Appendix A contains additional (or, if so indicated, different) terms and conditions that govern the Restricted Share Units if the Participant resides and/or provides services outside of the United States. Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Terms and Conditions for Restricted Share Units (the “Terms and Conditions”).

A. *Termination.* This provision supplements paragraph 3 of the Terms and Conditions.

The Company will determine when the Participant is no longer providing services for purposes of the Restricted Share Units (including whether the Participant may still be considered to be providing services while on a leave of absence).

B. *Responsibility for Taxes.* This provision supplements paragraph 4 of the Terms and Conditions.

The Participant acknowledges that, regardless of any action taken by the Company or any Subsidiary, the ultimate liability for all Taxes is and remains the Participant’s responsibility and may exceed any amount actually withheld by the Company or any Subsidiary. The Participant further acknowledges that the Company (a) makes no representations or undertakings regarding the treatment of any Taxes in connection with any aspect of these Restricted Shares Units, including, but not limited to, the grant, vesting or payment of Restricted Shares Units, the subsequent sale of Shares acquired pursuant to the Restricted Share Unit and the receipt of any dividends or dividend equivalents; and (b) does not commit to and is under no obligation to structure the terms of the Restricted Share Units or any aspect of the Restricted Share Units to reduce or eliminate the Participant’s liability for Taxes or achieve any particular tax result. The Participant shall not make any claim against the Company or any Subsidiary, or their respective board, officers or employees related to Taxes arising from this Award. Furthermore, if the Participant has become subject to Taxes in more than one jurisdiction, the Participant acknowledges that the Company or a Subsidiary may be required to withhold or account for Taxes in more than one jurisdiction.

The Participant shall pay to the Company or any Subsidiary any amount of Taxes that the Company or any Subsidiary may be required to withhold or account for as a result of the Participant’s participation in the Plan that cannot be satisfied by the means described in paragraph 4 of the Terms and Conditions. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Taxes.

C. *Data Privacy.* *The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant’s personal data as described in these Award Terms and any other grant materials by and among, as applicable, the Company and any Subsidiary for the exclusive purpose of implementing, administering and managing the Participant’s participation in the Plan and this Award.*

The Participant understands that the Company may hold certain personal information about the Participant, including, but not limited to, the Participant’s name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, nationality, any shares of stock held in the Company, details of all Restricted Share Units or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant’s favor (“Data”), for the exclusive purpose of implementing, administering and managing the Plan and this Award.

The Participant understands that Data will be transferred to the Broker, or such additional or other stock plan service providers as may be selected by the Company, which are assisting the Company with the implementation,

administration and management of the Plan and this Award. The Participant understands that the recipients of Data may be located in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any other potential recipients of Data by contacting the Company. The Participant authorizes the Company, the Broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan and this Award to receive, possess, use, retain and transfer Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan and this Award. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan and this Award. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Company. Further, the Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later seeks to revoke the Participant's consent, the Participant's service as a Director will not be affected; the only consequence of refusing or withdrawing the Participant's consent is that the Company would not be able to grant this Award of Restricted Share Units or other Awards to the Participant or administer or maintain such Awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that the Participant may contact the Company.

D. *Language.* If the Participant has received these Award Terms, or any other document related to this Award of Restricted Share Units and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

E. *Insider Trading Restrictions/Market Abuse Laws.* The Participant acknowledges that, depending on his or her country, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect his or her ability to acquire or sell Shares or rights to Shares under the Plan during such times as the Participant is considered to have "inside information" regarding the Company (as defined by applicable laws in his or her country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is his or her responsibility to comply with any applicable restrictions, and the Participant should consult his or her personal advisor on this matter.

F. *Foreign Asset/Account Reporting Requirements, Exchange Controls and Tax Requirements.* The Participant acknowledges that his or her country may have certain foreign asset and/or account reporting requirements and exchange controls which may affect his or her ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside his or her country. The Participant understands that he or she may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of the Participant's participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with all such requirements, and that the Participant should consult his or her personal legal and tax advisors, as applicable, to ensure the Participant's compliance.

APPENDIX B
TO THE ALCOA CORPORATION
2016 Stock Incentive Plan
Terms and Conditions for Restricted Share Units
For Non-U.S. Participants

Capitalized terms used but not defined in this Appendix B have the meanings set forth in the Plan and the Terms and Conditions for Restricted Share Units (the “Terms and Conditions”).

Terms and Conditions

This Appendix B includes special terms and conditions that govern the Restricted Share Units if the Participant resides and/or provides services in one of the countries listed below.

If the Participant is a citizen or resident of a country other than the country in which the Participant is currently residing and/or providing services, or if the Participant transfers to another country after the grant of Restricted Share Units or is considered a resident of another country for local law purposes, the Board shall, in its discretion, determine to what extent the special terms and conditions contained herein shall be applicable to the Participant.

Notifications

This Appendix B also includes information regarding exchange controls, tax and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, tax and other laws in effect in the respective countries as of July 2024. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix B as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Participant receives Shares or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant’s particular situation and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant’s country may apply to his or her situation.

Finally, if the Participant is a citizen or resident of a country other than the country in which the Participant currently provides services and/or resides, or if the Participant transfers to another country after the grant of the Restricted Share Unit, or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Participant in the same manner.

AUSTRALIA

Restricted Share Unit Grants.

Any Restricted Share Units granted to the Participant are also subject to the terms of Appendix D to the Deferred Fee Plan and will be interpreted and administered accordingly.

Payment.

In accordance with the deferral election provisions in Appendix D to the Deferred Fee Plan, the Participant may not elect to receive payment of his or her Restricted Share Units in ten (10) annual installments. All Restricted Share Units will be paid to the Participant in a single lump sum payment, in accordance with Section 5.2(a) and (b) of the Deferred Fee Plan, as modified by Sections D-1 and D-2 of the Appendix D to the Deferred Fee Plan. Notwithstanding anything to the contrary in the Deferred Fee Plan and regardless of any deferral election or subsequent deferral election made by the Participant, a Participant who is tax resident in Australia will receive payment of any Restricted Share Units on the earlier of (i) six (6) months following the Participant's separation from service in accordance with Section 5.2(b) of the Deferred Fee Plan or (ii) December 15 of the calendar year that is 14 years following the year in which the applicable Restricted Share Units are granted to the Participant, subject to Section 5.3 of the Deferred Fee Plan in the case of the Participant's death.

Further, in no event will the Restricted Share Units carry any right to receive payment of any dividend equivalents in cash. To the extent the Board of Directors authorizes that dividend equivalents be accrued on Restricted Share Units, such dividend equivalents shall be paid in such whole number of Shares with a fair market value at the time the Restricted Share Units are paid equal to the amount of dividend equivalents accrued on the Restricted Share Units at that time. Any fractional Shares attributable to dividend equivalents shall be rounded down to the nearest whole Share, and the Participant shall not be entitled to any consideration for such fractional Shares, or any other amount in respect of the accrued dividend equivalents.

Tax Information.

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in the Act).

CANADA

Restricted Share Unit Grants.

Any Restricted Share Units granted to the Participant are also subject to the terms of Appendix C to the Deferred Fee Plan and will be interpreted and administered accordingly.

Payment.

Notwithstanding anything to the contrary in the Terms and Conditions, a Participant will receive one Share upon payment of each Restricted Share Unit granted pursuant to the Terms and Conditions. Further, notwithstanding anything to the contrary in the Terms and Conditions, the Company shall not have discretion to substitute a cash payment in lieu of Shares.

Further, in no event will the Restricted Share Units carry any right to receive payment of any dividend equivalents in cash. To the extent the Board of Directors authorizes that dividend equivalents be accrued on Restricted Share Units, such dividend equivalents shall be paid in such whole number of Shares with a fair market value at the time the Restricted Share Units are paid equal to the amount of dividend equivalents accrued on the Restricted Share Units at that time. Any fractional Shares attributable to dividend equivalents shall be rounded down to the nearest whole Share, and the Participant shall not be entitled to any consideration for such fractional Shares, or any other amount in respect of the accrued dividend equivalents.

Withholding.

Notwithstanding anything to the contrary in the Terms and Conditions, the number of Shares otherwise required to be issued to a Participant on payment of a vested Restricted Share Unit shall not be reduced to satisfy the payment of Taxes, except for at the election of a Participant, in the Participant's sole discretion.

The Following Provisions Apply for Participants Resident in Quebec:

Consent to Receive Information in English.

The Participant acknowledges that it is the express wish of the parties that these Award Terms, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be written in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de Conditions d'attribution, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.

Authorization to Release and Transfer Necessary Personal Information.

The following provision supplements paragraph D "Data Privacy" of Appendix A:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, any Subsidiary and the administrator of the Plan to disclose and discuss the Plan with their advisors. The Participant further authorizes the Company and any Subsidiary to record such information and to keep such information in the Participant's human resources file.

Notifications

Securities Law Information.

The Participant is permitted to sell Shares acquired under the Plan through the Broker, provided the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Stock is listed. The Stock is currently traded on the New York Stock Exchange which is located outside of Canada, under the ticker symbol "AA", and Shares acquired under the Plan may be sold through this exchange.

Foreign Asset/Account Reporting Information.

The Participant is required to report his or her foreign property on Form T1135 (Foreign Income Verification Statement) if the total cost of such foreign property exceeds C\$100,000 at any time during the year. The form must be filed by April 30th of the following year. Foreign property includes Shares acquired under the Plan, and may include Restricted Share Units granted under the Plan. When Shares are acquired, their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB ordinarily would equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares. The Participant should consult with his or her personal tax advisor to determine his or her reporting requirements.

ALCOA CORPORATION
TERMS AND CONDITIONS FOR RESTRICTED SHARE UNITS
ANNUAL DIRECTOR AWARDS

These terms and conditions, including Appendices A and B attached hereto (jointly, the “Award Terms”), are authorized by the Board of Directors as of August 1, 2024. They are deemed to be incorporated into and form a part of every Award of Restricted Share Units issued as an annual equity award to a Director under the Alcoa Corporation 2016 Stock Incentive Plan, as may be amended from time to time (the “Plan”).

Terms that are defined in the Plan have the same meanings in the Award Terms.

General Terms and Conditions

1. This Award of Restricted Share Units is granted as the Participant’s annual equity award pursuant to the Company’s Non-Employee Director Compensation Policy (the “Director Compensation Policy”). The number of Shares subject to this Award has been determined by dividing the dollar value of the annual equity award provided for under the Director Compensation Policy by the fair market value of a Share on the grant date, rounded to the nearest number of whole Shares. Restricted Share Units are subject to the provisions of the Plan and the provisions of the Award Terms. If the Plan and the Award Terms are inconsistent, the provisions of the Plan will govern. Interpretations of the Plan and the Award Terms by the Board are binding on the Participant and the Company. A Restricted Share Unit is an undertaking by the Company to issue the number of Shares indicated in the Participant’s account with the Company’s designated stock plan broker or service provider (the “Broker”), subject to the fulfillment of certain conditions, except to the extent otherwise provided in the Plan or herein. A Participant has no voting rights or rights to receive dividends on Restricted Share Units, but the Board of Directors may authorize that dividend equivalents be accrued on Restricted Share Units, subject to vesting in accordance with paragraphs 2 and 4 below. Any dividend equivalents on Restricted Share Units will be paid in the same manner and at the same time as the Restricted Share Units to which they relate, as set forth in paragraph 5 below.

