

4th Quarter Earnings

Alcoa Corporation

January 17, 2024



Cautionary Statement regarding Forward-Looking Statements

This presentation 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 that reflect expectations, assumptions or projections about the future, other than statements of historical fact, are forward-looking statements, including, without limitation, 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); 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’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 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: (a) cyclicalities of the aluminum industry and aluminum end use markets, including due to the influence of global economic conditions, and unfavorable changes in the markets served by Alcoa; (b) the effects of non-market forces, such as government policies and political instability, on global aluminum supply and demand; (c) volatility and declines in aluminum industry, including global supply and demand conditions and fluctuations in London Metal Exchange-based prices and premiums, as applicable, for primary aluminum and other commodities, and fluctuations in indexed-based and spot prices for alumina; (d) legal, regulatory, economic, political, trade, public health and safety, and reputational risks and conditions, including changes in conditions beyond our control as a result of our participation in increasingly competitive and complex global markets; (e) our ability to obtain, maintain, or renew permits or approvals necessary for our mining operations; (f) unfavorable changes in cost, quality, or availability of key inputs, including energy and raw materials, or uncertainty of or disruption to the supply chain including logistics; (g) our ability to realize expected benefits or achieve intended results, including as planned and by targeted completion dates, from announced strategies, plans, programs, or initiatives relating to our portfolio, profitability, capital investments, and developing technologies, and from joint ventures or other strategic alliances or business transactions; (h) fluctuations in foreign currency exchange and tax rates on costs and results; (i) changes in tax laws or exposure to additional tax liabilities; (j) changes in global economic and financial market conditions generally, such as inflation, recessionary conditions, and interest rate increases, which may also affect Alcoa’s ability to obtain credit or financing upon acceptable terms or at all; (k) current and potential future impacts to the global economy and our industry, business and financial condition caused by various worldwide or macroeconomic events, such as the ongoing conflict between Russia and Ukraine; (l) global competition within and beyond the aluminum industry; (m) our ability to obtain or maintain adequate insurance coverage; (n) the outcomes of contingencies, including legal and tax proceedings, government or regulatory investigations, and environmental remediation, or changes in foreign and/or U.S. federal, state, or local laws, regulations, or policies; (o) the impacts of climate change, related legislation or regulations, and efforts to reduce greenhouse gas emissions and our ability to achieve strategies and expectations related to climate change and other environmental matters; (p) claims, costs and liabilities resulting from the impact of our operations, including impoundments, or from health, safety, and environmental laws, regulations, and requirements, in the areas where we operate; (q) the impact of cyberattacks and potential information technology or data security breaches, including disruptions to our operations, liability, and reputational harm; (r) our ability to fund capital expenditures; (s) risks associated with long-term debt obligations including restrictions on our current and future operations as a result of our indebtedness; (t) our ability to continue to return capital to stockholders through cash dividends and/or share repurchases; (u) the impact of labor disputes, work stoppages and strikes, or other employee relations issues, as well as labor market conditions; (v) declines in the discount rates used to measure pension and other postretirement benefit liabilities or lower-than-expected investment returns on pension assets, or unfavorable changes in laws or regulations that govern pension plan funding; and (w) the other risk factors discussed in Alcoa’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and other reports filed by Alcoa with the SEC. 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.

Important information

Non-GAAP Financial Measures

This presentation contains reference to certain financial measures that are not calculated and presented in accordance with generally accepted accounting principles in the United States (GAAP). Alcoa Corporation believes that the presentation of these non-GAAP financial measures is useful to investors because such measures provide both additional information about the operating performance of Alcoa Corporation and insight on the ability of Alcoa Corporation to meet its financial obligations by adjusting the most directly comparable GAAP financial measure for the impact of, among others, “special items” as defined by the Company, non-cash items in nature, and/or nonoperating expense or income items. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. Certain definitions, reconciliations to the most directly comparable GAAP financial measures and additional details regarding management’s rationale for the use of the non-GAAP financial measures can be found in the appendix to this presentation. Alcoa Corporation does not provide reconciliations of the forward-looking non-GAAP financial measures Adjusted EBITDA and Adjusted Net Income, including transformation, intersegment eliminations and other corporate Adjusted EBITDA; operational tax expense; and other expense; each excluding special items, to the most directly comparable forward-looking GAAP financial measures because it is impractical to forecast certain special items, such as restructuring charges and mark-to-market contracts without unreasonable efforts due to the variability and complexity associated with predicting the occurrence and financial impact of such special items. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to future results.

Resources

This presentation can be found under the “Events and Presentations” tab of the “Investors” section of the Company’s website, www.alcoa.com.

William Oplinger

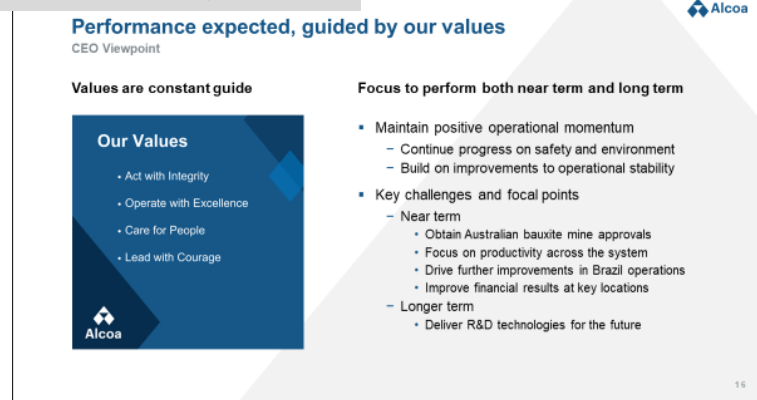
President and Chief Executive Officer



Solid progress on safety, key challenges and operations

4Q23 safety and operations highlights

Slide from 3Q23 earnings presentation:



Performance expected, guided by our values
CEO Viewpoint

Values are constant guide

Our Values

- Act with Integrity
- Operate with Excellence
- Care for People
- Lead with Courage

Focus to perform both near term and long term

- Maintain positive operational momentum
 - Continue progress on safety and environment
 - Build on improvements to operational stability
- Key challenges and focal points
 - Near term
 - Obtain Australian bauxite mine approvals
 - Focus on productivity across the system
 - Drive further improvements in Brazil operations
 - Improve financial results at key locations
 - Longer term
 - Deliver R&D technologies for the future

Positive safety performance in 2023

- Zero fatalities, 2 FSI-As in 2023; none recorded in 4Q23
- Annual improvement in all key safety metrics (DART, TRI and All Injury rates)

Progress through recent actions

- Western Australia (WA) bauxite mine plans approved, provide near term consistency
- Kwinana curtailment announced January 8, 2024; recorded net loss (pre-tax and noncontrolling interest) of ~\$130 million in 2023
- Began dialogue with stakeholders on future of San Ciprián refinery and smelter
- Warrick restart of third potline underway
- Annual and quarterly production records at four smelters in Canada and Norway

Molly Beerman

Executive Vice President and Chief Financial Officer



4Q23 EPS of \$(0.84), Adjusted EPS of \$(0.56)

