

Alcoa Corporation

2019 Annual Meeting

May 8, 2019 at 10:00 a.m. Eastern

CORPORATE PARTICIPANTS

Michael G. Morris – *Chairman of the Board of Directors*

Roy C. Harvey – *President and Chief Executive Officer*

Jeffrey D. Heeter – *Executive Vice President, General Counsel and Secretary*

PRESENTATION

Jeff Heeter

Good morning, everyone. Welcome to the 2019 Annual Meeting of the Stockholders of Alcoa Corporation. My name is Jeff Heeter. I'm Executive Vice President, General Counsel and Secretary of the Company. Joining me on stage today are Mike Morris, Chairman of the Board of Directors, and Roy Harvey, President and Chief Executive Officer.

Before we start we'd like to instruct you on safety procedures for the room. On the screen and in your handout is a diagram of this room including the emergency exits. Please take a moment to familiarize yourself with the exits nearest you. There is an exit on each of the left and the right sides of the room. In the event of an emergency it will be announced either by an alarm or from this stage. If evacuation is necessary, please proceed to the nearest stairwell and exit the building. Do not use the elevators, please.

Once outside, move clear of the building to allow others to exit. Do not assemble in the hotel lobby or in the hotel garage. Please keep the streets, walkways, and parking areas clear for emergency vehicles and personnel. And also, I'd like to ask that everyone please turn off your cell phones out of courtesy for the speakers in today's program.

So now I'd like to turn the meeting over to our Chairman, Mike Morris, who will preside over the meeting.

Mike Morris

Thanks, Jeff, and good morning and welcome to all of you for the third annual meeting of Alcoa Corporation after a long existence as Alcoa Incorporated. It is exactly 10:02 a.m. and I'm pleased to call to order the 2019 Annual Meeting of the Stockholders of Alcoa Corporation. The screen shows the agenda for today's meeting. You were also provided with a copy of the agenda and the rules of conduct when you entered the meeting room today.

We will conduct the meeting in accordance with the agenda and the rules of conduct. Please read them carefully. Under Item 7 of the agenda, there will be an opportunity for questions. At that time only stockholders and individuals holding proxies on behalf of stockholders may ask questions consistent with the requirements set forth in those rules of conduct.

As stated, stockholders should not address this meeting until recognized. Thank you for abiding by those rules of conduct. It really will make the procedure move along quite swiftly.

All of the Company's directors, as shown on the screen, are present at this meeting today. Biographical information about each of those directors and the board committees on which they serve are listed in the proxy statement. Members of the Company's leadership team listed on the screen as well are also here and present today.

Lastly, representing PricewaterhouseCoopers, our independent auditor, Phil Rossi, the Alcoa engagement management partner with that firm is here. If questions arise during the Q&A session at the end of this meeting that the PwC team should actually address, they will be here, and Mr. Rossi—I'm volunteering him to be glad to respond to whatever questions you might have. Thanks a lot, Phil. I'm sure you're ready for that.

Now I'd like to ask the Secretary to report on the existence of a quorum and other matters relating to the meeting. Jeff?

Jeff Heeter

Yes. Thank you, Mike. This meeting is held pursuant to the notice and proxy statement dated March 19, 2019, provided to stockholders of record as of the close of business on March 12, 2019. In accordance with Delaware law, a list of stockholders as of the record date has been made available for examination. In addition, today, we're being assisted today by Sam Bavely, a representative of Corporate Election Services, which has been designated as the Inspector of Elections to tabulate proxies and ballots. Mr. Bavely has been duly sworn to perform the duties of the Inspector of Elections.

A total of 185,516,624 shares are entitled to vote at this meeting. According to the Inspector of Elections, at this meeting 163,754,741 shares of common stock are represented in person or by proxy, or approximately 88% of all shares entitled to vote at this meeting.

Mike Morris

So, based on the percentage of total shares of the Company held by holders of record now present at the meeting either in person or by proxy, I declare that there is a quorum present. This meeting is now duly convened for the purposes of transacting business properly brought before it. The items of business are on the slide in front of you. The polls are now open at exactly 10:05 a.m. My clock is always a little fast, so it's better to rely on the general counsel's timepiece for each matter to be voted on at this meeting.