Vesting and Payment

2. A Restricted Share Unit vests on the first anniversary date of the grant date, or, if earlier, the date of the next subsequent annual meeting of stockholders following the grant date.

3. Except as provided in paragraph 4, if a Participant’s service with the Company is terminated before the Restricted Share Unit vests, the Award is forfeited and is automatically canceled.

4. The following are exceptions to the vesting rules:

- Death or Disability: a Restricted Share Unit held by a Participant who dies while a Director or whose service as a Director terminates due to permanent and total disability is not forfeited but becomes fully vested as of the date of the Participant’s death or termination of service due to disability, as applicable.

A Participant is deemed to be permanently and totally disabled if the Participant is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. A Participant shall not be considered to be permanently and totally disabled unless the Participant furnishes proof of the existence thereof in such form and manner, and at such times, as the Company may require. In the event of a dispute, the determination whether a Participant is permanently and totally disabled will be made by the Board.

- Change in Control: to the extent that (i) a Replacement Award is not provided to the Participant following a Change in Control; or (ii) the Participant’s service is not continued by the successor or survivor corporation in connection with or following such Change in Control, the Restricted Share

Unit will become fully vested immediately prior to the consummation of the Change in Control subject to the Participant's continued service through the date of such Change in Control.

5. *Payment.* A Participant will receive one Share upon payment of each vested Restricted Share Unit. Payment of vested Restricted Share Units is governed by the Alcoa Corporation 2016 Deferred Fee Plan for Directors, as may be amended from time to time (the "Deferred Fee Plan"). Except as otherwise set forth in the Deferred Fee Plan, payment of vested Restricted Share Units will occur upon the earlier of the Participant's "separation from service" (as defined in Section 409A of the Code and the Treasury Regulations thereunder) and the Participant's death, within the payment periods specified in the Deferred Fee Plan. In accordance with the deferral election provisions of the Deferred Fee Plan, the Participant may elect to receive payment of his or her vested Restricted Share Units in either a single lump sum or in ten (10) annual installments, except as otherwise required or recommended due to applicable local law or set forth in the Deferred Fee Plan. In the absence of such election by the Participant, a vested Restricted Share Unit will be paid in a single lump sum.

Taxes

6. The Participant acknowledges that the Participant will consult with his or her personal tax advisor regarding any income tax, social security contributions or other tax-related items ("Taxes") that arise in connection with the Restricted Share Units. The Participant is relying solely on such advisor and is not relying in any part on any statement or representation of the Company or any of its agents. The Company shall not be responsible for withholding any applicable Taxes, unless required by applicable law. The Company may take such action as it deems appropriate to ensure that all Taxes, which are the Participant's sole and absolute responsibility, are withheld or collected from the Participant, if and to the extent required by applicable law. In this regard, the Company will have the power and the right to require the Participant to remit to the Company the amount necessary to satisfy federal, state and local taxes, U.S. or non-U.S., required by law or regulation to be withheld with respect to any taxable event arising as a result of the Restricted Share Units. Notwithstanding the foregoing, unless otherwise determined by the Board, any obligation to withhold Taxes will be met by the Company by withholding from the Shares to be issued upon payment of the Restricted Share Unit that number of Shares with a fair market value on the payment date equal to the Taxes required to be withheld at the minimum required rates or, to the extent permitted under applicable accounting principles, at up to the maximum individual tax rate for the applicable tax jurisdiction.

Beneficiaries

7. If permitted by the Company, the Participant will be entitled to designate one or more beneficiaries to receive all Restricted Share Units that have not yet vested or that have vested but have not been paid at the time of death of the Participant. All beneficiary designations will be on beneficiary designation forms approved for the Plan. Copies of the form will generally be available from the Broker or may otherwise be obtained from the Company.

8. Beneficiary designations on an approved form will be effective at the time received by the Company, including, as applicable, through submission to the Broker. A Participant may revoke a beneficiary designation at any time by written notice to the Company, including as applicable, through submission to the Broker, or by filing a new designation form. Any designation form previously filed by a Participant will be automatically revoked and superseded by a later-filed form.

9. A Participant will be entitled to designate any number of beneficiaries on the form, and the beneficiaries may be natural or corporate persons.

10. The failure of any Participant to obtain any recommended signature on the form will not prohibit the Company from treating such designation as valid and effective. No beneficiary will acquire any beneficial or other interest in any Restricted Share Unit prior to the death of the Participant who designated such beneficiary.

11. Unless the Participant indicates on the form that a named beneficiary is to receive Restricted Share Units only upon the prior death of another named beneficiary, all beneficiaries designated on the form will be entitled to share equally in the Restricted Share Units. Unless otherwise indicated, all such beneficiaries will have an equal, undivided interest in all such Restricted Share Units.

12. Should a beneficiary die after the Participant but before the Restricted Share Unit is paid, such beneficiary's rights and interest in the Award will be transferable by the beneficiary's last will and testament or by the laws of descent and distribution. A named beneficiary who predeceases the Participant will obtain no rights or interest in a Restricted Share Unit, nor will any person claiming on behalf of such individual. Unless otherwise specifically indicated by the Participant on the beneficiary designation form, beneficiaries designated by class (such as "children," "grandchildren" etc.) will be deemed to refer to the members of the class living at the time of the Participant's death, and all members of the class will be deemed to take "*per capita*."

13. If a Participant does not designate a beneficiary or if the Company does not permit a beneficiary designation, the Restricted Share Units that have not yet vested or been paid at the time of death of the Participant will be paid to the Participant's legal heirs pursuant to the Participant's last will and testament or by the laws of descent and distribution.

Adjustments

14. In the event of an Equity Restructuring, the Board will equitably adjust the Restricted Share Unit as it deems appropriate to reflect the Equity Restructuring, which may include (i) adjusting the number and type of securities subject to the Restricted Share Unit; and (ii) adjusting the terms and conditions of the Restricted Share Unit. The adjustments provided under this paragraph 14 will be nondiscretionary and final and binding on all interested parties, including the affected Participant and the Company; provided that the Board will determine whether an adjustment is equitable.

Miscellaneous Provisions

15. *Stock Exchange Requirements; Applicable Laws.* Notwithstanding anything to the contrary in the Award Terms, no Shares issuable upon vesting and payment of the Restricted Share Units, and no certificate representing all or any part of such Shares, shall be issued or delivered if, in the opinion of counsel to the Company, such issuance or delivery would cause the Company to be in violation of, or to incur liability under, any securities law, or any rule, regulation or procedure of any U.S. national securities exchange upon which any securities of the Company are listed, or any listing agreement with any such securities exchange, or any other requirement of law or of any administrative or regulatory body having jurisdiction over the Company or a Subsidiary.

16. *Stockholder Rights.* No person or entity shall be entitled to vote, receive dividends or be deemed for any purpose the holder of any Shares until the Restricted Share Unit shall have vested and been paid in the form of Shares in accordance with the provisions of the Award Terms.

17. *Notices.* Any notice required or permitted under the Award Terms shall be in writing and shall be deemed sufficient when delivered personally or sent by confirmed email, telegram, or fax or five days after being deposited in the mail, as certified or registered mail, with postage prepaid, and addressed to the Company at the Company's principal corporate offices or to the Participant at the address maintained for the Participant in the Company's records or, in either case, as subsequently modified by written notice to the other party.

18. *Severability and Judicial Modification.* If any provision of the Award Terms is held to be invalid or unenforceable under the applicable laws of any country, state, province, territory or other political subdivision or the Company elects not to enforce such restriction, the remaining provisions shall remain in full force and effect and the invalid or unenforceable provision shall be modified only to the extent necessary to render that provision valid and enforceable to the fullest extent permitted by law. If the invalid or unenforceable provision cannot be, or is not, modified, that provision shall be severed from the Award Terms and all other provisions shall remain valid and enforceable.

19. *Successors.* The Award Terms shall be binding upon and inure to the benefit of the Company and its successors and assigns, on the one hand, and the Participant and his or her heirs, beneficiaries, legatees and personal representatives, on the other hand.

20. *Appendices.* Notwithstanding any provisions in the Award Terms, for Participants residing and/or providing services outside the United States, the Restricted Share Unit shall be subject to the additional terms and conditions set forth in Appendix A to the Award Terms and to any special terms and conditions for the Participant's country set forth in Appendix B to the Award Terms. Moreover, if the Participant relocates outside the United States or relocates between the countries included in Appendix B, subject to compliance with Section 409A of the Code, the additional terms and conditions set forth in Appendix A and the special terms and conditions for such country set forth in Appendix B will apply to the Participant, to the extent the Company determines that the application of such terms and conditions is necessary or advisable for legal or administrative reasons. The Appendices constitute part of the Award Terms.
21. *Imposition of Other Requirements.* The Company reserves the right to impose other requirements on the Participant's participation in the Plan, on the Restricted Share Unit and on any Shares acquired under the Plan, to the extent the Company determines it is necessary or advisable for legal or administrative reasons, and to require the Participant to sign any additional agreements or undertakings that may be necessary to accomplish the foregoing.
22. *Compliance with Code Section 409A.* It is intended that the Restricted Share Unit granted pursuant to the Award Terms be compliant with Section 409A of the Code and the Award Terms shall be interpreted, construed and operated to reflect this intent. Notwithstanding the foregoing, the Award Terms and the Plan may be amended at any time, without the consent of any party, to the extent necessary or desirable to satisfy any of the requirements under Section 409A of the Code, but the Company shall not be under any obligation to make any such amendment. Further, the Company and its Subsidiaries do not make any representation to the Participant that the Restricted Share Unit granted pursuant to the Award Terms satisfies the requirements of Section 409A of the Code, and the Company and its Subsidiaries will have no liability or other obligation to indemnify or hold harmless the Participant or any other party for any tax, additional tax, interest or penalties that the Participant or any other party may incur in the event that any provision of the Award Terms or any amendment or modification thereof or any other action taken with respect thereto, is deemed to violate any of the requirements of Section 409A of the Code.
23. *Waiver.* A waiver by the Company of breach of any provision of the Award Terms shall not operate or be construed as a waiver of any other provision of the Award Terms, or of any subsequent breach by the Participant or any other Participant.
24. *No Advice Regarding Award.* The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant's participation in the Plan, or the Participant's acquisition or sale of the underlying Shares. The Participant is hereby advised to consult with the Participant's own personal tax, legal and financial advisors regarding the Participant's participation in the Plan before taking any action related to the Plan.
25. *Governing Law and Venue.* As stated in the Plan, the Restricted Share Unit and the provisions of the Award Terms and all determinations made and actions taken thereunder, to the extent not otherwise governed by the laws of the United States, shall be governed by the laws of the State of Delaware, United States of America, without reference to principles of conflict of laws, and construed accordingly. The jurisdiction and venue for any disputes arising under, or any actions brought to enforce (or otherwise relating to), the Restricted Share Unit will be exclusively in the courts in the State of Delaware, including the Federal Courts located therein (should Federal jurisdiction exist).
26. *Electronic Delivery and Acceptance.* The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.
27. *Entire Agreement.* The Award Terms and the Plan embody the entire understanding and agreement of the parties with respect to the subject matter hereof, and no promise, condition, representation or warranty, express or implied, not stated or incorporated by reference herein, shall bind either party hereto.
-

Acceptance of Award

28. In accordance with Section 15(c) of the Plan (as in effect at the grant date), the Participant may reject the Restricted Share Unit by notifying the Company within 30 days of the grant date that he or she does not accept the Restricted Share Unit. The Participant's acceptance of the Restricted Share Unit constitutes the Participant's acceptance of and agreement with the Award Terms. Notwithstanding the foregoing, if required by the Company, the Participant will provide a signed copy of the Award Terms in such manner and within such timeframe as may be requested by the Company. The Company has no obligation to issue Shares to the Participant if the Participant does not accept the Restricted Share Unit.