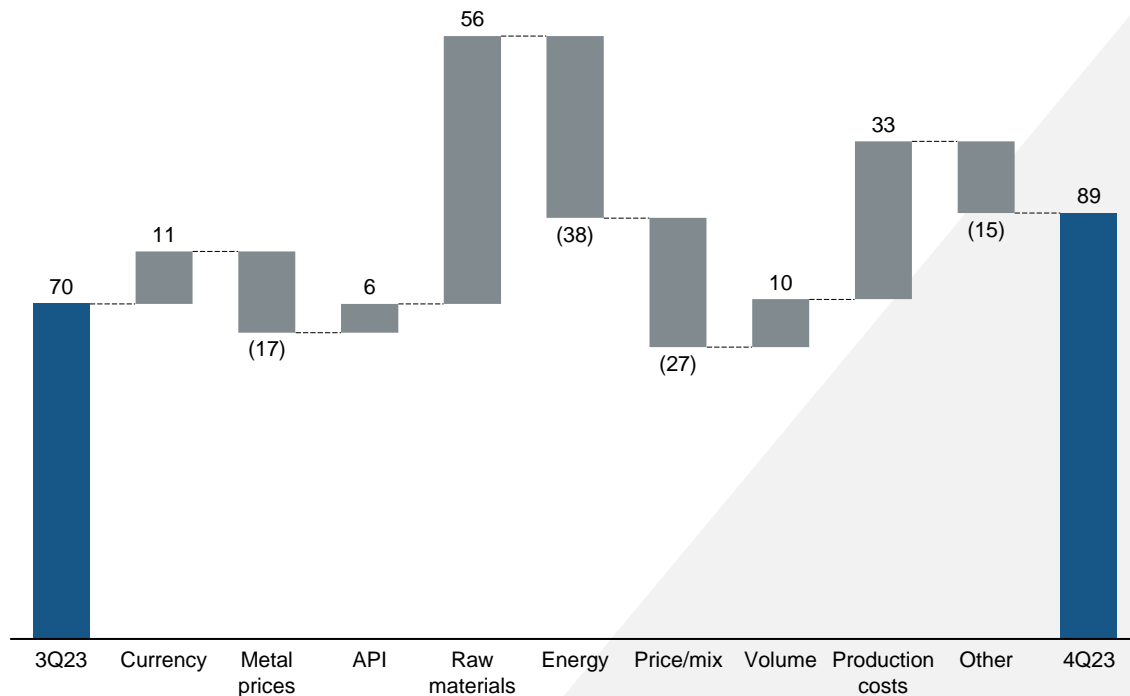
Quarterly and full year income statement summary

	3Q23	4Q23	FY22	FY23
Third Party Realized prices (\$/mt)				
Realized primary aluminum price	\$2,647	\$2,678	\$3,457	\$2,828
Realized alumina price	\$354	\$344	\$384	\$358
Income statement highlights (millions, except per share amounts)				
Revenue	\$2,602	\$2,595	\$12,451	\$10,551
Net loss attributable to Alcoa Corporation	\$(168)	\$(150)	\$(123)	\$(651)
Loss per share ¹	\$(0.94)	\$(0.84)	\$(0.68)	\$(3.65)
Adjusted income statement highlights (millions, except per share amounts)				
Adjusted EBITDA excluding special items	\$70	\$89	\$2,224	\$536
Adjusted net (loss) earnings attributable to Alcoa Corporation	\$(202)	\$(100)	\$869	\$(405)
Adjusted (loss) earnings per share ¹	\$(1.14)	\$(0.56)	\$4.71	\$(2.27)

1. In periods with net loss, share equivalents related to employee stock-based compensation were excluded from average shares as the impact was anti-dilutive

Lower raw materials costs drive sequential Adj. EBITDA increase

4Q23 Sequential changes in Adjusted EBITDA excluding special items, \$M



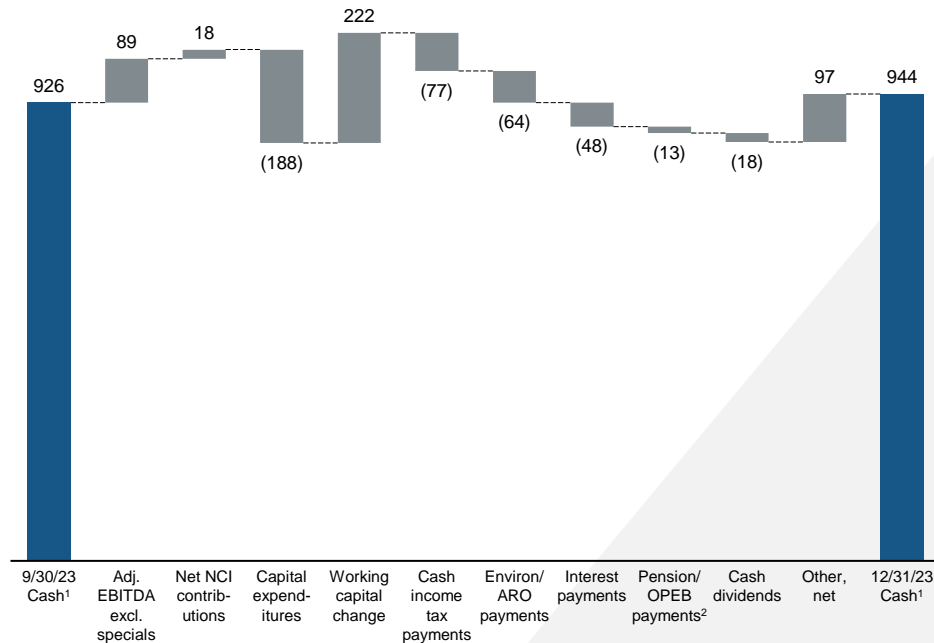
	3Q23	4Q23	Change
Alumina ¹	\$53	\$84	\$31
Aluminum ¹	79	88	9
Transformation	(29)	(26)	3
Intersegment eliminations	(4)	(12)	(8)
Other corporate	(29)	(45)	(16)
Total	\$70	\$89	\$19

1. Segment Adjusted EBITDA

Working capital improvement is significant source of cash

4Q23 sequential quarter cash flow information

9/30/23 to 12/31/23 Cash balance changes, \$M



4Q23 Commentary

- Working capital change was a \$222 million source of cash, due mainly to \$201 million from increases in accounts payable
- Capital expenditures up \$43 million sequentially to \$188 million in 4Q23
- Cash income tax payments of \$77 million
- Environmental/ARO payments of \$64 million for site remediation and mine rehabilitation

1. Excludes restricted cash of \$104 million at 9/30/23 and \$102 million at 12/31/23
 2. Pension/OPEB funding of \$13 million is reflected net of \$3 million related expenses within Adjusted EBITDA

Capital expenditures, income taxes are top FY23 cash uses

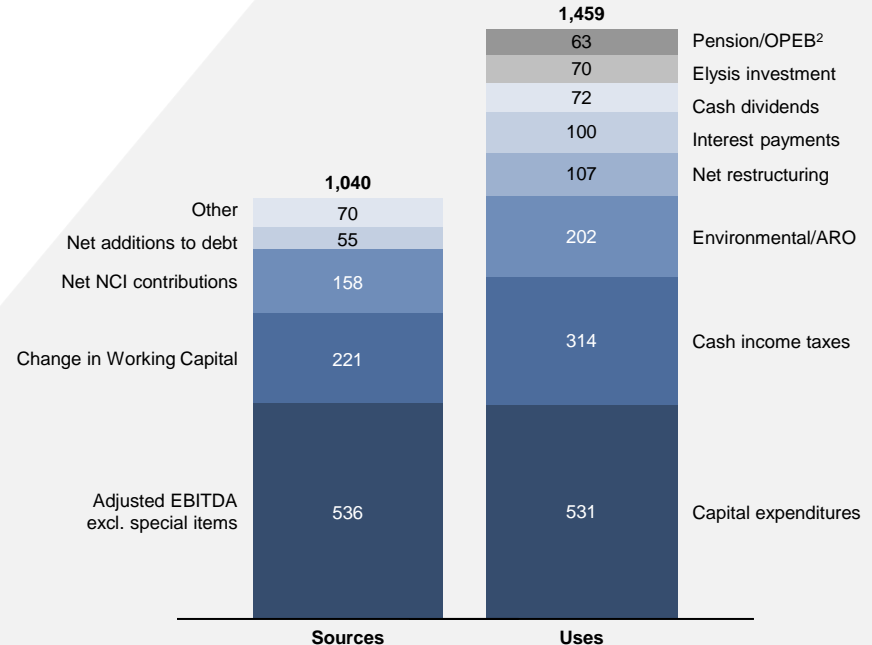
Key financial metrics and cash flow information, 4Q23 and FY23