Most of our stockholders have already returned their votes by their proxy and their shares are already voted and have been recorded accordingly. If you have already submitted your proxy, you do not need to submit a ballot at this time unless you wish to change your vote. Stockholders who have requested ballots as they came in to the meeting can make those votes now and can turn those votes in at the meeting room here. Those ballots that have been returned are already included in the Inspector of Elections' data. If you have already turned in your completed proxy or completed ballot to the Inspector of Elections, please raise your hand if you have not done that and want to do that now.
[pause]

Okay then. Since everyone has had that chance to vote, would the Secretary please introduce the four matters for stockholder consideration?

Jeff Heeter

There are four items of business for this meeting. All of these items are described in detail in the 2019 proxy statement. The first item is the election of directors. The 12 named directors have been nominated for election each to serve a one-year term until the 2020 Annual Meeting of Stockholders. As no other persons have been nominated in accordance with the Company's governing documents, the nominations are closed. The Board of Directors recommends voting for the election of each director nominee named in the proxy statement.

The second item of business is the ratification of PricewaterhouseCoopers LLP to serve as Alcoa's independent auditor for 2019. The Board of Directors recommends voting for the ratification of PricewaterhouseCoopers to serve as Alcoa's independent auditor for 2019.

The third item of business is an advisory vote to approve the 2018 named executive officer compensation. The Board of Directors recommends voting for advisory approval of 2018 named executive officer compensation.

The fourth item, if properly presented and the final item of business for today, is a non-binding stockholder proposal to amend the stockholders' ability to act by written consent. The stockholder proposal, the stockholder's supporting statement, and the Company's opposition statement to the

proposal are included in the proxy statement. Mrs. Debbie Klavuhn, the authorized representative of the proponent of the proposal will present the proposal and related resolution.

Ms. Klavuhn, would you please present the proposal now? You may proceed to the microphone. Thank you.

Ma'am, can you go to this one here, in the center aisle? Thank you.

Debbie Klavuhn

Proposal for right to act by written consent. Resolved: shareholders request that the Board of Directors take the steps necessary to permit written consent by shareholders entitled to cast the minimum number of votes that would be necessary to authorize an action at a meeting at which all shareholders entitled to vote thereon were present and voting. Hundreds of major companies enable shareholder action by written consent. Take action by written consent in place of a meeting is a means an overwhelming majority of shareholders can use to raise important matters outside the normal annual meeting cycle. This proposal topic won majority shareholder support at 13 major companies in a single year. This included 67% support at both Allstate and Sprint.

Hundreds of major companies enable shareholder action by written consent. This proposal topic would have received a vote still higher than 67% at Allstate and Sprint if more shareholders at Allstate and Sprint had access to independent proxy voting advice. It is also more important to have a shareholder right to act by written consent, since Alcoa shareholders do not have the right for 10% of shareholders to call for a special meeting that many better governed companies have adopted. Please vote "yes."

Jeff Heeter

Thank you for that statement. The Board of Directors recommends voting against this proposal for the reasons that were stated in the proxy statement.

Mike Morris

Thank you, Jeff. If there are no questions about voting on these proposals we will now proceed to the next agenda item.

[pause]

Hearing nothing further, I declare the poll is now closed at 10:10 a.m. today May 8, 2019, and ask that the Inspector of Elections complete the tabulation of the votes.

Will the Secretary please report the preliminary voting results?

Jeff Heeter

The Inspector of Elections has counted the ballots and proxies and has reported that the preliminary voting results are as follows. With respect to the election of directors, the preliminary result is that the 12 nominees named in the proxy statement for this meeting each received over 99% of the votes cast for each nominee. Therefore, all 12 nominees have been elected.

Each of proposals 2 and 3 respectively, which are the ratification of the appointment of the independent auditors and the advisory vote to approve 2018 named executive officer compensation have received the requisite affirmative votes and have been approved. The preliminary result is that each proposal received over 96% of the votes cast in favor.