APPENDIX A
TO THE ALCOA CORPORATION
2016 Stock Incentive Plan
Terms and Conditions for Restricted Share Units
For Non-U.S. Participants

This Appendix A contains additional (or, if so indicated, different) terms and conditions that govern the Restricted Share Units if the Participant resides and/or provides services outside of the United States. Capitalized terms used but not defined herein shall have the same meanings assigned to them in the Plan and the Terms and Conditions for Restricted Share Units (the “Terms and Conditions”).

A. *Termination.* This provision supplements paragraph 3 of the Terms and Conditions.

The Company will determine when the Participant is no longer providing services for purposes of the Restricted Share Units (including whether the Participant may still be considered to be providing services while on a leave of absence).

B. *Responsibility for Taxes.* This provision supplements paragraph 6 of the Terms and Conditions.

The Participant acknowledges that, regardless of any action taken by the Company or any Subsidiary, the ultimate liability for all Taxes is and remains the Participant’s responsibility and may exceed any amount actually withheld by the Company or any Subsidiary. The Participant further acknowledges that the Company (a) makes no representations or undertakings regarding the treatment of any Taxes in connection with any aspect of these Restricted Shares Units, including, but not limited to, the grant, vesting or payment of Restricted Shares Units, the subsequent sale of Shares acquired pursuant to the Restricted Share Unit and the receipt of any dividends or dividend equivalents; and (b) does not commit to and is under no obligation to structure the terms of the Restricted Share Units or any aspect of the Restricted Share Units to reduce or eliminate the Participant’s liability for Taxes or achieve any particular tax result. The Participant shall not make any claim against the Company or any Subsidiary, or their respective board, officers or employees, related to Taxes arising from this Award. Furthermore, if the Participant has become subject to Taxes in more than one jurisdiction, the Participant acknowledges that the Company or a Subsidiary may be required to withhold or account for Taxes in more than one jurisdiction.

The Participant shall pay to the Company or any Subsidiary any amount of Taxes that the Company or any Subsidiary may be required to withhold or account for as a result of the Participant’s participation in the Plan that cannot be satisfied by the means described in paragraph 6 of the Terms and Conditions. The Company may refuse to issue or deliver the Shares or the proceeds of the sale of Shares if the Participant fails to comply with his or her obligations in connection with the Taxes.

C. *Nature of Award.* In accepting the Restricted Share Units, the Participant acknowledges, understands and agrees that:

- a. the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended, or terminated by the Company at any time, to the extent permitted by the Plan;
 - b. this Award of Restricted Share Units and the Participant’s participation in the Plan shall not create a right to, or be interpreted as forming an employment contract with the Company;
 - c. the Participant’s participation in the Plan is voluntary;
 - d. the future value of the Shares subject to the Restricted Share Unit is unknown and cannot be predicted with certainty;
-

- e. no claim or entitlement to compensation or damages shall arise from forfeiture of any portion of this Award of Restricted Share Units resulting from termination of the Participant's service as a Director (for any reason whatsoever and regardless of whether later found to be invalid or in breach of the laws of any applicable jurisdiction), and, in consideration of this Award of Restricted Share Units, the Participant irrevocably agrees never to institute any claim against the Company and any Subsidiary, waives his or her ability, if any, to bring any such claim, and releases the Company and all Subsidiaries from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim and agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims;
- f. unless otherwise provided in the Plan or by the Company in its discretion, this Award of Restricted Share Units and the benefits under the Plan evidenced by these Award Terms do not create any entitlement to have this Award of Restricted Share Units or any such benefits transferred to, or assumed by, another company nor to be exchanged, cashed out or substituted for, in connection with any corporate transaction affecting the Shares; and
- g. neither the Company nor any Subsidiary shall be liable for any foreign exchange rate fluctuation between the Participant's local currency and the United States Dollar that may affect the value of the Restricted Share Units or of any amounts due to the Participant pursuant to the Restricted Share Units or the subsequent sale of any Shares acquired under the Plan.

D. Data Privacy. The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in these Award Terms and any other grant materials by and among, as applicable, the Company and any Subsidiary for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan and this Award.

The Participant understands that the Company may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address, email address and telephone number, date of birth, social insurance number, passport or other identification number, nationality, any shares of stock held in the Company, details of all Restricted Share Units or any other entitlement to shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor ("Data"), for the exclusive purpose of implementing, administering and managing the Plan and this Award.

The Participant understands that Data will be transferred to the Broker, or such additional or other stock plan service providers as may be selected by the Company, which are assisting the Company with the implementation, administration and management of the Plan and this Award. The Participant understands that the recipients of Data may be located in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any other potential recipients of Data by contacting the Company. The Participant authorizes the Company, the Broker and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan and this Award to receive, possess, use, retain and transfer Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan and this Award. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan and this Award. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Company. Further, the Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later seeks to revoke the Participant's consent, the Participant's service as a Director will not be affected; the only consequence of refusing or withdrawing the Participant's consent is that the Company would not be able to grant this Award of Restricted Share Units or other Awards to the Participant or administer or maintain such Awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's

ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that the Participant may contact the Company.

E. *Language.* If the Participant has received these Award Terms, or any other document related to this Award of Restricted Share Units and/or the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will control.

F. *Insider Trading Restrictions/Market Abuse Laws.* The Participant acknowledges that, depending on his or her country, the Participant may be subject to insider trading restrictions and/or market abuse laws, which may affect his or her ability to acquire or sell Shares or rights to Shares under the Plan during such times as the Participant is considered to have "inside information" regarding the Company (as defined by applicable laws in his or her country). Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is his or her responsibility to comply with any applicable restrictions, and the Participant should consult his or her personal advisor on this matter.

G. *Foreign Asset/Account Reporting Requirements, Exchange Controls and Tax Requirements.* The Participant acknowledges that his or her country may have certain foreign asset and/or account reporting requirements and exchange controls which may affect his or her ability to acquire or hold Shares under the Plan or cash received from participating in the Plan (including from any dividends received or sale proceeds arising from the sale of Shares) in a brokerage or bank account outside his or her country. The Participant understands that he or she may be required to report such accounts, assets or transactions to the tax or other authorities in his or her country. The Participant also may be required to repatriate sale proceeds or other funds received as a result of the Participant's participation in the Plan to his or her country through a designated bank or broker and/or within a certain time after receipt. The Participant acknowledges that it is his or her responsibility to be compliant with all such requirements, and that the Participant should consult his or her personal legal and tax advisors, as applicable, to ensure the Participant's compliance.

APPENDIX B
TO THE ALCOA CORPORATION
2016 Stock Incentive Plan
Terms and Conditions for Restricted Share Units
For Non-U.S. Participants

Capitalized terms used but not defined in this Appendix B have the meanings set forth in the Plan and the Terms and Conditions for Restricted Share Units (the “Terms and Conditions”).

Terms and Conditions

This Appendix B includes special terms and conditions that govern the Restricted Share Units if the Participant resides and/or provides services in one of the countries listed below.

If the Participant is a citizen or resident of a country other than the country in which the Participant is currently residing and/or providing services, or if the Participant transfers to another country after the grant of Restricted Share Units or is considered a resident of another country for local law purposes, the Board shall, in its discretion, determine to what extent the special terms and conditions contained herein shall be applicable to the Participant.

Notifications

This Appendix B also includes information regarding exchange controls, tax and certain other issues of which the Participant should be aware with respect to participation in the Plan. The information is based on the securities, exchange control, tax and other laws in effect in the respective countries as of July 2024. Such laws are often complex and change frequently. As a result, the Company strongly recommends that the Participant not rely on the information in this Appendix B as the only source of information relating to the consequences of participation in the Plan because the information may be out of date at the time the Participant receives Shares or sells Shares acquired under the Plan.

In addition, the information contained herein is general in nature and may not apply to the Participant’s particular situation and the Company is not in a position to assure the Participant of any particular result. Accordingly, the Participant should seek appropriate professional advice as to how the relevant laws in the Participant’s country may apply to his or her situation.

Finally, if the Participant is a citizen or resident of a country other than the country in which the Participant currently provides services and/or resides, or if the Participant transfers to another country after the grant of the Restricted Share Unit, or is considered a resident of another country for local law purposes, the information contained herein may not be applicable to the Participant in the same manner.

AUSTRALIA

Terms and Conditions

Restricted Share Unit Grants.

Any Restricted Share Units granted to the Participant are also subject to the terms of Appendix D to the Deferred Fee Plan and will be interpreted and administered accordingly.

Payment.

In accordance with the deferral election provisions in Appendix D to the Deferred Fee Plan, the Participant may not elect to receive payment of his or her Restricted Share Units in ten (10) annual installments. All Restricted Share Units will be paid to the Participant in a single lump sum payment, in accordance with Section 5.2(a) and (b) of the Deferred Fee Plan, as modified by Sections D-1 and D-2 of the Appendix D to the Deferred Fee Plan. Notwithstanding anything to the contrary in the Deferred Fee Plan and regardless of any deferral election or subsequent deferral election made by the Participant, a Participant who is tax resident in Australia will receive payment of any Restricted Share Units on the earlier of (i) six (6) months following the Participant's separation from service in accordance with Section 5.2(b) of the Deferred Fee Plan or (ii) December 15 of the calendar year that is 14 years following the year in which the applicable Restricted Share Units are granted to the Participant, subject to Section 5.3 of the Deferred Fee Plan in the case of the Participant's death.

Further, in no event will the Restricted Share Units carry any right to receive payment of any dividend equivalents in cash. To the extent the Board of Directors authorizes that dividend equivalents be accrued on Restricted Share Units, such dividend equivalents shall be paid in such whole number of Shares with a fair market value at the time the Restricted Share Units are paid equal to the amount of dividend equivalents accrued on the Restricted Share Units at that time. Any fractional Shares attributable to dividend equivalents shall be rounded down to the nearest whole Share, and the Participant shall not be entitled to any consideration for such fractional Shares, or any other amount in respect of the accrued dividend equivalents.

Tax Information.

The Plan is a plan to which Subdivision 83A-C of the Income Tax Assessment Act 1997 (Cth) (the "Act") applies (subject to the conditions in the Act).

CANADA

Terms and Conditions

Restricted Share Unit Grants.

Any Restricted Share Units granted to the Participant are also subject to the terms of Appendix C to the Deferred Fee Plan and will be interpreted and administered accordingly.

Payment.

Notwithstanding anything to the contrary in the Terms and Conditions, a Participant will receive one Share upon payment of each Restricted Share Unit that vests pursuant to the Terms and Conditions. Further, notwithstanding anything to the contrary in the Terms and Conditions, the Company shall not have discretion to substitute a cash payment in lieu of Shares.

Further, in no event will the Restricted Share Units carry any right to receive payment of any dividend equivalents in cash. To the extent the Board of Directors authorizes that dividend equivalents be accrued on Restricted Share Units, such dividend equivalents shall be paid in such whole number of Shares with a fair market value at the time the Restricted Share Units are paid equal to the amount of dividend equivalents accrued on the Restricted Share

Units at that time. Any fractional Shares attributable to dividend equivalents shall be rounded down to the nearest whole Share, and the Participant shall not be entitled to any consideration for such fractional Shares, or any other amount in respect of the accrued dividend equivalents.