Key financial metrics

FY23 Return on equity	4Q23 Days working capital
(8.9)%	39 Days
FY23 Capital returns to stockholders	4Q23 Proportional adjusted net debt
\$72M	\$1.7B
FY23 Free cash flow plus net NCI contributions	4Q23 Cash balance
\$(282)M	\$0.9B¹

1. Excludes \$103 million in restricted cash
2. Pension/OPEB funding of \$63 million is reflected net of \$13 million related expenses within Adjusted EBITDA

FY23 Cash flow information, \$M



2024 Outlook

FY23 and FY24 Key metrics

Income statement excl. special items impacts		
	FY23 Actual	FY24 Outlook
Alumina production (Mmt)	10.9	9.8 – 10.0
Alumina shipments (Mmt)	12.8	12.7 – 12.9
Aluminum production (Mmt)	2.1	2.2 – 2.3
Aluminum shipments (Mmt)	2.5	2.5 – 2.6
Transformation (adj. EBITDA impacts)	\$(80)M	~\$(80)M
Intersegment eliminations (adj. EBITDA impacts)	\$7M	Varies
Other corporate (adj. EBITDA impacts)	\$(125)M	~\$(120)M
Depreciation, depletion and amortization	\$632M	~\$675M
Non-operating pension/OPEB expense	\$13M	~\$15M
Interest expense	\$107M	~\$110M
Operational tax expense ¹	\$156M	Varies
Net loss of noncontrolling interest	\$(80)M	40% of AWAC NI

Cash flow impacts		
	FY23 Actual	FY24 Outlook
Pension / OPEB cash funding	\$76M	~ \$70M
Stock repurchases and dividends	\$72M	Varies
Return-seeking capital expenditures ²	\$84M	~\$90M
Sustaining capital expenditures ²	\$447M	~\$460M
Payment of prior year income taxes ³	\$178M	~\$50M
Current period cash taxes ¹	\$136M	Varies
Environmental and ARO payments ⁴	\$202M	~\$295M
Impact of restructuring and other charges	\$107M	TBD

Additional market sensitivities and business information are included in the appendix.

1. Estimate will vary with market conditions and jurisdictional profitability
2. AWAC portion of FY24 outlook: ~65% of return-seeking and sustaining capital expenditures
3. Net of pending tax refunds
4. As of December 31, 2023, the environmental remediation reserve balance was \$268M and the ARO liability was \$989M

William Oplinger

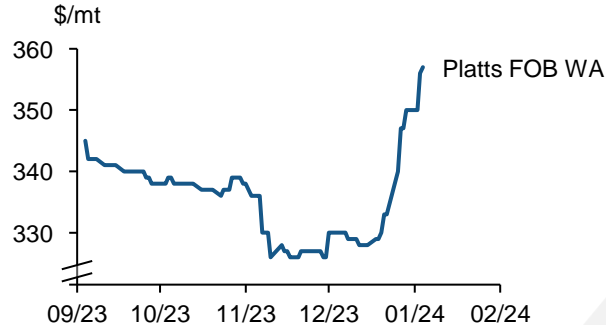
President and Chief Executive Officer



Alumina may tighten; aluminum demand set for rebound

4Q23 Market and commercial update

Alumina



Alumina supply cuts made, demand stable

- Supply: China refineries curtailments; Guinea bauxite supply questions; Kwinana curtailment
- Demand: stable as smelters continue operation
- Global alumina market expected to be in slight deficit; little inventory to respond to shortage

Aluminum

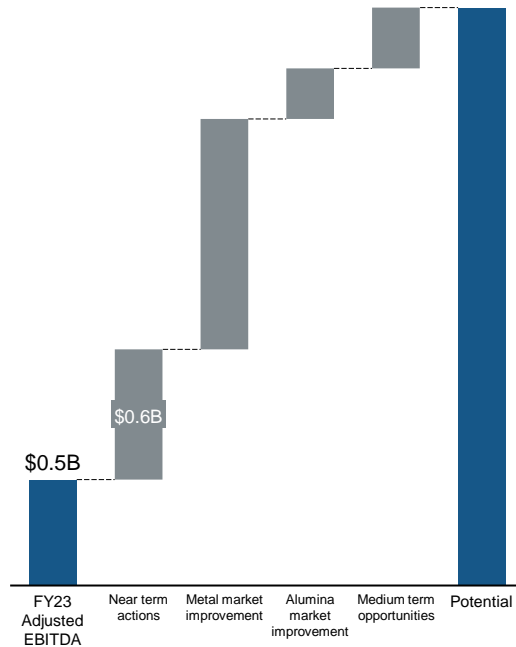


Aluminum supply constrained, demand upturn

- Supply: Few restarts or new projects on horizon; China holding to cap; Yunnan hydro-constrained
- Demand: Expected improvement led by EVs, electrical, packaging, China stimulus
- Global aluminium market currently balanced to slight surplus; inventory days remain low
- Additional sanctions on Russian metal (UK) and flood to LME: Russian origin LME stocks up 119% in December from November and total 90% of LME stocks

Taking actions now to improve, opportunities for further progress

Path forward for annual profitability improvement



Near term actions (2024 – 2025), \$M	
\$310	Raw materials: negotiation and current view of market
100	Productivity and competitiveness program
90	Warrick optimization and IRA funding improvements
75	Alumar smelter restart completion
70	Kwinana curtailment
~\$645	Annualized Adjusted EBITDA impact
TBD	<i>San Ciprián solution</i>

Medium term opportunities

- Examples of medium term opportunities
 - WA new bauxite mine areas
 - Positioning to benefit in low carbon economy

Market improvement

- Market improvement potential (consider return to 2022 average pricing as example)
 - 2022 Avg: LME 15-day \$2,726/t, Midwest \$0.30/lb, Rotterdam Duty Paid \$463/t, API \$365/t
 - 2023 Avg: LME 15-day \$2,249/t, Midwest \$0.23/lb, Rotterdam Duty Paid \$277/t, API \$343/t

Progress on multiple fronts; positioning for positive outlook

4Q23 Summary

Our Values

- Act with Integrity
- Operate with Excellence
- Care for People
- Lead with Courage



Fourth quarter summary

- Improved upon strong safety performance and operational stability across portfolio
- Net loss, Adjusted net loss and Adjusted EBITDA all improved from prior quarter
- Made substantial progress on key challenges and focal points

Going forward

- Maintain positive momentum for operations in WA
- Continue dialogue for San Ciprián solution
- Retain focus on productivity and cost control program
- Positive long-term market outlook for both alumina and aluminum