Proposal 4, the non-binding stockholder proposal to amend the stockholders' ability to act by written consent did not receive the requisite affirmative votes to pass. The preliminary result is that it received approximately 58% of shares voting against the proposal and approximately 42% of shares voting for it.

Therefore, the proposal does not pass.

These voting results are preliminary. The final voting results will be reported on a Form 8-K that the Company will file with the Securities and Exchange Commission within four business days after this meeting. The final report of the Inspector of Elections will be filed with the records of this meeting. That concludes the report on voting.

Mike Morris

Thanks, Jeff, and thanks to all the shareholders for your support on these ballot issues. This concludes the official business to come before the meeting, and the meeting is formally adjourned at 10:12 a.m. today, May 8, 2019.

Now Roy Harvey, Alcoa's President and Chief Executive Officer, will make a brief report to you about Alcoa. There will be an opportunity for questions and answers after Roy makes his remarks. Roy?

Roy Harvey

Thank you, Mike. I would like to thank everybody for joining us here today and spending a few minutes with us. It is always a daunting task to try and collapse 12 months into 10 or 15 minutes of brief remarks. However, I will try and help each of you to understand—those here in the audience here and on the webcast— understand a little bit about who Alcoa is and what we're trying to achieve. So again, I welcome the fact that you're here and look forward to the questions that we have at the end. I would call your attention to the cautionary statements and the disclosure issues that you'll find on the webcast.

So diving in, I would like to start what I believe is truly the foundation of this company. I've had the opportunity now to be with Alcoa for 18 years. I have found those years to be incredibly rewarding from a career perspective, from a personal perspective. The reason I work for Alcoa, and the reason I believe our 15,000 employees choose to work for Alcoa, is that we start off with a very firm foundation on which to build. This foundation is relatively simple and relatively easy to understand and follow, and is meant to provide the rules of the road or the rules of the game, so that we are all performing in the same way and thinking in the same direction. So we call those our values. We start here because it's something we want each and every one of our Alcoans and our contractors to have clearly in mind.

There's three pretty simple things. Number one, we act with integrity, which means that we do what's right. We understand the data as it comes to us and we focus on doing the right thing. We hold ourselves to a high level of integrity.

Number two, we operate with excellence. Operating with excellence means that we are never satisfied with the way that things are and that we're always pushing for that next level of performance in safety, in environmental stewardship, in operational excellence, and financial excellence.

Number three, we care for people. We recognize the fact that our decisions have impact on our employees, on our communities, on what's happening in the broader industry. And thus, we take that clearly into our decision matrix. Now it does not mean that we shy away from difficult decisions. We are here to ensure that Alcoa as a corporation has a great present but also a very prosperous and a very successful future. However, we recognize that there are truly impacts on our employees and the people around us.

So as we start from that firm foundation of values, we then transition into ensuring that we're all aligned about some simple steps that we're taking in order to make Alcoa stronger. We call those our strategic priorities. Again, there are three things that are relatively simple and easy to understand. You might

say they're overly simplistic. However, what we found is that they've helped us to align each and every one of our Alcoans in worlds as far afield as Brazil to Iceland to Australia to the United States. It helps us to align to ensure that we're focused on the same things.

So number one is that we are always looking to reduce complexity. As a commodity company, a company that is beholden to a certain extent to the pricing of aluminum, of alumina and of bauxite, it means that we need to be cost-efficient and that means we need to be simple. We need to have a simple eye. We need to have simple tastes and we always need to be looking for ways to make our operations work more smoothly, more reliably, which in the end means more simply.

Now, we also recognize that we are the stewards of your capital, of our stockholders' capital. That means that we are clearly focused on driving returns from the money that we invest. Now, if we invest in a growth or a cost reduction project, we do that by looking at the costs involved and what comes out the other end, the extra profitability, but we also invest in safety. We invest in the environment. We invest in maintaining our facilities, sustaining capital, and in ongoing operational improvements and ongoing operational maintenance. We take each of these decisions very seriously and we truly look to drive a stable company and to drive additional returns.

