

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 <div style="text-align: center; font-size: 1.5em; font-weight: bold;">2019</div> This Form is Open to Public Inspection
---	---	--

Part I	Annual Report Identification Information
For calendar plan year 2019 or fiscal plan year beginning <u>01/01/2019</u> and ending <u>12/31/2019</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>ALCOA SUBSIDIARIES MERGED INACTIVE PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>037</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>11/20/1940</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>037</u>	1c Effective date of plan <u>11/20/1940</u>	
1b Three-digit plan number (PN) ▶	<u>037</u>				
1c Effective date of plan <u>11/20/1940</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>ALCOA USA CORP</u> <u>201 ISABELLA STREET</u> <u>SUITE 500</u> <u>PITTSBURGH, PA 15212-5858</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>37-1808900</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>412-315-2900</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>332900</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>37-1808900</u>	2c Plan Sponsor's telephone number <u>412-315-2900</u>	2d Business code (see instructions) <u>332900</u>	
2b Employer Identification Number (EIN) <u>37-1808900</u>					
2c Plan Sponsor's telephone number <u>412-315-2900</u>					
2d Business code (see instructions) <u>332900</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/05/2020	HEATHER HUDAK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/05/2020	HEATHER HUDAK
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2019)
v. 190130

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 5557
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	<div style="background-color: #cccccc; height: 20px; width: 100%;"></div> 6a(1) 8 6a(2) 5 6b 1473 6c 1970 6d 3448 6e 150 6f 3598 6g 6h 0
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1I 3H b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☐ **C** (Service Provider Information)
- (5)** ☒ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2019 Form M-1 annual report. If the plan was not required to file the 2019 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>ALCOA SUBSIDIARIES MERGED INACTIVE PLAN</u>	B Three-digit plan number (PN) ▶ <u>037</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ALCOA USA CORP</u>	D Employer Identification Number (EIN) <u>37-1808900</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2019</u>	
2 Assets:	
a Market value	2a <u>322277677</u>
b Actuarial value	2b <u>349790267</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>1439</u> (2) Vested Funding Target <u>151087834</u> (3) Total Funding Target <u>151087834</u>
b For terminated vested participants.....	<u>4049</u> <u>187990988</u> <u>187990988</u>
c For active participants	<u>0</u> <u>0</u> <u>0</u>
d Total.....	<u>5488</u> <u>339078822</u> <u>339078822</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>5.58</u> %
6 Target normal cost.....	6 <u>4200000</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	
Signature of actuary	<u>09/17/2020</u>
<u>PATRICK A. GRAHAM</u>	Date <u>20-08256</u>
Type or print name of actuary	Most recent enrollment number <u>412-281-2506</u>
<u>BUCK GLOBAL, LLC</u>	Telephone number (including area code)
Firm name	
<u>11 STANWIX STREET, SUITE 700</u> <u>PITTSBURGH, PA 15222-1312</u>	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

**Schedule SB (Form 5500) 2019
v. 190130**

Part II Beginning of Year Carryover and Prefunding Balances		
	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	125782200
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	125782200
10 Interest on line 9 using prior year's actual return of <u>-2.10</u> %	0	-2641426
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		808829
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.72</u> %		46265
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
c Total available at beginning of current plan year to add to prefunding balance		855094
d Portion of (c) to be added to prefunding balance		855094
12 Other reductions in balances due to elections or deemed elections	0	45468659
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	78527209

Part III Funding Percentages		
14 Funding target attainment percentage	14	80.00 %
15 Adjusted funding target attainment percentage	15	102.87 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	80.57 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls					
18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2019	1834806	0			
07/15/2019	1834806	0			
10/15/2019	1834806	0			
01/15/2020	1834806	0			
09/15/2020	9817099	0			
			Totals ▶	18(b)	17156323
				18(c)	

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:		
a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	16029460
20 Quarterly contributions and liquidity shortfalls:		
a Did the plan have a "funding shortfall" for the prior year?	☒ Yes ☐ No	
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☒ Yes ☐ No	
c If line 20a is "Yes," see instructions and complete the following table as applicable:		
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
		(4) 4th
		0

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost
---------------	--

21 Discount rate:			
a Segment rates:	1st segment: 3.74 %	2nd segment: 5.35 %	3rd segment: 6.11 %
			☐ N/A, full yield curve used
b Applicable month (enter code)			21b 4
22 Weighted average retirement age			22
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☐ Prescribed - separate ☒ Substitute			