Withholding.

Notwithstanding anything to the contrary in the Terms and Conditions, the number of Shares otherwise required to be issued to a Participant on payment of a vested Restricted Share Unit shall not be reduced to satisfy the payment of Taxes, except for at the election of a Participant, in the Participant's sole discretion.

The Following Provisions Apply for Participants Resident in Quebec:

Consent to Receive Information in English.

The Participant acknowledges that it is the express wish of the parties that these Award Terms, as well as all documents, notices and legal proceedings entered into, given or instituted pursuant hereto or relating directly or indirectly hereto, be written in English.

Les parties reconnaissent avoir exigé la rédaction en anglais de Conditions d'attribution, ainsi que de tous documents, avis et procédures judiciaires, exécutés, donnés ou intentés en vertu de, ou liés directement ou indirectement à, la présente convention.

Authorization to Release and Transfer Necessary Personal Information.

The following provision supplements paragraph D "Data Privacy" of Appendix A:

The Participant hereby authorizes the Company and the Company's representatives to discuss with and obtain all relevant information from all personnel, professional or not, involved in the administration and operation of the Plan. The Participant further authorizes the Company, any Subsidiary and the administrator of the Plan to disclose and discuss the Plan with their advisors. The Participant further authorizes the Company and any Subsidiary to record such information and to keep such information in the Participant's human resources file.

Notifications

Securities Law Information.

The Participant is permitted to sell Shares acquired under the Plan through the Broker, provided the resale of such Shares takes place outside of Canada through the facilities of a stock exchange on which the Stock is listed. The Stock is currently traded on the New York Stock Exchange, which is located outside of Canada, under the ticker symbol "AA", and Shares acquired under the Plan may be sold through this exchange.

Foreign Asset/Account Reporting Information.

The Participant is required to report his or her foreign property on Form T1135 (Foreign Income Verification Statement) if the total cost of such foreign property exceeds C\$100,000 at any time during the year. The form must be filed by April 30th of the following year. Foreign property includes Shares acquired under the Plan, and may include Restricted Share Units granted under the Plan. When Shares are acquired, their cost generally is the adjusted cost base ("ACB") of the Shares. The ACB ordinarily would equal the fair market value of the Shares at the time of acquisition, but if the Participant owns other shares of the same company, this ACB may have to be averaged with the ACB of the other shares. The Participant should consult with his or her personal tax advisor to determine his or her reporting requirements.

ALCOA CORPORATION

2016 DEFERRED FEE PLAN FOR DIRECTORS

(Effective November 1, 2016 and as amended and restated on December 5, 2018)

ARTICLE I INTRODUCTION

Alcoa Corporation (the "Company") has established this 2016 Deferred Fee Plan for Directors, as amended (the "Plan") to provide non-employee directors with an opportunity to defer receipt of fees earned for services as a member of the Company's Board of Directors (the "Board"), to provide for deferrals of Restricted Share Units (as defined herein) with respect to common stock of the Company granted to non-employee directors, and to receive liabilities transferred from the Alcoa Inc. Plans.

ARTICLE II DEFINITIONS

2.1 Definitions. The following definitions apply unless the context clearly indicates otherwise:

- (a) Alcoa Inc. Plans means the Alcoa Inc. Deferred Fee Plan for Directors (the "Alcoa Inc. 1999 Plan") and the Alcoa Inc. 2005 Deferred Fee Plan for Directors (the "Alcoa Inc. 2005 Plan").
- (b) Legacy Alcoa DSU Account means any amount held in a Director's Deferred Fee Account that is notionally credited in Shares, in accordance with the terms of the Employee Matters Agreement and Article VII.
- (c) Alcoa Stock Fund means, with respect to a Director who prior to the Effective Date participated in one or both of the Alcoa Inc. Plans, the investment option established under the Alcoa Inc. Plans with reference to the Alcoa Stock Fund under Alcoa Inc.'s principal tax-qualified retirement savings plan for salaried employees.
- (d) Annual Equity Award means the annual Restricted Share Unit award that a Director will be entitled to receive as compensation for serving as a Director in a relevant year (not including any Fees), which will be granted under the Stock Plan.
- (e) Beneficiary means the person or persons designated by a Director under Section 4.1 to receive any amount payable under Section 5.3.
- (f) Board has the meaning ascribed to such term in Article I.
- (g) Chairman means the Chairman of the Board.
- (h) Code means the United States Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.
- (i) Company has the meaning ascribed to such term in Article I.
- (j) Credits means amounts credited to a Director's Deferred Fee Account, with all Investment Option units valued by reference to the comparable fund offered under the Savings Plan.
- (k) Deferred Fee Account means a bookkeeping account established by the Company in the name of a Director with respect to amounts deferred into Investment Options hereunder. For the

avoidance of doubt, Deferred Fee Account does not include any amounts deferred into Deferred Fee RSU Awards.

- (l). Deferred Fee RSU Award means each award of Restricted Share Units granted in lieu of Fees pursuant to a deferral election made by a Director pursuant to Article III.
- (m). Director means a nonemployee member of the Board who participates in this Plan. Any Director who is a director or chairman of the board of directors of a subsidiary or affiliate of the Company shall not, by virtue thereof, be deemed to be an employee of the Company or such subsidiary or affiliate for purposes of eligibility under this Plan.
- (n). Director Share Ownership Guideline means the minimum value of Shares (or, if applicable, units in the Legacy Alcoa DSU Account), required to be held by each Director until retirement from the Board, as established from time to time by the Board. Effective November 1, 2016, the Director Share Ownership Guideline for a Director is \$750,000. A Director's compliance with the Director Share Ownership Guideline shall be measured based on the value of the Director's investment as of January 1 of each year, or on such other date as may be designated by the Secretary's office (the "Annual Valuation Date").
- (o). Effective Date means November 1, 2016, the effective date of the separation of the Company's business from Alcoa Inc.'s business.
- (p). Employee Matters Agreement means the Employee Matters Agreement dated as of the Effective Date by and between Alcoa Inc. and the Company relating to the transfer of employees in connection with the separation of the Company's business from Alcoa Inc.'s business, as amended, which agreement is incorporated herein by reference.
- (q). Equity Restructuring means a nonreciprocal transaction between the Company and its shareholders, such as a stock dividend, stock split (including a reverse stock split), spin-off, rights offering or recapitalization through a large, nonrecurring cash dividend, that affects the Shares (or other securities of the Company) or the price of Shares (or other securities) and causes a change in the per share value of the Shares.
- (r). Fair Market Value means, with respect to Shares on any given date, the closing price per Share on that date as reported on the New York Stock Exchange or other stock exchange on which the Shares principally trade. If the New York Stock Exchange or such other exchange is not open for business on the date fair market value is being determined, the closing price as reported for the next business day on which that exchange is open for business will be used.
- (s). Fees means all cash amounts payable to a Director for services rendered as a member of the Board that are specifically designated as fees, including, but not limited to, annual and/or quarterly retainer fees, fees (if any) paid for attending meetings of the Board or any Committee thereof, fees for serving as a Committee Chair, as Lead Director or Chairman or as a member of a Committee, and any per diem fees.
- (t). Investment Options means the respective options established hereunder with reference to the comparable funds under the Savings Plan, with the exception of the Company's Stock Fund.
- (u). Plan has the meaning ascribed to such term in Article I.

- (v). Restricted Share Unit means an award of a right to receive Shares, including any such award that is granted under, and subject to the terms of, the Stock Plan.
- (w). Shares means the shares of common stock of the Company, \$0.01 par value per Share.
- (x). Savings Plan means the Company's principal tax-qualified retirement savings plan for salaried employees.
- (y). Secretary means the Secretary of the Company.
- (z). Separation from Service means a "separation from service" as defined in Section 409A of the Code.
- (aa). Stock Plan means the Alcoa Corporation 2016 Stock Incentive Plan, as may be amended from time to time in accordance with its terms, and any successor thereto.
- (bb). Unforeseeable Emergency means a severe financial hardship to the Director resulting from (1) an illness or accident of the Director or his or her spouse or dependent; (2) loss of the Director's property due to casualty; or (3) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Director's control. For the avoidance of doubt, a circumstance does not constitute an "Unforeseeable Emergency" for purposes of the Plan unless such circumstance constitutes an "unforeseeable emergency" as defined in Section 409A of the Code.

ARTICLE III DEFERRAL OF COMPENSATION

- 3.1 Deferral of Fees. A Director may elect, with respect to each calendar year, to defer under the Plan the receipt of all Fees or a specified portion (in 1% increments) of the Fees otherwise payable to him or her and may elect to invest such deferred Fees in one or more Investment Options and/or in Deferred Fee RSU Awards. Fees deferred in respect of each calendar year shall be separately designated and tracked in an individual sub-account to the Director's Deferred Fee Account (each, an "Annual Sub-Account") and shall be paid in accordance with Article V of the Plan.
- 3.2 Deferral of Restricted Share Units. Unless otherwise determined by the Board or as may be required pursuant to Section 6.6, any Restricted Share Units granted to a Director (whether as a Deferred Fee RSU Award or an Annual Equity Award) shall, once any vesting requirements have been met (i.e., once earned and non-forfeitable), be deferred and paid in accordance with Article V of the Plan. Any dividend equivalents on Restricted Share Units shall be deferred and paid in the same manner and at the same time as the Restricted Share Units to which they relate.
- 3.3 Manner of Electing Deferral. A Director may elect to defer the receipt of all or certain Fees and may elect the form of payment of Restricted Share Units by giving written notice (including by electronic means) to the Secretary on an election form provided by the Company, or in any other manner that is deemed sufficient from time to time by the Board (including by means of a standing election intended to apply to subsequent calendar years until modified by the Director). Such election form will require the Director to specify (i) the percentage (if any) of the Director's Fees that will be deferred and the manner of investment of such deferred Fees in accordance with Sections 3.5 and 3.6, and (ii) the form of payment of any deferred Fees (including Deferred Fee RSU Awards) and, separately, of the Director's Annual Equity Award, which in each case, may be either a single lump sum payment or ten (10) annual installment payments (and no other

number of installments). In the event and to the extent that a Director fails to specify the form of payment, payment will be made in a lump sum. Payment will be made in accordance with Article V of the Plan.