The third very basic principle is that we look to our balance sheet, which is representative of the stability and reliability of our company. That balance sheet encapsulates our pension status. It encapsulates the amount of cash that we hold on our books, and it builds our flexibility and our resiliency against the world as it changes dynamically around us. So these basic foundational principles in values and in strategic priorities help to ensure that we are all on the same page as we go through our work day and our work night.

On top of that and as a direct result of those values and those principles, I want to start with what is our most important commitment to you, to each of our employees and to our communities, and that commitment is with safety. As you saw, we started this discussion with a brief talk about what we do in the event of an emergency. We take the safety of our employees and our contractors very seriously. I'm pleased to report that in 2018 we had a significant improvement from 2017's safety record. We incurred no fatalities. However, we did still incur three serious injuries. Now, that offers us opportunities to improve both specifically from those injuries, but even more importantly to continue to drive a better and more focused safety system.

So, three basic principles that I wanted to walk past you very quickly. Number one is that we are One Alcoa. When it comes to safety, each and every person that crosses the threshold into our plants whether they be an intern, an employee, or a contractor, must and will have the safest environment possible.

The second thing is that we recognize that each person is an individual. Each person brings to their work what's happening at home and that the world around that person, the conditions on the floor, are ever-changing. And thus we must understand those, we must adapt, and we must create a safe working environment that recognizes the impacts of humans. We call that human performance.

Then finally, we recognize the fact that inside of our plants, inside of our mines, our refineries, our smelters, and our offices, that we can look towards those things that create the most risk. We can then find ways to manage, to mitigate or to eliminate those risks. As we eliminate those risks as we make our plants safer and stronger, the net result is that we're actually able to pull people out of harm's way in case something does fail. Thus, it's very important for us to continue to drive this safety progress and to ensure that we continue to make our system safer and safer.

On the other side and as important for our reputation, is our drive to ensure that our handprint and our footprint on our communities, on the environment around us, is sustainable. It means sustainability of our corporation. It also means sustainability of our industry, but it also means the sustainability around our environments.

So when we think about the acts that we're taking across our portfolio today, what I'd like you remember is, number one, each and every Alcoa from me and everybody else in our plants or office environments, we all understand that the actions that we take today have a direct impact on our reputation, on what's happening in the world in our plants, but also how that's perceived outside of our plants. Thus, it's all of our responsibility to make sure that that reputation continues to grow. It's that reputation that is our calling card both to operate today but also to grow into the future.

The second thing, and because it has been so important in the news over the course of 2018 and before that, is that our tailings and residue management program is a place where we take particular pride in leading the industry and in strengthening how we maintain the stability and resiliency of those dams, but we also realize the responsibility and the opportunities that we have to improve that program. We saw some terrible disasters in 2018 and before that as well and we are committed and resolved to ensure that Alcoa never experiences that type of a failure.

The third thing I'd like you to remember is that we're also looking forward from a sustainability perspective and looking for ways to create products that help to make the world a better place. So when you think about some of the products of today, ways that we can create value-added products that might have recycled content or low carbon aluminum or have responsibly mined bauxite or produced alumina, we have real opportunities to distinguish ourselves.

We're also working on our Elysis joint venture, which is carbon-free aluminum, which gives us the opportunity to go that next step. So from a sustainability standpoint we have real opportunities to continue to improve and build upon our reputation, which helps us to make a more successful company.

Which leads me to some very basic points about 2018. Again, this is not meant to be an exhaustive review. It's the things I'd like you to remember about last year.

First of all from a financial perspective, we had very strong EBITDA. Our free cash flow was very strong, and most importantly, the cash at the end of the year was in a very strong position. We were also able to continue to strengthen our balance sheet to see real improvements in our unfunded pension status, in the way that we have managed our liabilities across our current fleet as well as the plants of the past, and also we were able to start to return some capital to our stockholders. All good opportunities for us to show who Alcoa is.

On the operational side some real highlights. We were able to restart our Warrick Smelter or a partial restart of our Warrick Smelter. We were able to see improvements in a number of our facilities as we operated them. We also saw many opportunities to continue to improve the operating characteristics of our plants and to find ways to make our portfolio stronger.