Part VI	Miscellaneous Items
----------------	----------------------------

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.		☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.		☐ Yes ☒ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27	

Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years
-----------------	--

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII	Minimum Required Contribution For Current Year
------------------	---

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	4200000	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment		37151518	11829460
b Waiver amortization installment		0	0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		33	
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)		34	16029460
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)		36	16029460
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)		37	16029460
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)		38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances		38b	0
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)		39	0
40 Unpaid minimum required contributions for all years		40	0

Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)
----------------	---

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan ALCOA SUBSIDIARIES MERGED INACTIVE PLAN	B Three-digit plan number (PN) ►	037
C Plan sponsor's name as shown on line 2a of Form 5500 ALCOA USA CORP	D Employer Identification Number (EIN) 37-1808900	

Part I Asset and Liability Statement			
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)	0	11651905
(2) Participant contributions.....	1b(2)		
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	322306845	257923700
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	322306845 269575605
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	29168 33677
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	29168 33677
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	322277677 269541928

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	17156323
	(B) Participants	2a(1)(B)	
	(C) Others (including rollovers)	2a(1)(C)	
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	17156323
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	279908
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	279908
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		61820943
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total	2d		79257174

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	127803917	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		127803917
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: (1) Professional fees	2i(1)	780958	
(2) Contract administrator fees	2i(2)		
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)	3408048	
(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		4189006
j Total expenses. Add all expense amounts in column (b) and enter total	2j		131992923

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		-52735749
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unmodified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICEWATERHOUSECOOPERS LLP

(2) EIN: 13-4008324

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.).....	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		25000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?.....	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?.....	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4230521. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2019</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019		
A Name of plan ALCOA SUBSIDIARIES MERGED INACTIVE PLAN		B Three-digit plan number (PN) ▶ 037
C Plan sponsor's name as shown on line 2a of Form 5500 ALCOA USA CORP		D Employer Identification Number (EIN) 37-1808900
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 25-1926855		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3 1879
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ☐ Yes ☒ No ☐ N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month Day Year If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ☐ Yes ☐ No ☐ N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ☐ Yes ☐ No ☒ N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ☐ Increase ☐ Decrease ☐ Both ☒ No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ☐ Yes ☐ No		
11 a Does the ESOP hold any preferred stock? ☐ Yes ☐ No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ☐ Yes ☐ No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ☐ Yes ☐ No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2019 v. 190130		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14	Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:		
	a The current year	14a	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
15	Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:		
	a The corresponding number for the plan year immediately preceding the current plan year	15a	
	b The corresponding number for the second preceding plan year	15b	
16	Information with respect to any employers who withdrew from the plan during the preceding plan year:		
	a Enter the number of employers who withdrew during the preceding plan year	16a	
	b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	
17	If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐		

Part VI	Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans
----------------	---

18	If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment
19	<p>If the total number of participants is 1,000 or more, complete lines (a) through (c)</p> <p>a Enter the percentage of plan assets held as: Stock: <u>40.0</u> % Investment-Grade Debt: <u>44.0</u> % High-Yield Debt: <u>10.0</u> % Real Estate: <u>2.0</u> % Other: <u>4.0</u> %</p> <p>b Provide the average duration of the combined investment-grade and high-yield debt: ☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☒ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more</p> <p>c What duration measure was used to calculate line 19(b)? ☐ Effective duration ☐ Macaulay duration ☒ Modified duration ☐ Other (specify): _____</p>
20	<p>PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.</p> <p>a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No</p> <p>b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box: ☐ Yes. ☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date. ☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date. ☐ No. Other. Provide explanation _____</p>

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Financial Statements

December 31, 2019 and 2018

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Index

December 31, 2019 and 2018

Page(s)

Report of Independent Auditors	1–2
---	------------

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Pension Plan for Certain Salaried Employees of Alcoa USA Corp. (Alcoa Corp. Salary Plan)	
Pension Plan for Certain Hourly Employees of Alcoa USA Corp. (Alcoa Corp. Hourly Plan)	
Alcoa Subsidiaries Merged Inactive Pension Plan (Alcoa Subsidiaries Merged Inactive Plan)	
Employees' Retirement Plan of Suriname Aluminum Company LLC Plan I (Suriname Plan I)	
Employees' Retirement Plan of Suriname Aluminum Company LLC Plan II (Suriname Plan II)	