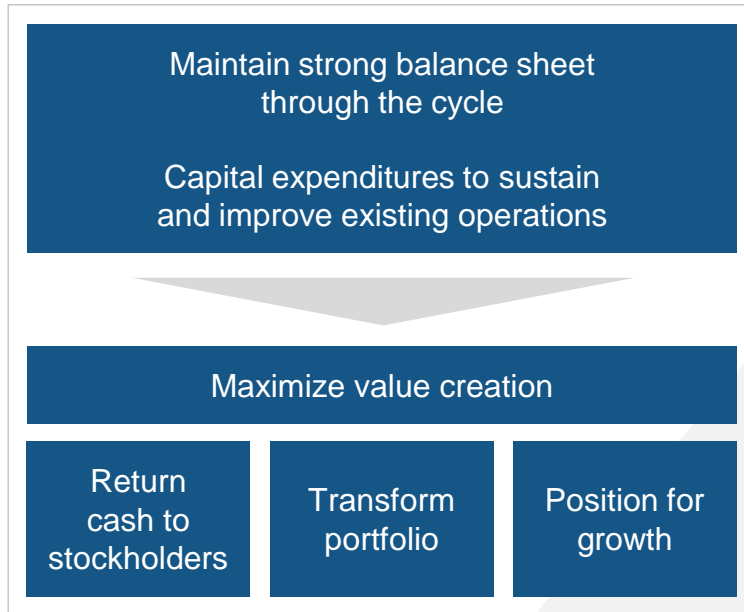
Appendix



Maximizing value creation through balanced uses of cash

Capital allocation framework and value creation considerations

Capital allocation framework



Maximize value creation

Return cash to stockholders

- 4Q23 dividend payments totaled \$18 million

Transform portfolio

- Continue to take actions to optimize smelter and refinery capacity
- Aggressively pursue productivity and competitiveness improvements at challenged locations

Position for value-creating growth

- Implement innovative technologies, when proven at commercial scale, with potential to transform the industry
- Fund projects that are expected to provide returns to stockholders greater than cost of capital

Quarterly income statement

Quarterly income statement for 4Q22, 3Q23 and 4Q23

<i>Millions, except realized prices and per share amounts</i>	4Q22	3Q23	4Q23	Prior Year Change	Sequential Change
Realized primary aluminum price (\$/mt)	\$2,889	\$2,647	\$2,678	\$(211)	\$31
Realized alumina price (\$/mt)	\$342	\$354	\$344	\$2	\$(10)
Revenue	\$2,663	\$2,602	\$2,595	\$(68)	\$(7)
Cost of goods sold	2,596	2,469	2,425	(171)	(44)
SG&A and R&D expenses	73	65	78	5	13
Depreciation, depletion and amortization	147	163	163	16	0
Other expense (income), net	67	85	(11)	(78)	(96)
Interest expense	26	26	28	2	2
Restructuring and other charges, net	(6)	22	(11)	(5)	(33)
Total costs and expenses	2,903	2,830	2,672	(231)	(158)
Loss before income taxes	(240)	(228)	(77)	163	151
Provision for (benefit from) income taxes	180	(35)	150	(30)	185
Net loss	(420)	(193)	(227)	193	(34)
Less: Net loss attributable to noncontrolling interest	(25)	(25)	(77)	(52)	(52)
Net loss attributable to Alcoa Corporation	\$(395)	\$(168)	\$(150)	\$245	\$18
Loss per share	\$(2.24)	\$(0.94)	\$(0.84)	\$1.40	\$0.10
Average shares ¹	177.0	178.4	178.5	1.5	0.1

1. In periods with net loss, share equivalents related to employee stock-based compensation were excluded from average shares as the impact was anti-dilutive

Special items

Breakdown of special items by income statement classification – gross basis

<i>Millions, except per share amounts</i>	4Q22	3Q23	4Q23	Description of significant <u>4Q23</u> special items
Net loss attributable to Alcoa Corporation	\$(395)	\$(168)	\$(150)	
Loss per share ¹	\$(2.24)	\$(0.94)	\$(0.84)	
Special items	\$251	\$(34)	\$50	
<i>Cost of goods sold</i>	35	2	(3)	Mark to market energy contracts \$(9); Smelter restart costs \$5
<i>SG&A and R&D expenses</i>	-	-	-	
<i>Restructuring and other charges, net</i>	(6)	22	(11)	Gain on asset sale \$(19); San Ciprián smelter restart \$6
<i>Interest</i>	-	-	-	
<i>Other expense, net</i>	29	11	1	Mark to market energy contracts \$2
<i>Provision for income taxes</i>	196	(66)	103	Valuation allowance on Brazilian deferred tax assets \$104
<i>Noncontrolling interest</i>	(3)	(3)	(40)	Partner's share of special items
Adjusted loss attributable to Alcoa Corporation	\$(144)	\$(202)	\$(100)	
Adjusted loss per share ¹	\$(0.82)	\$(1.14)	\$(0.56)	

1. In periods with net loss, share equivalents related to employee stock-based compensation were excluded from average shares as the impact was anti-dilutive

Quarterly income statement excluding special items

Quarterly income statement excluding special items for 4Q22, 3Q23 and 4Q23

<i>Millions, except realized prices and per share amounts</i>	4Q22	3Q23	4Q23	Prior Year Change	Sequential Change
Realized primary aluminum price (\$/mt)	\$2,889	\$2,647	\$2,678	\$(211)	\$31
Realized alumina price (\$/mt)	\$342	\$354	\$344	\$2	\$(10)
Revenue	\$2,663	\$2,602	\$2,595	\$(68)	\$(7)
Cost of goods sold	2,561	2,467	2,428	(133)	(39)
SG&A and R&D expenses	73	65	78	5	13
Adjusted EBITDA	29	70	89	60	19
Depreciation, depletion and amortization	147	163	163	16	0
Other expenses (income), net	38	74	(12)	(50)	(86)
Interest expense	26	26	28	2	2
(Benefit from) provision for income taxes	(16)	31	47	63	16
Adjusted loss	(166)	(224)	(137)	29	87
Less: Adjusted net loss attributable to noncontrolling interest	(22)	(22)	(37)	(15)	(15)
Adjusted net loss attributable to Alcoa Corporation	\$(144)	\$(202)	\$(100)	\$44	\$102
Adjusted loss per share	\$(0.82)	\$(1.14)	\$(0.56)	\$0.26	\$0.58
Average shares ¹	177.0	178.4	178.5	1.5	0.1

1. In periods with net loss, share equivalents related to employee stock-based compensation were excluded from average shares as the impact was anti-dilutive

4Q23 Financial summary

Three months ending December 31, 2023, excluding special items

<i>Millions</i>	Alumina ³	Aluminum ^{3,4}	Transformation	Intersegment eliminations	Other corporate	Alcoa Corporation
Total revenue	\$1,354	\$1,687	\$8	\$(460)	\$6	\$2,595
Third-party revenue	\$905	\$1,683	\$5	-	\$2	\$2,595
Adjusted EBITDA ¹	\$84	\$88	\$(26)	\$(12)	\$(45)	\$89
Depreciation, depletion and amortization	\$87	\$70	-	-	\$6	\$163
Other expenses, net ²	\$11	\$18	-	-	\$(41)	\$(12)
Interest expense						\$28
Provision for income taxes						\$47
Adjusted net loss						\$(137)
Net loss attributable to noncontrolling interest						\$(37)
Adjusted net loss attributable to Alcoa Corporation						\$(100)

1. Includes the Company's proportionate share of earnings from equity investments in certain bauxite mines, hydroelectric generation facilities, and an aluminum smelter located in Brazil, Canada, and/or Guinea

2. Amounts for Alumina and Aluminum represent the Company's proportionate share of earnings from its equity investment in the Saudi Arabian joint venture