So while very proud of 2018, we've also come into 2019 stronger but with a clear-sided view of what we can do to make this company even better. However, we're faced with an environment which is very different than last year. Now this is not meant to be a long treatise on what's happening in our products and pricing environments. It is simply meant to demonstrate that 2018 is fundamentally different than 2019.

Just to briefly talk about each of our most important products, from a bauxite perspective, we have demand that is growing year-on-year. Third-party bauxite market is an exciting place to be. However, we also have supply growing very quickly in places like Guinea, in Australia, in Indonesia, and in Malaysia. Those competitors do not necessarily follow the same environmental principles or reputational considerations that we have. It is incumbent on us to make sure that our products are distinguished and become the gold standard on the kinds of sustainable mining that is necessary to optimize the resource but also to ensure that the refineries of the world are getting a better product. So lots of opportunities in bauxite.

In alumina, 2018 was a bit of a roller coaster. It was a crazy year. I think the one thing I would tell you is that it demonstrated how hard and how complex it is to run refineries around the world. We saw significant cutbacks in a world where there is relatively little inventory and we saw prices swing upwards very importantly. As we look at where we sit in the market today we've come back more or less into a balanced condition. Prices have come back to about \$350 per ton, which still remains at a good place where we continue to have strong margins.

On the aluminum side, it is a very different story. In aluminum—and I'll tell you first and foremost that we're frustrated with where pricing sits today and with where our fleet's profitability sits today. And that's very clearly because, number one, we continue to see aluminum demand growth. Now, less than what we've seen in past years and part of that is because of all the uncertainty and turbulence swirling around the general economic conditions.

We also see that inventories are dropping, that we continue to be in a deficit position, which means that we produce less than the world consumes, yet we find ourselves slipping on a week-by-week, month-by-month basis. Last time I looked at my app on my phone we were sitting around \$1,780 per ton for aluminum, which makes it, given the cost pressures that we see today in alumina but also in coke, pitch, and other raw materials, it makes it a very hard place to do business in aluminum today. Which means we need to continue to take concerted action to be able to work through the cycle, to recognize the good times. And I would argue last time last year were okay times. I would like to have seen them even better, but also be focused that we're making the right decisions when times are not as rosy.

So on this slide, it simply tries to represent a little bit about what we're trying to do. Now I'm pretty certain last time I was with this group one of the things I talked about was acting smartly through the cycle, building the flexibility in our balance sheet and the flexibility in our operational portfolio to ensure that we can do the right things in good times and the right things in the tough times. So when we look across all of our operations, it is very clear what we can and what we must work on. Number one, we need to make our operations stronger and more resilient. We need to make sure that they are cost competitive. We need to make sure that they are producing more each and every year and that we are investing in those facilities so that they can be even stronger years from now.

We also must decidedly look to ensure that the strength of the balance sheet of this corporation offers us the flexibility and the optionality so that we can continue to build, continue to do smart things, even when prices drift lower as they did today. The cash that we hold in reserves, the work that we have done on the funding of our pension, the actions that we take across our portfolio to strengthen it all combine to make sure that we have a stronger and better company.

Finally, I go back to where I started this presentation and remind you that it is our reputation, it is the credibility of what we say and how we act and how we deliver on those things that helps us to grow the future of this company. We must be safer. We must find ways to manage our impoundments, our tailings and residue facilities even better. We must find ways to continue to drive that second value, that operational excellence, that drive to make the company stronger each and every day.

I can tell each and every one of you here that the management team is firmly aligned behind that and our Board of Directors is clearly aligned about providing the stewardship and the guidance to make this company better each and every day.

So thank you very much for listening to my prepared comments. I'll turn it over to Mike to remind us about the rules for the question-and answer period.

QUESTIONS AND ANSWERS

Mike Morris

Thank you, Roy. Only shareholders or individuals holding proxy of shareholders who wish to ask a question or speak to matters relevant to this meeting may do so at this time. Please remember to follow the rules of conduct, which are included in your meeting program, especially the rule regarding the time limit, as there may be a number of people who wish to ask questions. We want to make sure everyone has ample time.