- 3.4 Timing of Elections of Deferral. An election to defer Fees and to elect the form of payment of an Annual Equity Award shall be made prior to the beginning of the calendar year in which the Fees will be earned or, as applicable, the Annual Equity Award will be granted (including by means of a standing election intended to apply to subsequent calendar years until modified by the Director); provided, however, that an election made within 30 days after a person first becomes a Director shall be effective for Fees earned, or any Annual Equity Award granted, in the same calendar year, but after the date of such deferral election. The election to defer receipt of payment may not be canceled or modified after it becomes irrevocable under Section 409A of the Code unless the Chairman, in his sole discretion, determines in accordance with Section 5.1 that an Unforeseeable Emergency exists, or except as otherwise permitted by the Code.
- 3.5 Deferring Fees into Investment Options. A Director may designate all or a portion of his or her deferred Fees to be invested in one or more of the Investment Options, in which case, the Director's deferred Fees shall be credited to the designated Investment Option(s) at the beginning of the calendar quarter following the quarter in which such Fees were earned. Such Fees shall be credited to the Director's Deferred Fee Account as Credits for "units" in the Director's Deferred Fee Account. As of any specified date, the value per unit in the Director's Deferred Fee Account shall be deemed to be the value determined for the comparable fund under the Savings Plan.
- 3.6 Deferred Fee RSU Awards. A Director may designate all or a portion of his or her deferred Fees to be invested in Deferred Fee RSU Awards, except that a deferral of Fees pursuant to an election made within 30 days after a person first becomes a Director may be invested in Deferred Fee RSU Awards only with respect to any Fees to be earned in the quarter (or other Fees payment period) following the quarter in which the Director commences service on the Board. The number of Restricted Share Units subject to each Deferred Fee RSU Award shall be determined by dividing the dollar amount of the Fees subject to the Director's election by the Fair Market Value of a Share on the date(s) that such Fees (or any installment thereof) would otherwise have been paid in cash to the Director (the "Fees Payment Date"). Unless otherwise determined by the Board, the Deferred Fee RSU Award shall (i) be granted on the applicable Fees Payment Date(s), (ii) not be subject to vesting requirements or other forfeiture restrictions, and (iii) be granted under, and subject to the terms of, the Stock Plan and evidenced by a form of Award Agreement (as defined in the Stock Plan) that shall be approved by the Board prior to the grant of any such Deferred Fee RSU Award, which Award Agreement is incorporated by reference into this Section 3.6. The Shares subject to the Deferred Fee RSU Award shall be delivered to the Director in accordance with Article V of the Plan.
- 3.7 Subsequent Deferral Elections. After a deferral election made by a Director in accordance with this Article III has become irrevocable under Section 409A of the Code, the Director may elect to change the time and form of payment of the deferred amount covered by such election only once by submitting a payment election change at least (12) months prior to the date on which the deferred amount (or first installment thereof, as applicable) is scheduled to be paid (the "First Scheduled Payment Date") that will result in a delay of payment (or commencement of payment) of such deferred amount (i.e., a re-deferral) until the date that is at least five (5) years after the First Scheduled Payment Date. A payment election change is irrevocable upon receipt and shall not take effect until the first date that is at least twelve (12) months after the date of receipt. Any such change in the time and form of payment of deferred Fees will apply to, and require a five (5) year re-deferral of, all deferred Fees (including Deferred Fee RSU Awards) previously deferred

under the Plan by the Director as of the date of such change. Equally, any such change in the time and form of payment of an Annual Equity Award will apply to, and require a five (5) year re-deferral of, all Annual Equity Awards or any other deferred Restricted Share Units or deferred equity awards previously deferred under the Plan by the Director as of the date of such change.

- 3.8 Transfers Between Investment Options. Subject to Section 7.3, to the extent that a Director has Credits notionally invested in one or more Investment Options (other than the Legacy Alcoa DSU Account, if applicable), the Director may elect to designate a different Investment Option for all or any portion of such Credits in accordance with the procedures established by the Board from time to time.
- 3.9 Method of Payment. All payments with respect to a Director's Deferred Fee Account shall be made in cash, and no Director shall have the right to demand payment in Shares or in any other medium. Subject to the terms of the Stock Plan, if applicable, and except as set forth in Section 5.2, all payments with respect to Deferred Fee RSU Awards and Annual Equity Awards shall be made in Shares.

ARTICLE IV BENEFICIARIES

- 4.1 Designation of Beneficiary. Each Director may designate from time to time one or more natural persons or entities as his or her Beneficiary or Beneficiaries to whom the amounts credited to his or her Deferred Fee Account and/or his or her Deferred Fee RSU Awards are to be paid if he or she dies before all such amounts have been paid to the Director. Each Beneficiary designation shall be made on a form prescribed by the Company and shall be effective only when filed with the Secretary during the Director's lifetime. Each Beneficiary designation filed with the Secretary shall revoke all Beneficiary designations previously made. The revocation of a Beneficiary designation shall not require the consent of any Beneficiary. In the absence of an effective Beneficiary designation, or if payment cannot be made to a Beneficiary, payment shall be made to the Director's estate. Any beneficiary designation with respect to an Annual Equity Award or Deferred Fee RSU Award will be made in accordance with the terms of the Stock Plan, to the extent applicable.

ARTICLE V PAYMENTS

- 5.1 Payment upon Unforeseeable Emergency. No payment may be made from a Director's Deferred Fee Account or in settlement of a Director's Annual Equity Awards and Deferred Fee RSU Awards except as provided in this Article V, unless an Unforeseeable Emergency exists as determined by the Chairman in his sole discretion. If an Unforeseeable Emergency is determined by the Chairman to exist, the Chairman shall determine when and to what extent Credits in the Director's Deferred Fee Account and/or Shares underlying the Director's Annual Equity Awards and Deferred Fee RSU Awards may be paid to such Director prior to or after the Director's Separation from Service; provided, however, that the amounts distributed in connection with such an emergency cannot exceed the amounts necessary to satisfy the emergency plus what is necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Director's assets (to the extent such liquidation would not itself cause severe financial hardship). All payments with respect to an Unforeseeable Emergency shall be made in a lump sum upon the Chairman's determination that an Unforeseeable Emergency exists, subject to any advance approval by the Board as may be required for purposes of exemption under Section 16(b) of the Securities Exchange Act of 1934, as amended.

5.2 Payment upon a Director's Separation from Service.

- (a) Payment of any amount in a Director's Deferred Fee Account (valued in accordance with the last sentence of Section 3.5) and of the Director's Deferred Fee RSU Awards (if any) and Annual Equity Awards shall be made following the Director's Separation from Service, as set forth in this Section 5.2, except as otherwise set forth in Section 5.1 or Section 5.3.
- (b) To the extent a Director elected to receive a lump sum payment, such payment shall be made in the sixth calendar month that commences following the date of the Director's Separation from Service, but in no event earlier than after a full six (6) months following such Separation from Service, subject to any subsequent deferral election made by the Director pursuant to Section 3.7.
- (c) To the extent a Director elected to receive installment payments, the first such installment payment shall be made either (i) during the sixth calendar month that commences following the Director's Separation from Service, but in no event earlier than after a full six (6) months following such Separation from Service, or (ii) during the first month of the calendar year following the Director's Separation from Service, whichever of (i) or (ii) occurs later, subject to any subsequent deferral election made by the Director pursuant to Section 3.7. Subsequent installment payments shall be made during the first calendar month of each succeeding year until the Director's Deferred Fee Account is exhausted or all Restricted Share Units have been paid, as applicable. If the Director elected to receive deferred Fees credited to any Annual Sub-Account or settlement of a Deferred Fee RSU Award or Annual Equity Award in installment payments, the amount of each payment shall be, respectively, a fraction of the value of the Director's Annual Sub-Account and in such sub-account, or a fraction of the number of Restricted Share Units that remains subject to such Deferred Fee RSU Award or Annual Equity Award, in each case on the last day of the calendar month preceding payment, the numerator of which fraction is one and the denominator of which is the total number of installments elected minus the number of installments previously paid. Any fractional Share portion of an installment payment of a Deferred Fee RSU Award or Annual Equity Award, or any portion of a dividend equivalent on such award that was not reinvested in additional Restricted Share Units pursuant to its terms, will be paid in cash at the same time as the installment payment to which it is attributable.

5.3 Payment upon a Director's Death. If a Director dies with any amount credited to his or her Deferred Fee Account and/or any outstanding Deferred Fee RSU Awards, the value of said Deferred Fee Account and/or Shares underlying such Deferred Fee RSU Awards shall be paid as soon as administratively practicable in a single payment to the Beneficiary (or in separate payments to the Beneficiaries if more than one were designated by the Director) or to the Director's estate, as the case may be (subject to the terms of the Stock Plan if and to the extent applicable to the Deferred Fee RSU Awards). If a Director dies with any outstanding Annual Equity Awards that are vested (or become vested upon the Director's death), such awards shall be paid as soon as administratively practicable in a single payment to the party eligible to receive such payment under the terms of the Stock Plan.

5.4 Separate Payments. Each payment payable under this Plan is intended to constitute a separate payment for purposes of Section 409A of the Code.

ARTICLE V MISCELLANEOUS

- 6.1 Director's Rights Unsecured. Payments payable hereunder shall be payable out of the general assets of the Company, and no segregation of assets for such payments shall be made by the Company. The right of any Director or Beneficiary to receive payments from a Deferred Fee Account shall be a claim against the general assets of the Company as an unsecured general creditor. The Company may, in its absolute discretion, establish one or more trusts or reserves, which may be funded by reference to amounts of Credits standing in the Director's Deferred Fee Accounts hereunder or otherwise. Any such trust or reserve shall remain subject to the claims of creditors of the Company. If any amounts held in a trust of the above described nature are found (due to the creation or operation of said trust) in a final decision by a court of competent jurisdiction, or under a "determination" by the Internal Revenue Service in a closing agreement in audit or final refund disposition (within the meaning of Section 1313(a) of the Code), to have been includable in the gross income of a Director or Beneficiary prior to payment of such amounts from said trust, the trustee for the trust shall, as soon as practicable, pay to such Director or Beneficiary an amount equal to the amount determined to have been includable in gross income in such determination, and shall accordingly reduce the Director's or Beneficiary's future benefits payable under this Plan. The trustee shall not make any distribution to a Director or Beneficiary pursuant to this paragraph unless it has received a copy of the written determination described above, together with any legal opinion that it may request as to the applicability thereof.
- 6.2 Responsibility for Taxes. The Director or Beneficiary is liable for any and all taxes that are applicable to the amounts payable under the Plan, including any taxes deemed payable prior to payment out of the Plan.
- 6.3 Nonassignability. The right of any Director or Beneficiary to the payment of Credits in a Deferred Fee Account shall not be assigned, transferred, pledged or encumbered and shall not be subject in any manner to alienation or anticipation.
- 6.4 Administration and Interpretation. The Plan shall be administered by the Board. Subject to the terms of the Plan and applicable law and without limitation, the Board shall have full power and authority to: (i) designate Directors for participation, (ii) determine the terms and conditions of any deferral made under the Plan, (iii) interpret and administer the Plan and any instrument or agreement relating to, or deferral made under, the Plan, (iv) establish, amend, suspend or waive such rules and regulations and appoint such agents as it shall deem appropriate for the proper administration of the Plan, and (v) make any other determination and take any other action that the Board deems necessary or desirable for the administration of the Plan. To the extent permitted by applicable laws, the Board may, in its discretion, delegate to the Secretary's office any or all authority and responsibility to act with respect to administrative matters relating to the Plan, and to the extent set forth in the Plan, the Board may delegate certain questions of construction and interpretation to the Chairman, whose decision on such matters shall be final and binding. The determination of the Board on all matters within its authority relating to the Plan shall be final, conclusive and binding upon all parties, including the Company, its shareholders, the Directors and any Beneficiary.
- 6.5 Section 409A of the Code. The Plan is intended to comply with the requirements of Section 409A of the Code, and the provisions of the Plan and any deferral election form shall be interpreted in a manner that satisfies the requirements of Section 409A of the Code, and the Plan shall be operated accordingly. If any provision of the Plan or any term or condition of any deferral election form would otherwise frustrate or conflict with this intent, the provision, such provision,

term or condition will be interpreted and deemed amended so as to avoid this conflict. Although the Company may attempt to avoid adverse tax treatment under Section 409A of the Code, the Company makes no representation to that effect and expressly disavows any covenant to maintain favorable or avoid unfavorable tax treatment. The Company shall be unconstrained in its corporate activities without regard to the potential negative tax impact on a Director.