3. Segment Adjusted EBITDA

4. Third-party energy sales volume, revenue and Segment Adjusted EBITDA in Brazil were 938GWh, \$13 million and \$0, respectively

4Q23 Segment Adjusted EBITDA drivers

Segment Adjusted EBITDA sequential changes, \$M

	Segment Adjusted EBITDA 3Q23	Currency	Metal prices	API	Raw materials	Energy	Price/mix	Volume	Production costs	Other	Segment Adjusted EBITDA 4Q23
Alumina	\$53	(6)	0	1	23	(6)	(7)	9	13	4	\$84
Aluminum	\$79	12	(17)	10	33	(32)	(20)	1	20	2	\$88
Total	\$132	6	(17)	11	56	(38)	(27)	10	33	6	\$172

Income statement information

FY22 and FY23 Annual income statement

<i>Millions, except realized prices and per share amounts</i>	FY22			FY23		
	Reported	Special items	Adjusted excl. special items	Reported	Special items	Adjusted excl. special items
Realized primary aluminum price (\$/mt)	\$3,457		\$3,457	\$2,828		\$2,828
Realized alumina price (\$/mt)	\$384		\$384	\$358		\$358
Revenue	\$12,451		\$12,451	\$10,551		\$10,551
Cost of goods sold	10,212	(219)	9,993	9,813	(63)	9,750
SG&A and R&D expenses	236	(2)	234	265		265
Depreciation, depletion and amortization	617		617	632		632
Other (income) expenses, net	(118)	163	45	134	(8)	126
Interest expense	106		106	107		107
Restructuring and other charges, net	696	(696)	-	184	(184)	-
Total costs and expenses	11,749	(754)	10,995	11,135	(255)	10,880
Income (loss) before income taxes	702	754	1,456	(584)	255	(329)
Provision for (benefit from) income taxes	664	(220)	444	189	(33)	156
Net income (loss)	38	974	1,012	(773)	288	(485)
Less: Net income (loss) attributable to noncontrolling interest	161	(18)	143	(122)	42	(80)
Net (loss) income attributable to Alcoa Corporation	\$(123)	\$992	\$869	\$(651)	\$246	\$(405)
(Loss) earnings per share	\$(0.68)	\$5.39	\$4.71	\$(3.65)	\$1.38	\$(2.27)
Average shares ¹	180.6		184.3	178.3		178.3
Adjusted EBITDA	\$2,003	\$221	\$2,224	\$473	\$63	\$536
COGS % revenue	82.0%		80.3%	93.0%		92.4%
SG&A and R&D % revenue	1.9%		1.9%	2.5%		2.5%
Tax rate	94.6%		30.5%	(32.4%)		(47.1%)

1. In periods with net loss, share equivalents related to employee stock-based compensation were excluded from average shares as the impact was anti-dilutive

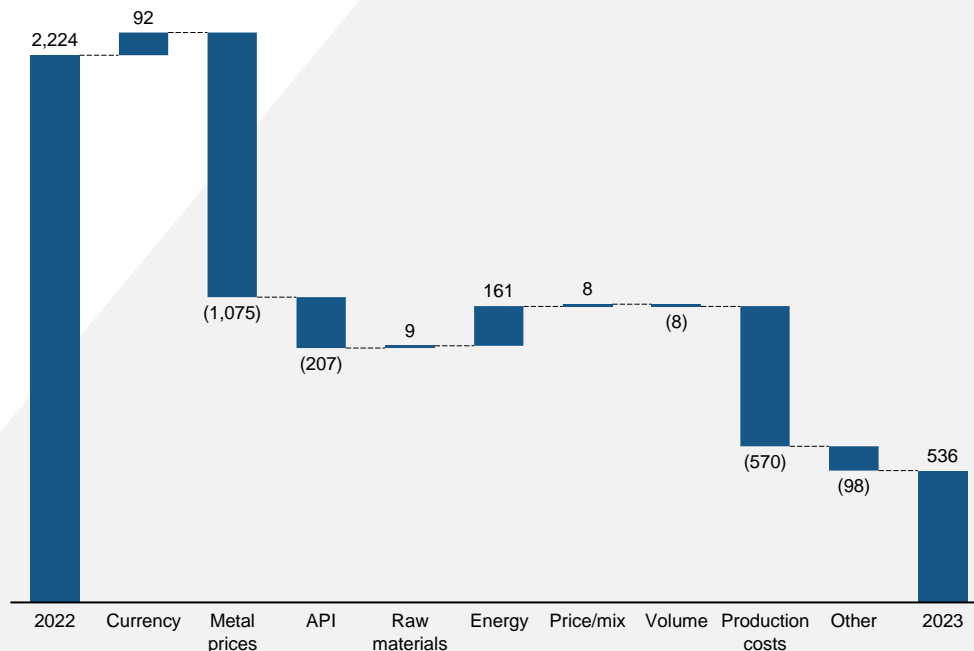
FY23 Financial information

FY23 Highlights and annual Adjusted EBITDA excluding special items change analysis

Full year financial highlights

	FY22	FY23
Realized primary aluminum price (\$/mt)	\$3,457	\$2,828
Realized alumina price (\$/mt)	\$384	\$358
Revenue, \$M	\$12,451	\$10,551
Net loss attributable to Alcoa, \$M	\$(123)	\$(651)
Adjusted net income (loss) attributable to Alcoa, \$M	\$869	\$(405)
Adjusted earnings (loss) per share	\$4.71	\$(2.27)
Adjusted EBITDA excl. special items, \$M	\$2,224	\$536

Adjusted EBITDA excl. special items bridge, \$M



Aluminum value chain

2023 Alcoa shipments by product type



Bauxite

45.2 Mmt shipments



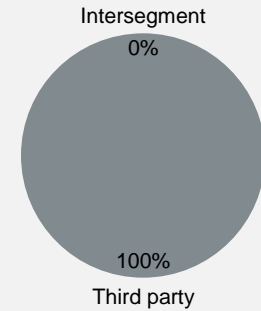
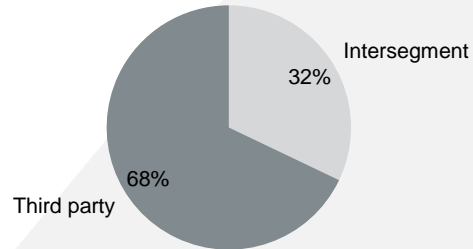
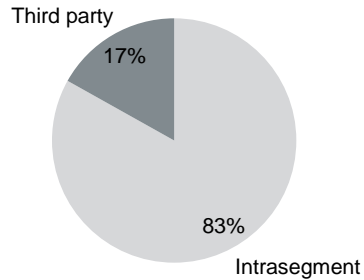
Alumina

12.8 Mmt shipments



Aluminum

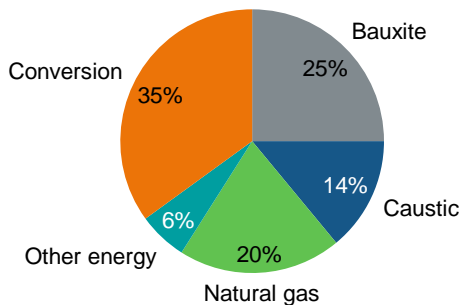
2.5 Mmt shipments



Composition of alumina and aluminum production costs

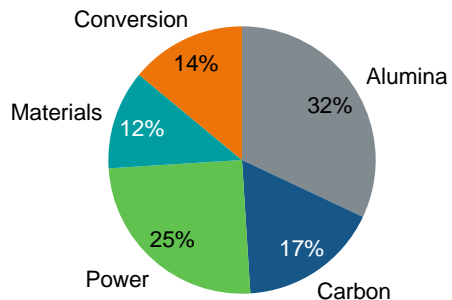
Alcoa 4Q23 production cash costs

Alumina refining



Input cost	Inventory flow	Pricing convention	FY24 annual cost sensitivity
Caustic soda	5 - 6 Months	Quarterly, Spot	\$11M per \$10/dmt ¹
Natural gas	1 Month	Quarterly, 91% with CPI adjustment	\$9M per \$0.10/GJ
Fuel oil	1 - 2 Months	Prior Month	\$2M per \$1/barrel