All questions should be directed to either Roy or myself. If you'd like to be recognized please raise your hand or step to the microphone. Before asking your question, please identify yourself and your status as a stockholder or a proxy holder. Thank you.

Tom Conway

Roy, I'm Tom Conway, Vice President, Steelworkers' Union. And Steelworkers hold shares. I'm here representing that. I enjoyed your presentation, I guess.

Roy, I have some questions, though, about your continued lockout of the employees at ABI. By our estimation it's cost you in profits about \$177 million over the length of the lockout and particularly when prices were high in 2018 and even now with prices in the \$1,800 to \$1,900 LME range, you continue to lose the opportunity of \$10 million a month at one of your low-cost operations in North America, maybe the lowest cost operation. And, you say you're frustrated about not being able to meet the market demand. So, we don't understand how "Care for People" fits with what's going on and beyond Bécancour, and what's been bestowed upon those families up there and a loyal workforce to continue to keep them locked out and not reach an agreement over what appear to be miniscule sort of issues. We've been prepared and continue to be prepared to come to the table and get an agreement. And so, I'd like you to address what's going on there.

And, I would say also, we're in discussions for the rest of North America and Master Agreement Alcoa. We're anxious to reach an agreement, but this ABI situation just clouds everything and it overshadows everything. So, hopefully together we can find our way through this in the next few weeks, but I'd like you to explain how what you're doing to ABI makes good business sense for Alcoa. Thank you.

Roy Harvey

Thank you, Tom. I appreciate you representing a good portion of our workforce here in the States and around the world. So, to address the specific question that you raised. First and foremost, I think we do recognize the impact that this has on the larger workforce in Bécancour. I also recognize the impact it has on the salaried workforce, which is continuing to operate the half line at Bécancour. Both sides have impacts and I would recognize that we've been able to do this in a safe manner and continue to keep that plant ready for restart.

So, our focus is very clearly on ensuring that we have a competitive plant that we can invest in for the

long-term and where we can build in the stability and where we can create the right environment for our workers and for our shareholders. And so, I would say that we need to continue our discussions. We are looking to bring that plant back into operations and finding the right solution where we can find a fair outcome for both our workers and for the company.

And so, continue to monitor those negotiations. I truly believe that we have the right team at the plant, caretaking and keeping it in re-startable condition and also truly believe that we have the right people addressing the right conditions and circumstances to be able to come to an agreement.

Tom Conway

Alright. Well listen, from the shareholders' standpoint you're missing a lot of opportunity. You're losing a lot of money they otherwise would be making. Our families are suffering and this has gone on just an unbelievable amount of time.

I'm surprised at Alcoa. We always had a tremendous relationship, I think, that goes back many, many years. I see you in labor disputes in Australia. A difficult situation in Spain. I know that is not necessarily of the same, but a quarrel there and then this terrible fight in Quebec. You need to find a way to bring it to a close. Thanks.

Roy Harvey

Thank you for your comments, Tom.

Dominic Lemieux

Hi. My name is Dominic Lemieux, I'm the Assistant to the Directors for the Steelworkers in Quebec. I'm going to introduce Clement Masse. He is the local President for the Steelworkers Local 9700. I'm going to introduce (*sic*) [translate] because he only speaks French.

Clement Masse

[Speaking French]

Dominic Lemieux

Clement said that he represents 1,000 workers back in Quebec. He said that he agreed when you talk about the environmental topic, but he is talking about the social environment, too. It's important in Quebec. We have a lot of difficulty. Our members are fighting back, but there's a lot of social crisis in this smaller region.

He also said that we have a really competitive smelter. We have a really good casthouse that we can produce a lot of good product to put more money on the aluminum, so it's good for you. We'll be happy to go back to the bargaining table. We are ready to put some water in our wine if you are ready to do the same. So, we really want to go back to the bargaining table.

He also said that we have the hydroelectricity in Quebec. We have a good electricity contract back down there and it's important. Green aluminum I think is the way of the future for the green aluminum in Quebec. So, we just want to go back to the bargaining table and try to find a solution to this dispute.