- 6.6 Non-U.S. Directors. Directors who are foreign nationals or residents or employed outside the United States, or both, may participate in the Plan on such terms and conditions different from those applicable to Directors who are not foreign nationals or residents or who are employed in the United States as may, in the judgment of the Board, be necessary or desirable in order to recognize differences in local law, regulations or tax policy.
- 6.7 Amendment and Termination. The Plan may be amended, modified or terminated at any time by the Board. No amendment, modification or termination shall, without the consent of a Director, adversely affect such Director's rights with respect to amounts theretofore credited to his or her Deferred Fee Account or with respect to Annual Equity Awards or Deferred Fee RSU Awards theretofore granted to such Director.
- 6.8 Notices. All notices to the Company under the Plan shall be in writing and shall be given to the Secretary or to an agent or other person designated by the Secretary.
- 6.9 Governing Law. This Plan shall be construed in accordance with and governed by the laws of the State of Delaware, excluding any choice of law provisions, which may indicate the application of the laws of another jurisdiction.

ARTICLE VII TRANSFER OF LIABILITIES UNDER ALCOA INC. PLANS

- 7.1 Transfer of Liabilities. In accordance with the terms of the Employee Matters Agreement, if prior to the Effective Date a Director participated in one or both of the Alcoa Inc. Plans, the Director's Deferred Fee Account or Legacy Alcoa DSU Account, as applicable, will be credited with the applicable amount of such Director's deferred fee account balance under the Alcoa Inc. Plan(s) and all liabilities relating to the participation of the Director in the Alcoa Inc. Plan(s) shall be transferred to this Plan and assumed by the Company. To the extent the Director's deferred fee account balance under the Alcoa Inc. Plan(s) was invested in one or more investment options other than the Alcoa Stock Fund, it will be reflected as a Credit in an equivalent Investment Option(s) in the Director's Deferred Fee Account, as determined by the Company.
- 7.2 Adjustment of Credits in Alcoa Stock Fund. Any amount transferred from a Director's deferred fee account under an Alcoa Inc. Plan that was notionally invested in the Alcoa Stock Fund will, following adjustment of such amount in accordance with the terms of the Employee Matters Agreement, be held as a Credit in the Legacy Alcoa DSU Account and will be subject to the terms set forth in Section 7.3 and Section 7.4.
- 7.3 Transfers to or from the Legacy Alcoa DSU Account. The Legacy Alcoa DSU Account has been established solely for the purpose of receiving amounts transferred from a Director's deferred fee account under an Alcoa Inc. Plan and is not an Investment Option under this Plan. No deferred Fees or Credits notionally invested in Investment Options may be credited to, or transferred into, the Legacy Alcoa DSU Account. A Director who holds Credits in the Legacy Alcoa DSU Account may not transfer such Credits to other Investment Options if, as of the last Annual Valuation Date, the Director is not in compliance with the Director Share Ownership Guideline. If the Director is in compliance with the Director Share Ownership Guideline as of the last

Annual Valuation Date, the Director may transfer Credits from the Legacy Alcoa DSU Account to other Investment Options only upon preclearance of such transaction by the Secretary in accordance with the Company's Insider Trading Policy. Notwithstanding the foregoing, beginning six (6) months after the Director's Separation from Service, and prior to a complete distribution of any amounts in the Director's Deferred Fee Account, the Director may transfer Credits from the Legacy Alcoa DSU Account to other Investment Options to the same extent and frequency as a participant in the Savings Plan may transfer investment credits into or out of the Company's Stock Fund. Any transfer out of the Legacy Alcoa DSU Account permitted by this Section 7.3 can be accomplished only once every fifteen (15) days. In addition, such transfers shall be subject to reasonable administrative minimums, and any other restrictions recommended by counsel to ensure compliance with applicable law.

7.4 Capitalization Adjustments. In the event of any stock dividend, stock split, combination or exchange of shares, merger, consolidation or other distribution (other than normal cash dividends) of Company assets to shareholders, or any other change affecting the Shares or the price of the Shares or, alternatively, in the event of an Equity Restructuring, any Credits in the Legacy Alcoa DSU Account will be subject to the applicable adjustment provisions of the Stock Plan.

7.5 Assumption of Terms of Alcoa Inc. Plans. Deferred fee amounts that are transferred to a Director's Deferred Fee Account from his or her account under an Alcoa Inc. Plan will be subject to the same terms and conditions as applied under the applicable Alcoa Inc. Plan. To effectuate the foregoing, the Company hereby adopts the terms of the Alcoa Inc. 1999 Plan as Appendix A to the Plan and the terms of the Alcoa Inc. 2005 Plan as Appendix B to the Plan (together, the "Appendices"), which shall apply, respectively, to deferred fee amounts transferred from the Alcoa Inc. 1999 Plan and the Alcoa Inc. 2005 Plan. For purposes of the Company's adoption of the terms of the Alcoa Inc. Plans, unless the context otherwise requires, references in an Alcoa Inc. Plan to: (i) the "Company" means Alcoa Corporation, (ii) the "Board of Directors" or the "Board" means the Board of Directors of Alcoa Corporation, (iii) the "Alcoa Stock Fund" means the Legacy Alcoa DSU Account, (iv) "stock," "common stock" or "shares" means shares of Alcoa Corporation common stock, and (v) "Investment Options" means the Investment Options under Section 2.1(t) of the Plan. Further, notwithstanding the terms of the Alcoa Inc. Plans, transfers of Credits between Investment Options or from the Legacy Alcoa DSU Account will be governed by Section 3.8 and Section 7.3 of the Plan, and any change to a Director's previous deferral election that is permitted under the Alcoa Inc. 2005 Plan will be subject to the subsequent deferral election requirements in Section 3.7 of the Plan. The Appendices, as modified by this Section 7.5, are incorporated by reference in this Article VII.

APPENDIX A

ALCOA INC.

DEFERRED FEE PLAN FOR DIRECTORS

(Amended July 9, 1999)

ARTICLE I

INTRODUCTION

Alcoa Inc. (the "Company") has established this Deferred Fee Plan for Directors (the "Plan") to provide non-employee Directors with an opportunity to defer receipt of cash fees to be earned for services rendered as a Director, generally until after termination of service as a Director.

ARTICLE II

DEFINITIONS

2.1 Definitions. The following definitions apply unless the context clearly indicates otherwise:

- (a) Alcoa Stock Option shall mean the Investment Option established hereunder with reference to the Alcoa Stock fund under the Savings Plan.
- (b) Beneficiary means the person or persons designated by a Participant under Section 4.1 to receive any amount payable under Section 5.3.
- (c) Board of Directors means the Board of Directors of the Company.
- (d) Committee means the Inside Director Committee of the Board.
- (e) Credits means amounts credited to a Participant's Deferred Fee Account, with all Investment Option units valued by reference to the comparable fund offered under the Company's principal savings plan for salaried employees ("Savings Plan").
- (f) Deferred Fee Account means a bookkeeping account established by the Company in the name of a Director with respect to amounts deferred hereunder.
- (g) Director means a non-employee member of the Board of Directors. Any Director who is a director or chairman of the board of directors of a subsidiary or affiliate of the Company shall not, by virtue thereof, be deemed to be an employee of the Company or such subsidiary or affiliate for purposes of eligibility under this Plan.
- (h) Fees means all cash amounts payable to a Director for services rendered as a Director and which are specifically designated as fees, including, but not limited to, annual and/or quarterly retainer fees, fees (if any) paid for attending meetings of the Board of Directors or any committee thereof and any per diem fees.
- (i) Investment Option means the respective options established hereunder with reference to the comparable funds under the Savings Plan, except as otherwise determined by the Committee for any fund added to the Savings Plan after January 1, 1993.

- (j) Participant means a person who has elected to participate in the Plan.
- (k) Secretary means the Secretary of the Company.
- (l) Unforeseeable Emergency means a severe financial hardship resulting from extraordinary and unforeseeable circumstances arising as a result of one or more recent events beyond the control of the Participant, which cannot be eliminated by other reasonably available resources of the Participant.

ARTICLE III

DEFERRAL OF COMPENSATION

- 3.1 Amount of Deferral. A Director may elect to defer receipt of all Fees, or of all Fees of one or more types, or a specified portion (in 10% increments) of either of the foregoing, otherwise payable to him or her.
- 3.2 Manner of Electing Deferral. A Director may elect, or modify a prior election, to defer the receipt of all or certain Fees by giving written notice to the Secretary on a form provided by the Company.
- 3.3 Time of Election of Deferral; Revocation. An election to defer Fees shall be made prior to the beginning of the calendar quarter in which the Fees will be earned; provided, however, that an election made within 30 days after a person first becomes a Director shall be effective for Fees earned after such election is made. An election shall continue in effect until the end of the Participant's service as a Director or until the Secretary is notified in writing of a cancellation or modification of the election pursuant to this Section 3.3, whichever shall occur first; provided, however, that unless and then only to the extent that the Committee, in its sole discretion, determines that an Unforeseeable Emergency exists, the election deferring receipt of payment may not be canceled or modified except with regard to Fees to be earned in the quarter(s) beginning after the date the election is so canceled or modified.
- 3.4 Deferring Fees. A Participant shall designate the portion of his or her deferred Fees to be invested in one or more of the Investment Options. Beginning January 1, 1996, all Fees deferred by a Participant in any calendar year shall be invested in the Alcoa Stock Option until one-half of the amount of the annual retainer fee to which such Participant is entitled for such year has been so invested. Thereafter, designations of other Investment Options by a Participant may be made or shall be given effect. A Participant's deferred Fees shall be credited to the designated Investment Option(s) at the end of the month in which such deferred Fees would have been payable to such Participant but for an election to defer receipt of those Fees, except that the retainer fees shall be credited as of the first day of January, April, July and October of the year in which they are earned. Such Fees shall be credited to a Participant's Deferred Fee Account as Credits for "units" in the Participant's Deferred Fee Account. As of any specified date the value per unit shall be deemed to be the value determined for the comparable fund under the Savings Plan.
- 3.5 Transfers. A Participant may elect to designate a different Investment Option for all or any portion of the Credits for units in the various Investment Options in his or her Deferred Fee Account, except that Credits for units in the Alcoa Stock Option may not be transferred to any other Investment Option while the Participant is a Director. Beginning six months after termination of Board service and prior to a complete distribution of the Participant's account, the

Participant may transfer Credits for units in the Alcoa Stock Option to other Investment Options to the same extent and frequency as a participant in the Savings Plan. A written election for transfer on a form provided by the Company must be received by the Secretary prior to 4:00 p.m. Eastern Time the business day when it is to become effective. Such election shall be subject to reasonable administrative minimums, and any restrictions recommended by counsel to assure that the Alcoa Stock Option does not become subject to Section 16 of the Securities Exchange Act of 1934 and/or to assure compliance with the provisions thereof.

3.6 Method of Payment.

- (a) All payments with respect to a Participant's Deferred Fee Account shall be made in cash, and no Participant shall have the right to demand payment in shares of Company stock or in any other medium.
- (b) Payments shall be made in a lump sum or, at the election of the Participant, in annual or quarterly installments. The date of the first such payment shall not be later than the first day of the first calendar quarter subsequent to the Participant's attainment of age 70 in which the Participant shall not be serving as a Director.
- (c) An election to receive installment payments in lieu of a lump sum must be made at least one year before the Participant's service as a Director terminates.