Aluminum smelting



Input cost	Inventory flow	Pricing convention	FY24 annual cost sensitivity
Alumina	~2 Months	API on a 6 to 8 month average	\$43M per \$10/mt
Petroleum coke	1 - 2 Months	Quarterly	\$8M per \$10/mt
Coal tar pitch	1 - 2 Months	Quarterly	\$2M per \$10/mt

1. Upon full curtailment of the Kwinana refinery, sensitivities will be adjusted for caustic and natural gas

2024 Business information

Estimated annual Segment Adjusted EBITDA sensitivities

<i>\$Millions</i>											
Segment	LME + \$100/mt	API + \$10/mt	Midwest + \$100/mt	Europe + \$100/mt	Japan + \$100/mt	AUD + 0.01 0.65 ¹	BRL + 0.10 4.96 ¹	CAD + 0.01 1.36 ¹	EUR + 0.01 1.07 ¹	ISK + 10 138.91 ¹	NOK + 0.10 10.84 ¹
Alumina		101 ²				(22) ²	7		(1)		
Aluminum	205	(43)	140	67	30	(3)	4	4	(2)	9	1
Total	205	58	140	67	30	(25)	11	4	(3)	9	1

Pricing conventions

Segment	Third party revenue
Alumina	<ul style="list-style-type: none"> ~95% of third-party smelter grade alumina priced on API/spot API based on prior month average of spot prices Negotiated bauxite prices
Aluminum	<ul style="list-style-type: none"> LME + regional premium + product premium Primary aluminum 15-day lag Brazilian hydroelectric sales at market prices

Regional premium breakdown

Regional premiums	% of 2024 Primary aluminum shipments
Midwest	~50%
Rotterdam Duty Paid	~40%
CIF Japan	~10%

1. Average 4Q23 exchange rates
2. Upon full curtailment of the Kwinana refinery, sensitivities will be adjusted for API and AUD

Currency impacts on Segment Adjusted EBITDA

Currency balance sheet revaluation and EBITDA sensitivities impact (\$M, except currencies)

	AUD	BRL	CAD	EUR	ISK	NOK	Total
12/31/23 currencies	0.68	4.83	1.32	1.11	135.35	10.13	
4Q23 currency avg.	0.65	4.96	1.36	1.07	138.91	10.84	
4Q23 Balance sheet revaluation impact							
Alumina	(4.1)	(6.3)					(10.4)
Aluminum	(1.4)	0.5	(5.3)	0.8	3.7	7.0	5.3
Corporate		3.9	1.7	(0.1)			5.5
Subtotal	(5.5)	(1.9)	(3.6)	0.7	3.7	7.0	0.4
4Q23 Currency sensitivity impact							
Alumina	0.3	3.3		0.4			4.0
Aluminum	0.1	1.4	2.0	0.2	1.9	1.3	6.9
Subtotal	0.4	4.7	2.0	0.6	1.9	1.3	10.9
4Q23 Total EBITDA currency impact							
Alumina	(3.8)	(3.0)		0.4			(6.4)
Aluminum	(1.3)	1.9	(3.3)	1.0	5.6	8.3	12.2
Corporate		3.9	1.7	(0.1)			5.5
Total	(5.1)	2.8	(1.6)	1.3	5.6	8.3	11.3

Additional business considerations

Items expected to impact Adjusted EBITDA and Adjusted net income for 1Q24

Expected sequential impacts on Adjusted EBITDA excluding special items, excluding indexed sales prices or currency impacts:

- In the Alumina segment, we expect an unfavorable impact of \$15 million from higher maintenance costs and lower volume in Australia. In addition, we expect benefits from lower raw materials and energy costs to be fully offset by other factors.
- In the Aluminum segment, we expect multiple factors to fully offset, including:
 - Favorable energy impacts, primarily due to lower prices in Brazil and Norway
 - Lower product premiums
 - Unfavorable net impact from non-recurrence of items related to the 45X credit and carbon dioxide compensation changes in Norway

Alumina costs in the Aluminum segment are expected to be unfavorable by \$5 million. Additionally, we expect an unfavorable impact of approximately \$20 million from the end of the hedge program for the Alumar smelter restart.

- Estimate intersegment profit elimination for every \$10/mt decrease in API prices to be a \$7 million to \$9 million favorable impact based on comparison of the average API of the last two months of each quarter (API is based on average of prior month spot prices); consider intersegment eliminations as component of minority interest calculation.
- Using quarter end exchange rates, 4Q23 Adjusted EBITDA did not include a material balance sheet revaluation (\$1 million favorable compared to 3Q23); impacts related to balance sheet revaluation are not incorporated into the currency sensitivities provided for Adjusted EBITDA.

Below Adjusted EBITDA:

- 4Q23 Other expenses included positive impacts of \$51 million, primarily foreign currency gains.
- Based on recent pricing, the Company expects negligible 1Q24 operational tax expense.

Investments summary

Investments listing and income statement location

Investee	Country	Nature of investment ⁴	Ownership interest	Carrying value as of December 31, 2023	Income statement location of equity earnings
ELYSIS Limited Partnership	Canada	Aluminum smelting technology	48.235%		
Ma'aden Aluminium Company ¹	Saudi Arabia	Aluminum smelter	25.1%		
Ma'aden Bauxite and Alumina Company ¹	Saudi Arabia	Bauxite mine and Alumina refinery	25.1% ⁵		
Subtotal Ma'aden and ELYSIS				\$533M	Other expenses (income), net
Serra do Facão Energia S/A	Brazil	Hydroelectric generation facility	34.97%		
Energetica Barra Grande S.A.	Brazil	Hydroelectric generation facility	42.18%		
Halco Mining, Inc. ²	Guinea	Bauxite mine	45.0% ⁵		
Manicouagan Power Limited Partnership	Canada	Hydroelectric generation facility	40.0%		
Pechiney Reynolds Quebec, Inc. ³	Canada	Aluminum smelter	50.0%		
Subtotal other				\$446M	Cost of goods sold
Total investments				\$979M	

1. Alcoa Corporation has an investment in a joint venture related to the ownership and operation of an integrated aluminum complex (bauxite mine, alumina refinery, and aluminum smelter) in Saudi Arabia. The joint venture is owned 74.9% by the Saudi Arabian Mining Company (Ma'aden) and 25.1% by Alcoa Corporation.
2. Halco Mining, Inc. owns 100% of Boké Investment Company, which owns 51% of Compagnie des Bauxites de Guinée (CBG).
3. Pechiney Reynolds Quebec, Inc. owns a 50.1% interest in the Bécancour smelter in Quebec, Canada thereby entitling Alcoa Corporation to a 25.05% interest in the smelter. Through two wholly-owned Canadian subsidiaries, Alcoa Corporation also owns 49.9% of the Bécancour smelter.
4. Each of the investees either owns the facility listed or has an ownership interest in an entity that owns the facility listed.
5. A portion or all of each of these ownership interests are held by majority-owned subsidiaries that are part of AWAC.