Financial Statements

Statements of Individual Plan Net Assets Available for Benefits December 31, 2019.....	3
Statements of Individual Plan Net Assets Available for Benefits December 31, 2018.....	4
Statements of Changes in Individual Plan Net Assets Available for Benefits Year Ended December 31, 2019.....	5
Notes to Financial Statements December 31, 2019 and 2018	6–21



Report of Independent Auditors

To the Administrator of
Pension Plan for Certain Salaried Employees of Alcoa USA Corp.,
Pension Plan for Certain Hourly Employees of Alcoa USA Corp.,
Alcoa Subsidiaries Merged Inactive Pension Plan,
Employees' Retirement Plan of Suriname Aluminum Company LLC Plan I, and
Employees' Retirement Plan of Suriname Aluminum Company LLC Plan II

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Pension Plan for Certain Salaried Employees of Alcoa USA Corp., the Pension Plan for Certain *Hourly* Employees of Alcoa USA Corp., the Alcoa Subsidiaries Merged Inactive Pension Plan, the Employees' Retirement Plan of Suriname Aluminum Company LLC Plan I, and the Employees' Retirement Plan of Suriname Aluminum Company LLC Plan II (collectively referred to as the "Plans"), which comprise the statements of individual plan net assets available for benefits as of December 31, 2019 and 2018, and the related statements of changes in individual plan net assets available for benefits for the year ended December 31, 2019, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Bank of New York Mellon, the trustee of the Plans, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plans' investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2019 and 2018 and for the year ended December 31, 2019, that the information provided to the plan administrator by the trustee is complete and accurate.



Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

PricewaterhouseCoopers LLP

Pittsburgh, Pennsylvania
October 2, 2020

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Part V – Summary of Plan Provisions

There are no longer any active plan participants accruing benefits in this plan. Benefits are being provided to retired participants and will be provided to deferred vested participants in accordance with plan provisions applicable at the time of their termination.

Summary of Changes from the January 1, 2018 Valuation

None.

ALCOA SUBSIDIARIES
MERGED INACTIVE PLAN

EIN: 37-1808900
PLAN NUMBER: 037

SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)

(a)	(b) Identity of Issue, Borrower, Lessor or Similar Party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current Value
*	Pension Plans MT for Alcoa USA Corp	Investment in Pension Plans Master Trust for Alcoa USA Corp	\$ 257,923,700.00	\$ 257,923,700.00
				<u>\$ 257,923,700</u>

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Part V – Statement of Actuarial Assumptions/Methods

Prescribed Funding/PBGC Assumptions and Methods

The following assumptions and methods are prescribed by ERISA, as currently amended.

Funding interest rates

For 2019 Plan Year:

Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	2.28%	3.74%
Second Segment Rate	3.81%	5.35%
Third Segment Rate	4.46%	6.11%
Effective Interest Rate	4.06%	5.58%

For 2018 Plan Year:

Segment Rates with four-month lookback, constrained in accordance with relevant legislation as follows:

	Unconstrained Rates*	Rates Reflecting Corridor**
First Segment Rate	1.75%	3.92%
Second Segment Rate	3.76%	5.52%
Third Segment Rate	4.66%	6.29%
Effective Interest Rate	4.07%	5.72%

*Used for maximum tax-deduction, PBGC premium, and 4010 reporting purposes

** Used for minimum funding and benefit restriction purposes.

Mortality

Substitute mortality tables for all plans in Alcoa's controlled group apply for male annuitants and nonannuitants and for female annuitants and nonannuitants, approved by the IRS as specified in IRS Regulation 1.430(h)(3)–2, with Mortality Improvement Scale MP–2017 appropriate for 2019 on a generational basis. Approval is granted for a period of 10 years commencing January 1, 2019, subject to the conditions specified in IRS Regulation 1.430(h)(3)–2(d)(6). Lump sum mortality tables are as prescribed by IRS Code 417(e).

Lump Sum interest and mortality:

Interest Rate: Forward rates implied by the funding interest rates (annuity substitution rule)

Mortality: 2019 IRS 417(e) Applicable Mortality table

EIN: 37-1808900 / PN: 037

Actuarial cost method

The Funding Target is the present value of accrued benefits based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected plan administrative and investment related expenses to be paid from plan assets during the year.