3.7 Election for pre-1990. Any Participant who deferred Fees payable for any year prior to 1990 shall be permitted to elect to designate one or more of the current Investment Options for all (but not less than all) of the amount credited to his Deferred Fee Account. The election must be received by the Secretary prior to the effective date fixed by the Committee and is subject to the approval of the Committee. Through the date such election becomes effective (if any) his Deferred Fee Account will earn interest as provided in the Plan prior to the 1989 amendments.

3.8 Transition Provision for 1992. The blackout period from November 2, 1992 through January 1, 1993 and the mapping of Credits from the old to the new Investment Options shall be administered under the Plan in the same fashion as for the Savings Plan, except as otherwise determined by the Committee.

ARTICLE IV

BENEFICIARIES

- 4.1 Designation of Beneficiary. Each Participant may designate from time to time any person or persons, natural or otherwise, as his Beneficiary or Beneficiaries to whom the amounts credited to his or her Deferred Fee Account are to be paid if he or she dies before all such amounts have been paid to the Participant. Each Beneficiary designation shall be made on a form prescribed by the Company and shall be effective only when filed with the Secretary during the Participant's lifetime. Each Beneficiary designation filed with the Secretary shall revoke all Beneficiary designations previously made. The revocation of a Beneficiary designation shall not require the consent of any Beneficiary. In the absence of an effective Beneficiary designation or if payment can be made to no Beneficiary, payment shall be made to the Participant's estate.

ARTICLE V

PAYMENTS

- 5.1 Payment of Deferred Fees. No payment may be made from a Director's Deferred Fee Account except as provided in this Article, unless and then only to the extent that an Unforeseeable Emergency exists as determined by the Committee in its sole discretion. In the latter case the Committee shall determine when and to what extent Credits in a Participant's Deferred Fee Account may be paid to such Participant prior to or after termination as a Director.
- 5.2 Payment Upon Termination as Director. The value of a Participant's Deferred Fee Account shall be payable in cash in a lump sum on or about the first day of the calendar quarter succeeding the quarter in which the Participant's service as a Director is terminated, or, if elected in advance under Section 3.6 hereof, in a lump sum or annual or quarterly installments beginning as specified in the election. If installments are elected, the amount of each payment shall be a fraction of the value of the Participant's Deferred Fee Account on the last day of the calendar quarter preceding payment, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid. Such installment payments shall be made on or about the first day of each succeeding year or quarterly period until said Account is exhausted, except as provided in Section 5.1 or Section 5.3.
- 5.3 Payment Upon Participant's Death. If a Participant dies with any amount credited to his or her Deferred Fee Account, the value of said Account shall be paid in a single payment(s) to the Beneficiary(ies) or estate, as the case may be, on or about the first day of the calendar quarter next following the date of death or such later date as shall have been selected by the Participant with the consent of the Committee.

ARTICLE VI

MISCELLANEOUS

- 6.1 Participant's Rights Unsecured. The right of any Participant to receive payments from his or her Deferred Fee Account shall be a claim against the general assets of the Company as an unsecured general creditor. The Company may, in its absolute discretion, establish one or more trusts or reserves which may be funded by reference to amounts of Credits standing in Participants' Deferred Fee Accounts hereunder or otherwise.
- 6.2 Non-assignability. The right of any Participant or Beneficiary to the payment of Credits in a Deferred Fee Account shall not be assigned, transferred, pledged or encumbered and shall not be subject in any manner to alienation or anticipation.
- 6.3 Administration and Interpretation. The Plan shall be administered by the Committee which shall have authority to adopt rules and regulations for carrying out the Plan and to interpret, construe and implement its provisions. Decisions of the Committee shall be final and binding. Routine administration may be delegated by the Committee.
- 6.4 Amendment and Termination. The Plan may be amended, modified or terminated at any time by the Board of Directors. No amendment, modification or termination shall, without the consent of a Participant, adversely affect such Participant's rights with respect to amounts theretofore credited to his or her Deferred Fee Account or earlier effect the payment of Fees already deferred.
- 6.5 Notices. All notices to the Company under the Plan shall be in writing and shall be given to the Secretary or to an agent or other person designated by the Secretary.

6.6 Governing Law. This Plan shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania, excluding any choice of law provisions which may indicate the application of the laws of another jurisdiction.

APPENDIX B

ALCOA INC.

2005 DEFERRED FEE PLAN FOR DIRECTORS

(Effective January 1, 2005; As Amended Effective January 1, 2015)

ARTICLE I - INTRODUCTION

Alcoa Inc. (the "Company") has established this 2005 Deferred Fee Plan for Directors (the "Plan") to provide nonemployee directors with an opportunity to defer receipt of fees earned for services as a member of the Company's Board of Directors (the "Board") in 2005 and beyond.

ARTICLE II - DEFERRAL OF COMPENSATION

2.1 Definitions. The following definitions apply unless the context clearly indicates otherwise:

- (a) Alcoa Stock Fund means the Investment Option established hereunder with reference to the Alcoa Stock Fund under the Savings Plan.
- (b) Beneficiary means the person or persons designated by a Director under Section 4.1 to receive any amount payable under Section 5.3.
- (c) Board has the meaning ascribed to such term in Article I.
- (d) Chairman means the Chairman of the Board.
- (e) Company has the meaning ascribed to such term in Article I.
- (f) Credits means amounts credited to a Director's Deferred Fee Account, with all Investment Option units valued by reference to the comparable fund offered under the Savings Plan.
- (g) Deferred Fee Account means a bookkeeping account established by the Company in the name of a Director with respect to amounts deferred hereunder.
- (h) Director means a nonemployee member of the Board who participates in this Plan. Any Director who is a director or chairman of the board of directors of a subsidiary or affiliate of the Company shall not, by virtue thereof, be deemed to be an employee of the Company or such subsidiary or affiliate for purposes of eligibility under this Plan.
- (i) Director Share Ownership Guideline means the minimum value of Alcoa common stock or units in the Alcoa Stock Fund required to be held by each Director, as established from time to time by the Board. Effective January 1, 2015, the Director Share Ownership Guideline for a Director shall be \$750,000. A Director is required to invest 50% of the Director's annual Fees in Alcoa common stock or defer into the Alcoa Stock Fund under this Plan until the value of the investment reaches \$750,000. The investment will be valued on the first Monday in December of each year and shall be held until retirement from the Board. Until the Director Share Ownership Guideline is satisfied by a particular Director, he or she is required to defer the Required Deferral Amount (defined below) or otherwise use that amount of annual Fees for the purchase of Alcoa common stock.

- (j). Fees means all cash amounts payable to a Director for services rendered as a member of the Board in 2005 and thereafter that are specifically designated as fees, including, but not limited to, annual and/or quarterly retainer fees, fees (if any) paid for attending meetings of the Board or any Committee thereof, fees for serving as a Committee Chair, as Lead Director or as a member of a Committee, and any per diem fees.
- (k). Investment Options means the respective options established hereunder with reference to the comparable funds under the Savings Plan.
- (l). Plan has the meaning ascribed to such term in Article I.
- (m). Required Deferral Amount means 50% of annual Fees, until such time as a Director has satisfied the then applicable Director Share Ownership Guideline.
- (n). Savings Plan means the Company's principal savings plan for salaried employees.
- (o). Secretary means the Secretary of the Company.
- (p). Unforeseen Emergency means a severe financial hardship to the Director resulting from (1) an illness or accident affecting the Director or his or her spouse or dependent; (2) loss of the Director's property due to casualty; or (3) other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the Director's control.

ARTICLE III - BENEFICIARIES

- 3.1 Amount of Deferral. Beginning January 1, 2005, until a Director owns beneficial shares of Alcoa common stock and/or has units in the Alcoa Stock Fund with a value at least equal to the then applicable Director Share Ownership Guideline, the Director will be required to either defer at least the Required Deferral Amount in the Alcoa Stock Fund or use such amount to purchase Alcoa common stock. Beyond that requirement, a Director may elect to defer receipt of all Fees, or of all Fees of one or more types, or a specified portion (in 1% increments) otherwise payable to him or her.
- 3.2 Manner of Electing Deferral. A Director may elect, or modify a prior election, to defer the receipt of all or certain Fees by giving written notice to the Secretary on a form provided by the Company, or in any other manner that is deemed sufficient from time to time by the Chairman.
- 3.3 Annual Elections of Deferral. An election to defer Fees shall be made prior to the beginning of the calendar year in which the Fees will be earned; provided, however, that an election made within 30 days after a person first becomes a Director shall be effective for Fees earned during that year. An election shall continue in effect until the end of the year following the date of the deferral election, or until the end of the Director's service on the Board, whichever shall occur first. The election to defer receipt of payment may not be canceled or modified unless the Chairman, in his sole discretion, determines that an Unforeseen Emergency exists, or except as otherwise permitted by Internal Revenue Service regulations.
- 3.4 Deferring Fees. A Director shall designate the portion of his or her deferred Fees to be invested in one or more of the Investment Options. Until the Director Share Ownership Guideline is satisfied, the Required Deferral Amount is required to be deferred into the Alcoa Stock Fund or used to purchase Alcoa common stock. Any Director who has satisfied the Director Share Ownership Guideline or who wishes to defer funds other than the Required Deferral Amount

may designate Investment Options other than the Alcoa Stock Fund for those amounts. A Director's deferred Fees shall be credited to the designated Investment Option(s) at the beginning of the calendar quarter following the quarter in which such Fees were earned. Such Fees shall be credited to the Director's Deferred Fee Account as Credits for "units" in the Director's Deferred Fee Account. As of any specified date, the value per unit in the Director's Deferred Fee Account shall be deemed to be the value determined for the comparable fund under the Savings Plan.

3.5 Transfers. A Director may elect to designate a different Investment Option for all or any portion of the Credits for units in the various Investment Options in his or her Deferred Fee Account, provided that, once the value of the Credits in the Alcoa Stock Fund equals the Director Share Ownership Guideline, Credits for at least that value must be maintained in the Alcoa Stock Fund for the duration of the Director's service on the Board. Beginning six (6) months after termination of Board service, and prior to a complete distribution of the Director's Deferred Fee Account, the Director may transfer Credits in units in the Alcoa Stock Fund to other Investment Options to the same extent and frequency as a participant in the Savings Plan. A written election on a form provided by the Company for transfer of investments into or out of any Investment Option other than the Alcoa Stock Fund must be received by the Secretary prior to 4:00 p.m. Eastern Time on the business day when it is to become effective. Transfer of investments into or out of the Alcoa Stock Fund must be received by 8:00 a.m. Eastern Time on the business day it is to become effective. Such transfers into or out of the Alcoa Stock Fund can be accomplished only once every fifteen (15) days. In addition, such transfers shall be subject to reasonable administrative minimums, and any restrictions recommended by counsel to ensure compliance with applicable law.

3.6 Method of Payment.

- (a) All payments with respect to a Director's Deferred Fee Account shall be made in cash, and no Director shall have the right to demand payment in shares of Alcoa common stock or in any other medium.
- (b) Payments shall be made in a lump sum as soon as administratively practicable following six (6) months after the conclusion of the Director's service on the Board. Notwithstanding the foregoing, a Director can elect (at the time of making his or her annual deferral designation under Section 3.3) to receive the deferred Fees in up to ten (10) annual installments. The first such installment payment shall occur during the sixth month following the conclusion of the Director's service on the Board, or during the first month of the calendar year following the conclusion of the Director's service on the Board, whichever occurs later.
- (c) A Director may make an election to receive deferred Fees in up to ten (10) annual installments or a lump sum payment, provided that if such election is made by a Director to change the manner of payment of the Credits in such Director's Deferred Fee Account and not with respect to the annual deferral designation made for Fees to be earned in an upcoming year, such payment election change (i) must be made at least twelve (12) months before the Director's service on the Board ends, (ii) will be effective twelve (12) months following the date of the payment election change, and (iii) will result in a delay of payment of such deferred Fees until the later of (x) five (5) years from the date of the payment election change and (y) the end of the Director's service on the Board. A payment election change is irrevocable upon receipt unless a Director makes a subsequent payment election change, in which case such subsequent payment election change shall be subject to the requirements of the foregoing clauses (i) to (iii).