Alcoa sustainability goals

Alcoa strategic long-term sustainability goals, baseline and progress

Goal	Description	2015 Baseline	2022 Progress
Safety	Zero fatalities and serious injuries (life-threatening, life-altering injury or illness)	5 fatal or serious injuries/illnesses	0 fatalities and 1 serious injury/illness
Diversity and inclusion	Attain an inclusive 'everyone culture' that reflects the diversity of the communities in which we operate	N/A	18.4% global women
Mine rehabilitation	Maintain a corporate-wide running 5-year average ratio of 1:1 or better for active mining disturbance (excluding long-term infrastructure) to mine rehabilitation	N/A	0.82:1
Bauxite residue	From a 2015 baseline, reduce bauxite residue land requirements per metric tonne of alumina produced by 15% by 2030	53.2 m2/kmt Ala	15.6% reduction
Waste	From a 2015 baseline, reduce landfilled waste 15% by 2025 and 25% by 2030. Baseline restated to reflect divestiture of Warrick Rolling.	131.7 mt	37.6% reduction
Water	From a 2015 baseline, reduce the intensity of our total water use from Alcoa-defined water-scarce locations by 5% by 2025 and 10% by 2030	3.79 m3/mt	5.3% reduction
Greenhouse gas emissions	Align our greenhouse gas (direct + indirect) emissions reduction targets with the 2°C decarbonization path by reducing greenhouse gas intensity by 30% by 2025, and 50% by 2030 from a 2015 baseline	7.10 mt CO ₂ e/mt	25.1% reduction
Sustainable value chain	By 2022, implement a social management system at all locations, including the definition of performance metrics and long-term goals to be accomplished by 2025 and 2030	N/A	Launched SP360 – Alcoa Social Management System in 2021

Production and capacity information

Alcoa Corporation annual consolidated amounts as of December 31, 2023

Alumina refining, kmt

Facility	Country	Capacity	Curtailed
Kwinana ¹	Australia	2,190	438
Pinjarra	Australia	4,700	-
Wagerup	Australia	2,879	-
Poços de Caldas	Brazil	390	214
São Luís (Alumar)	Brazil	2,084	-
San Ciprián	Spain	1,600	800
Total		13,843	1,452
Ras Al Khair ²	Saudi Arabia	452	-

Bauxite production, Mdmt

Mine	Country	2023 Production
Darling Range	Australia	30.9
Juruti	Brazil	5.0
Poços de Caldas	Brazil	0.4
Boké (CBG)	Guinea	3.6
Al Ba'itha ²	Saudi Arabia	1.1
Total		41.0

Aluminum smelting, kmt

Facility	Country	Capacity	Curtailed
Portland	Australia	197	42
São Luís (Alumar) ³	Brazil	268	84
Baie Comeau	Canada	324	-
Bécancour	Canada	350	-
Deschambault	Canada	287	-
Fjarðaál	Iceland	351	-
Lista	Norway	95	31
Mosjøen	Norway	200	-
San Ciprián ⁴	Spain	228	228
Massena West	U.S.	130	-
Warrick	U.S.	215	80
Total		2,645	465
Ras Al Khair ²	Saudi Arabia	202	-

1. On January 8, 2024, the Company announced the full curtailment of the Kwinana refinery.

2. The Company's proportionate share of earnings from its equity investment in the Saudi Arabian joint venture does not impact Adjusted EBITDA.

3. On September 20, 2021, the Company announced plans to restart its 60% share of the Alumar smelter in São Luís, Brazil, equivalent to 268,000 metric tonnes per year (mtpa) of aluminum capacity. Production began in the second quarter of 2022.

4. On December 29, 2021, the Company announced a two-year curtailment of the San Ciprián smelter's 228,000 metric tonnes of annual capacity, and a commitment by the Company to begin the restart of the smelter in January 2024.

Valuation framework

Valuation framework key considerations

			LTM ending 12/31/23 Adj. EBITDA excl. special items	
Business Operations	+	Alumina segment	Economic value using market multiple of: i. AWAC joint venture, minus small portions of AWAC JV in Aluminum and Transformation ii. Ownership in certain mines and refineries outside the JV	\$273M
	+	Aluminum segment	Economic value using market multiple of: i. Smelters, casthouses, and energy assets ii. Smelters and casthouses restart optionality	\$461M
	-	Non-segment expenses (income)	Economic value using market multiple of: i. Transformation, intersegment eliminations, and other corporate	\$198M
	=	Enterprise value		
Financial Considerations	-	Noncontrolling interest	Implied value of noncontrolling interest in AWAC JV, based on Alumina Limited's observed enterprise value	
	-	Debt & debt-like items ¹	Book value of debt of \$1.8B (\$1.9B, >95% Alcoa), pension & OPEB net liabilities of \$0.6B (\$0.7B, >95% Alcoa; U.S. contributions not tax deductible), environmental & ARO liabilities of \$1.0B (\$1.3B, ~75% Alcoa)	
	+	Cash & equity investments ¹	Cash position of \$0.8B (\$0.9B, ~85% Alcoa) plus carrying value of investments in the Ma'aden joint venture and ELYSIS of \$0.5B (\$0.5B, ~85% Alcoa)	
	=	Equity value		

1. Dollar amounts reflect Alcoa Corporation's consolidated balance sheet values as of December 31, 2023. The "Alcoa" percentages exclude amounts attributable to Alcoa Corporation's partner in the AWAC JV.

Adjusted EBITDA reconciliations

<i>Millions</i>	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23
Net loss attributable to Alcoa	\$(395)	\$(123)	\$(231)	\$(102)	\$(168)	\$(150)	\$(651)
Add:							
Net (loss) income attributable to noncontrolling interest	(25)	161	(1)	(19)	(25)	(77)	(122)
Provision for (benefit from) income taxes	180	664	52	22	(35)	150	189
Other expenses (income), net	67	(118)	54	6	85	(11)	134
Interest expense	26	106	26	27	26	28	107
Restructuring and other charges, net	(6)	696	149	24	22	(11)	184
Depreciation, depletion and amortization	147	617	153	153	163	163	632
Adjusted EBITDA	(6)	2,003	202	111	68	92	473
Special items before tax and noncontrolling interest	35	221	38	26	2	(3)	63
Adjusted EBITDA excl. special items	\$29	\$2,224	\$240	\$137	\$70	\$89	\$536
Alumina Segment Adjusted EBITDA	\$50	\$788	\$103	\$33	\$53	\$84	\$273
Aluminum Segment Adjusted EBITDA	31	1,492	184	110	79	88	461
Transformation	(22)	(66)	(8)	(17)	(29)	(26)	(80)
Intersegment eliminations	5	138	(8)	31	(4)	(12)	7
Other corporate	(35)	(128)	(31)	(20)	(29)	(45)	(125)
Adjusted EBITDA excl. special items	\$29	\$2,224	\$240	\$137	\$70	\$89	\$536

Alcoa Corporation's definition of Adjusted EBITDA is net margin plus an add-back for depreciation, depletion, and amortization. Net margin is equivalent to Sales minus the following items: Cost of goods sold; Selling, general administrative, and other expenses; Research and development expenses; and Provision for depreciation, depletion, and amortization. Adjusted EBITDA is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because Adjusted EBITDA provides additional information with respect to Alcoa Corporation's operating performance and the Company's ability to meet its financial obligations. The Adjusted EBITDA presented may not be comparable to similarly titled measures of other companies.