Roy Harvey

Thank you, Dominic. Merci, Clement. I know it's not easy to make statements in front of a crowd, so I do appreciate that. I appreciate your comments, and we'll move on to the next question. I think we have one more question.

John Timo

John Timo, stockholder from Bentleyville, Pennsylvania. Can you tell us just briefly what the relationship is between Alcoa and Arconic? What the relationship is between the administrative officers of one company versus the other? What effects the decision of one company has on the other? And finally, does Alcoa have any regrets in retrospect about having made the decision for the split?

Roy Harvey

Okay. John or was it Joe?

John Timo

Yes, John.

Roy Harvey

John, thank you for the questions. So the relationship between Alcoa and Arconic is pretty clear cut. We share the same office building but we share the same office building with controlled access to all of the floors. So there, besides passing each other in the hallways, there is no shared responsibilities. There are no shared discussions outside of a very clear customer and supplier relationship. We continue to provide ingot and provide particularly slab to Arconic as well as other products. But other than that we have many colleagues that are downstairs or in other parts of the world, but we have really no intermingling of decision making. We make decisions as very different companies.

As we think about the impact of one company on the other, of course what they choose to do with their portfolio is important for us, because it depends on the demand for our products. Because we do have friends and colleagues that happen to work on second floor or third floor, there is some personal impact to us as we see some of the changes that they've been making. However, we operate completely independently.

From your question about separation, I think we see real value in the simplification of our company to be able to focus on bauxite, alumina, and aluminum. So, having been able to separate when we did, which I think was very timely because it allowed us to step into an improving market and generate cash and start to fix some of the unfunded pension issues that we've had, I think it was a timely decision and I think it makes our company, Alcoa Corporation, which I can speak for, stronger and better and more efficient. So we don't look back and regret that decision. Quite the opposite. We look back and are very happy with where we find ourselves today. Thank you, John.

John Timo

Okay. Thank you.

David Huff

Good morning. My name is David Huff. My wife Carol and I are joint shareholders in Alcoa and we're also suppliers to Alcoa's smelter system. You mentioned in your remarks Elysis and the creation of that activity. If I go back about 40 years—I feel like a dinosaur in the room here—there was a technology referred to as the Alcoa smelting process that was created up in New Kensington at the ATC. There was a pilot plant built down in Palestine, Texas.

Looking at the two technologies, there's very strong correlation one versus the other. They're both chloride-based processes. I know you can't elaborate in a large way, but can you give us some indication why you think Elysis is going to be a winner, whereas ASP didn't get quite so far?

Roy Harvey

Great. Thank you, David, and I appreciate the interest. I don't know the particulars of the Alcoa smelting process, so I'll have to go back in the archives to figure that out. The project that we now call Elysis has been through a number of different stages in its life. We used to call it inert anode when I entered the company and I suspect it might be very similar to the smelting process.

It is a fundamentally different way for producing aluminum. The fact is it is technically challenging. It is when Charles Martin Hall tried to figure out aluminum smelting, he really would have preferred to have done it that way but couldn't figure it out. So Alcoa with 130 years has been working on trying to make that technically possible.

There are significant changes to the way that we design the pot and we operate the pot and the heat balances and the chemicals and the materials. The world as it changes today offers us more insight. So the reason that we launched the joint venture was to number one, bring together a few partners that I think could make the project stronger, the marketing ability of Rio Tinto and the technical and development expertise of Alcoa. I think that makes us stronger.

But I would also argue that the creation of that joint venture, while still risky and as you saw it's going to take really six years albeit one of those behind us, it demonstrates that we believe there is a great idea here that if we can prove it to be functional is going to be a real opportunity to make this industry stronger and better, and to make a product which is going to make the world a better place. Thank you, David.

With that, I'll turn it back over to Mike. Thank you for your questions.

CONCLUSION

Mike Morris

Thanks, Roy. Our program for the day has now concluded. Thank you all for attending this meeting and your deep interest in the success of Alcoa. The meeting is concluded. Thank you.