ARTICLE IV - BENEFICIARIES

- 4.1 Designation of Beneficiary. Each Director may designate from time to time one or more natural persons or entities as his or her Beneficiary or Beneficiaries to whom the amounts credited to his or her Deferred Fee Account are to be paid if he or she dies before all such amounts have been paid to the Director. Each Beneficiary designation shall be made on a form prescribed by the Company and shall be effective only when filed with the Secretary during the Director's lifetime. Each Beneficiary designation filed with the Secretary shall revoke all Beneficiary designations previously made. The revocation of a Beneficiary designation shall not require the consent of any Beneficiary. In the absence of an effective Beneficiary designation, or if payment can be made to no Beneficiary, payment shall be made to the Director's estate.

ARTICLE V - PAYMENTS

- 5.1 Payment of Deferred Fees. No payment may be made from a Director's Deferred Fee Account except as provided in this Article, unless an Unforeseen Emergency exists as determined by the Chairman in his sole discretion. If an Unforeseen Emergency is determined by the Chairman to exist, the Chairman shall determine when and to what extent Credits in the Director's Deferred Fee Account may be paid to such Director prior to or after the Director's service on the Board; *provided, however*, that the amounts distributed in connection with such an emergency cannot exceed the amounts necessary to satisfy the emergency plus what is necessary to pay taxes reasonably anticipated as a result of the distribution, after taking into account the extent to which the hardship is or may be relieved through reimbursement or compensation by insurance or otherwise or by liquidation of the Director's assets (to the extent such liquidation would not itself cause severe financial hardship.).
- 5.2 Payment upon Termination of Service on the Board. The value of a Director's Deferred Fee Account, determined in accordance with the last sentence of Section 3.4, shall be payable in cash in a lump sum as soon as administratively practicable following six (6) months after the Director's service on the Board ends, or if elected in advance by the Director under Section 3.6 hereof, in annual installments. If installments had been elected, the amount of each payment shall be a fraction of the value of the Director's Deferred Fee Account designated by the Director for installment payments and in such account on the last day of the calendar month preceding payment, the numerator of which is one and the denominator of which is the total number of installments elected minus the number of installments previously paid. The first installment payment shall be made as provided in the last sentence of Section 3.6(b), and all subsequent installment payments shall be made during the first month of each succeeding year until said account is exhausted, except as provided in Section 5.1 or Section 5.3.
- 5.3 Payment upon a Director's Death. If a Director dies with any amount credited to his or her Deferred Fee Account, the value of said account shall be paid as soon as administratively practicable in a single payment to the Beneficiary (or in several payments to the Beneficiaries if more than one were named by the Director) or to the Director's estate, as the case may be.

ARTICLE VI - MISCELLANEOUS

- 6.1 Director's Rights Unsecured. Payments payable hereunder shall be payable out of the general assets of the Company, and no segregation of assets for such payments shall be made by the Company. The right of any Director or Beneficiary to receive payments from a Deferred Fee Account shall be a claim against the general assets of the Company as an unsecured general creditor. The Company may, in its absolute discretion, establish one or more trusts or reserves,

which may be funded by reference to amounts of Credits standing in the Director's Deferred Fee Accounts hereunder or otherwise. Any such trust or reserve shall remain subject to the claims of creditors of the Company. If any amounts held in a trust of the above described nature are found (due to the creation or operation of said trust) in a final decision by a court of competent jurisdiction, or under a "determination" by the Internal Revenue Service in a closing agreement in audit or final refund disposition (within the meaning of Section 1313(a) of the Internal Revenue Code of 1986, as amended), to have been includable in the gross income of a Director or Beneficiary prior to payment of such amounts from said trust, the trustee for the trust shall, as soon as practicable, pay to such Director or Beneficiary an amount equal to the amount determined to have been includable in gross income in such determination, and shall accordingly reduce the Director's or Beneficiary's future benefits payable under this Plan. The trustee shall not make any distribution to a Director or Beneficiary pursuant to this paragraph unless it has received a copy of the written determination described above, together with any legal opinion that it may request as to the applicability thereof.

- 6.2 Responsibility for Taxes. The Director or Beneficiary is liable for any and all taxes that are applicable to the amounts payable under the Plan, including any taxes deemed payable prior to payment out of the Plan.
- 6.3 Nonassignability. The right of any Director or Beneficiary to the payment of Credits in a Deferred Fee Account shall not be assigned, transferred, pledged or encumbered and shall not be subject in any manner to alienation or anticipation.
- 6.4 Administration and Interpretation. The Plan shall be administered by the Secretary's office. Questions of construction and interpretation will be referred to the Chairman. The Chairman's decision shall be final and binding.
- 6.5 Amendment and Termination. The Plan may be amended, modified or terminated at any time by the Board. No amendment, modification or termination shall, without the consent of a Director, adversely affect such Director's rights with respect to amounts theretofore credited to his or her Deferred Fee Account or earlier effect the payment of Fees already deferred.
- 6.6 Notices. All notices to the Company under the Plan shall be in writing and shall be given to the Secretary or to an agent or other person designated by the Secretary.
- 6.7 Governing Law. This Plan shall be construed in accordance with and governed by the laws of the Commonwealth of Pennsylvania, excluding any choice of law provisions, which may indicate the application of the laws of another jurisdiction.

APPENDIX C

ALCOA CORPORATION

2016 DEFERRED FEE PLAN FOR DIRECTORS

APPENDIX C

Terms Applicable to Directors in Canada

Pursuant to Section 6.6 of the Alcoa Corporation 2016 Deferred Fee Plan for Directors, as amended (the "Plan"), the following provisions apply to participation in the Plan by any Director who is tax resident in Canada. Capitalized terms not defined in this Appendix C have the meanings set forth in the Plan.

- C-1.** **Form of Deferred Investment.** Notwithstanding anything in the Plan to the contrary, including without limitation Section 3.5, a Director may not designate any portion of his or her Fees to be deferred and invested in the Investment Options; however, a Director may designate all or a portion of his or her Fees to be deferred and invested in Deferred Fee RSU Awards, pursuant to Section 3.6 of the Plan.
- C-2.** **Form of Payment.** Notwithstanding anything in the Plan to the contrary, including without limitation Sections 3.3 and 5.2(c), a Director may not elect to receive installment payments of Fees deferred into Deferred Fee RSU Awards under the Plan or of Annual Equity Awards. All Fees deferred under the Plan and all Annual Equity Awards will be paid to the Director in a single lump sum payment following the Director's separation from service, in accordance with Sections 5.2(a) and (b) of the Plan.
- C-3.** **No Payment upon Unforeseeable Emergency.** Notwithstanding anything in the Plan to the contrary, including without limitation Section 5.1 of the Plan, no payment of any Fees deferred under the Plan or of any Annual Equity Award may be made upon an Unforeseeable Emergency (as defined in Section 2.1(bb) of the Plan).

APPENDIX D

ALCOA CORPORATION

2016 DEFERRED FEE PLAN FOR DIRECTORS

APPENDIX D

Terms Applicable to Directors in Australia

Pursuant to Section 6.6 of the Alcoa Corporation 2016 Deferred Fee Plan for Directors, as amended (the "Plan"), the following provisions apply to participation in the Plan by any Director who is tax resident in Australia. Capitalized terms not defined in this Appendix D have the meanings set forth in the Plan.

- D-1.** **Maximum Deferral Period for Restricted Share Units.** Notwithstanding anything in the Plan to the contrary, to the extent a Director elects to defer Fees into Deferred Fee RSU Awards or receives a grant of an Annual Equity Award, the latest permitted payment date for such deferred Restricted Share Units is December 15th of the calendar year that is 14 years following the year in which the applicable Deferred Fee RSU Award or Annual Equity Award is granted to the Director (the "Maximum Deferral Date"). Therefore, notwithstanding anything to the contrary in the Plan and regardless of any deferral election made by the Director, a Director who is tax resident in Australia will receive payment of any Deferred Fee RSU Award or Annual Equity Award at the earlier of (i) six (6) months following the Director's Separation from Service in accordance with Section 5.2(b) of the Plan or (ii) the Maximum Deferral Date, subject to Section 5.3 of the Plan in the case of the Director's death.
- D-2.** **Form of Payment for Restricted Share Units.** Notwithstanding anything in the Plan to the contrary, including without limitation Sections 3.3 and 5.2(c), to the extent a Director elects to defer Fees into Deferred Fee RSU Awards or receives a grant of an Annual Equity Award, a Director may not elect to receive installment payments of such Deferred Fee RSU Awards or Annual Equity Award. All Deferred Fee RSU Awards and Annual Equity Awards will be paid to the Director in a single lump sum payment, in accordance with Sections 5.2(a) and (b) of the Plan, as modified by Section D-1 of this Appendix D.
- D-3.** **Subsequent Deferral Election.** To the extent a Director elects to defer Fees into Deferred Fee RSU Awards or receives a grant of an Annual Equity Award, the Director may not make a subsequent deferral election to change the time and form of payment of the Deferred Fee RSUs or Annual Equity Award under Section 3.7 of the Plan. To the extent a Director elects to defer Fees into Investment Options, the Director may elect to change the time and form of payment of the deferred Investment Options covered by such election only once by submitting a payment election change at least (12) months prior to the date on which the deferred amount (or first installment thereof, as applicable) is scheduled to be paid (the "First Scheduled Payment Date") that will result in a delay of payment (or commencement of payment) of such deferred amount (*i.e.*, a re-deferral) until the date that is at least five (5) years after the First Scheduled Payment Date. A payment election change is irrevocable upon receipt and shall not take effect until the first date that is at least twelve (12) months after the date of receipt. Notwithstanding anything in Section 3.7 of the Plan to the contrary, any such change in the time and form of payment of deferred Fees will apply to and require a five (5) year re-deferral of all deferred Fees previously deferred into Investment Options under the Plan by the Director as of the date of such change.

Certifications

I, William F. Oplinger, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alcoa Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2024

/s/ William F. Oplinger

Name: William F. Oplinger

Title: President and Chief Executive Officer

Certifications

I, Molly S. Beerman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Alcoa Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 2, 2024

/s/ Molly S. Beerman

Name: Molly S. Beerman

Title: Executive Vice President and Chief Financial Officer

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Alcoa Corporation, a Delaware corporation (the “Company”), does hereby certify that:

1. The Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the “Form 10-Q”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and,
2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2024

/s/ William F. Oplinger

Name: William F. Oplinger

Title: President and Chief Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-Q and shall not be considered filed as part of the Form 10-Q.

Certification
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of Section 1350, Chapter 63 of Title 18, United States Code), the undersigned officer of Alcoa Corporation, a Delaware corporation (the “Company”), does hereby certify that:

1. The Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the “Form 10-Q”) of the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and,
2. The information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 2, 2024

/s/ Molly S. Beerman

Name: Molly S. Beerman

Title: Executive Vice President and Chief Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-Q and shall not be considered filed as part of the Form 10-Q.