Free cash flow reconciliation

<i>Millions</i>	4Q22	FY22	1Q23	2Q23	3Q23	4Q23	FY23
Cash provided from operations	\$118	\$822	\$(163)	\$(13)	\$69	\$198	\$91
Capital expenditures	(171)	(480)	(83)	(115)	(145)	(188)	(531)
Free cash flow	(53)	342	(246)	(128)	(76)	10	(440)
Contributions from noncontrolling interest	64	214	86	36	42	24	188
Distributions to noncontrolling interest	(60)	(379)	(6)	(16)	(2)	(6)	(30)
Free cash flow less net noncontrolling interest distributions	\$(49)	\$177	\$(166)	\$(108)	\$(36)	\$28	\$(282)

Free cash flow and Free cash flow less net distributions to noncontrolling interest are non-GAAP financial measures. Management believes that these measures are meaningful to investors because management reviews cash flows generated from operations after taking into consideration capital expenditures and net distributions to noncontrolling interest. Capital expenditures are necessary to maintain and expand Alcoa Corporation's asset base and are expected to generate future cash flows from operations, while net distributions to noncontrolling interest are necessary to fulfill our obligations to our joint venture partners. It is important to note that Free cash flow and Free cash flow less net distributions to noncontrolling interest do not represent the residual cash flows available for discretionary expenditures since other non-discretionary expenditures, such as mandatory debt service requirements, are not deducted from the measure.

Net debt reconciliations

\$M	<u>4Q22</u>			<u>3Q23</u>			<u>4Q23</u>		
	Cons.	NCI	Alcoa Prop.	Cons.	NCI	Alcoa Prop.	Cons.	NCI	Alcoa Prop.
Short-term borrowings	\$-	\$-	\$-	\$42	\$-	\$42	\$56	\$-	\$56
Long-term debt due within one year	1	-	1	1	-	1	79	31	48
Long-term debt, less amount due within one year	1,806	32	1,774	1,809	32	1,777	1,732	-	1,732
Total debt	1,807	32	1,775	1,852	32	1,820	1,867	31	1,836
Less: Cash and cash equivalents	1,363	94	1,269	926	106	820	944	141	803
Net debt (net cash)	444	(62)	506	926	(74)	1,000	923	(110)	1,033
Plus: Net pension	78	(7)	85	77	(3)	80	162	5	157
Plus: OPEB liability	536	16	520	495	12	483	494	12	482
Adjusted net debt	\$1,058	\$(53)	\$1,111	\$1,498	\$(65)	\$1,563	\$1,579	\$(93)	\$1,672

Net debt is a non-GAAP financial measure. Management believes that this measure is meaningful to investors because management assesses Alcoa Corporation's leverage position after considering available cash that could be used to repay outstanding debt. When cash exceeds total debt, the measure is expressed as net cash.

Adjusted net debt and Proportional adjusted net debt are also non-GAAP financial measures. Management believes that these additional measures are meaningful to investors because management also assesses Alcoa Corporation's leverage position after considering available cash that could be used to repay outstanding debt and net pension/OPEB liability, net of the portion of those items attributable to noncontrolling interest (NCI).

DWC working capital and Days working capital reconciliations

<i>Millions</i>	4Q22	1Q23	2Q23	3Q23	4Q23
Receivables from customers	\$778	\$753	\$702	\$691	\$656
Add: Inventories	2,427	2,395	2,400	2,190	2,158
Less: Accounts payable, trade	1,757	1,489	1,491	1,472	1,714
DWC working capital	\$1,448	\$1,659	\$1,611	\$1,409	\$1,100
Sales	\$2,663	\$2,670	\$2,684	\$2,602	\$2,595
Number of days in the quarter	92	90	91	92	92
Days working capital¹	50	56	55	50	39

DWC working capital and Days working capital are non-GAAP financial measures. Management believes that these measures are meaningful to investors because management uses its working capital position to assess Alcoa Corporation's efficiency in liquidity management.

1. Days working capital is calculated as DWC working capital divided by the quotient of Sales and number of days in the quarter

Annualized Return on Equity (ROE)

ROE Reconciliation and calculation information as of December 31, 2023

<i>Millions</i>	2022	2023
<i>Numerator:</i>		
Net loss attributable to Alcoa Corporation	\$(123)	\$(651)
Add: Special items ¹	992	246
ROE Adjusted Net income (loss) YTD	\$869	\$(405)
<i>Denominator²:</i>		
Total assets	\$15,334	\$14,143
Less: Total Liabilities	8,577	7,970
Less: Noncontrolling Interest	1,585	1,600
Shareholders' Equity	\$5,172	\$4,573
ROE	16.8%	(8.9)%

$$\text{ROE \%} = \frac{(\text{Net Loss/Income Attributable to Alcoa} + \text{Special Items}^1)}{(\text{Total Assets} - \text{Total Liabilities} - \text{Noncontrolling Interest})^2} \times 100$$

$$\begin{array}{l} \text{2022 YTD} \\ \text{ROE \%} = \frac{(\$ (123) + \$992)}{(\$15,334 - \$8,577 - \$1,585)} \times 100 = 16.8\% \end{array}$$

$$\begin{array}{l} \text{2023 YTD} \\ \text{ROE \%} = \frac{(\$ (651) + \$246)}{(\$14,143 - \$7,970 - \$1,600)} \times 100 = (8.9)\% \end{array}$$

1. Special items include provisions for income taxes, and noncontrolling interest.

2. Denominator calculated using quarter ending balances.

Glossary of terms

Abbreviations listed in alphanumeric order

Abbreviation	Description
% pts	Percentage points
1H##	Six months ending June 30
1Q##	Three months ending March 31
2H##	Six months ending December 31
2Q##	Three months ending June 30
3Q##	Three months ending September 30
4Q##	Three months ending December 31
Adj.	Adjusted
API	Alumina Price Index
ARO	Asset retirement obligations
AUD	Australian dollar
AWAC	Alcoa World Alumina and Chemicals
B	Billion
BRL	Brazilian real
CAD	Canadian dollar
CIF	Cost, insurance and freight
CO ₂ e	Carbon dioxide equivalent
COGS	Cost of goods sold
Cons.	Consolidated
CPI	Consumer Price Index
dmt	Dry metric tonne
DWC	Days working capital
EBITDA	Earnings before interest, taxes, depreciation and amortization
Elims.	Eliminations
EPS	Earnings per share
ERISA	Employee Retirement Income Security Act of 1974
EUR	Euro
Est.	Estimated
excl. or ex.	Excluding

Abbreviation	Description
FOB WA	Freight on board Western Australia
FY##	Twelve months ending December 31
GAAP	Accounting principles generally accepted in the United States of America
GJ	Gigajoule
GWh	Gigawatt hour
ISK	Icelandic krona
JV	Joint venture
kmt/kdmt	Thousand metric tonnes/Thousand dry metric tonnes
LME	London Metal Exchange
LTM	Last twelve months
M	Million
Mmt/Mdmt	Million metric tonnes/Million dry metric tonnes
Mtpa/kmtpa	Metric tonnes per annum/thousand metric tonnes per annum
mt	Metric tonne
NCI	Noncontrolling interest
NI	Net income
NOK	Norwegian krone
OPEB	Other postretirement employee benefits
PBT	Profit before taxes
Prop.	Proportional
R&D	Research and development
RoW	Rest of world
SEC	Securities and Exchange Commission
SG&A	Selling, general administrative and other
SHFE	Shanghai Futures Exchange
TBD	To be determined
U.S.	United States of America
USD	United States dollar
YTD, YoY	Year to date, year over year