Non-Prescribed Funding Assumptions and Methods

The following assumptions were selected by the plan's enrolled actuary. With the exception of the retirement rates, the assumptions are chosen based on the experience study done in 2011 for Alcoa Retirement Plan I (salaried participants) and Alcoa Retirement Plan II (hourly participants). The experience of these large plans is used where reasonable. The process used to determine the expected long-term rate of return on assets relied on a combination of historical asset return information and forward-looking returns by asset class using information from various external investment managers and consultants. The asset valuation method was selected by the plan sponsor with the actuary's advice and is an acceptable method under PPA.

Expenses

Expected plan administrative and investment related expenses of \$4,200,000 were added to the Target Normal Cost, based on expenses paid in the prior year and PBGC premiums to be paid in the current year.

Frequency of optional payment forms

For Reynolds Hourly Plan 11, 95% of those assumed married elect the 50% Joint and Survivor benefit. All others elect the life annuity benefit. For ACSI and AFL, 90% of those assumed married elect the 50% Joint and Survivor benefit. All others elect the life annuity benefit. For AHE and Reynolds Hourly Plan 58, 50% of deferred vested participants elect the 50% Joint and Survivor benefit at commencement and 50% of deferred vested participants elect life annuity benefit at commencement. For Presto, an immediate lump sum is assumed. For SGS, 100% elect lump sum at age 65. Based on review of actual experience and future expectations.

Marital percentage

For Reynolds Hourly 11, ACSI and AFL, 85% of participants are assumed to be married. Husbands are assumed to be 3 years older than their wives.

Normal Retirement rates

Terminated vested participants are assumed to commence receiving benefits at Normal Retirement Age or the earliest age eligible for unreduced benefits.

Asset valuation method

The Actuarial Value of Assets is market value as of the valuation date, including discounted receivable contributions, reduced by 2/3 and 1/3 of the gain/(loss) in each of the prior 2 years, respectively. The gain/(loss) for each period is determined as the actual return on market value during the period less the expected return on market value based on an assumed earnings rate chosen by the actuary but required by PPA to be not greater than the applicable third Segment Rate. The resulting value is constrained to be within a corridor of 90% to 110% of market value, including discounted receivable contributions.

	Actuary's Assumption	Third Segment Rate	Reflecting PPA Limit
2019 Expected Return	6.75%	6.11%	6.11%
2018 Expected Return	7.00%	6.29%	6.29%
2017 Expected Return	7.75%	6.48%	6.48%

Future actuarial measurements

Future actuarial measurements may differ significantly from current measurements due to plan experience differing from that anticipated by the economic and demographic assumptions, changes expected as part of the natural operation of the methodology used for these measurements, and changes in plan provisions, applicable law or regulations. An analysis of the potential range of such future differences is beyond the scope of this report.

Summary of Changes from the January 1, 2018 Valuation

Prescribed Assumptions: The interest rates and mortality tables were updated to the current rates in accordance with PPA and HATFA. Lump sum conversion mortality was updated to the 2019 IRS 417(e) Applicable Mortality table. Alcoa received approval by the IRS as specified in IRS Regulation 1.430(h)(3)-2, as revised in October 2017, to use mortality base tables based on Alcoa's actual experience, applied using experience from aggregating all of Alcoa's defined benefit pension plans. Approval was for 10 years from January 1, 2019 unless actual experience changes significantly.

Non-Prescribed Assumptions: The expected rate of return on assets was changed from 7.00% to 6.75%. This decrease was due to a combination of a decrease in the 20-year moving average of annual performance and lower future expected market returns. The process relied on a combination of historical asset return information and forward-looking returns by asset class information from various external investment managers and consultants.

The assumption changes above increased the Funding Target approximately \$8,712,000 and decreased the plan's AFTAP by 2.5%. The expected return on assets assumption change does not impact the 2019 funding valuation.

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Line 32 – Schedule of Amortization Bases

Shortfall Amortization

Date Established	Type Of Base	Years Remaining	Shortfall Amortization Installment	Present Value of Remaining Installments as of January 1, 2019
January 1, 2013	Shortfall	1	\$ 1,547,859	\$ 1,547,859
January 1, 2014	Shortfall	2	3,193,233	6,271,345
January 1, 2015	Shortfall	3	862,230	2,494,556
January 1, 2016	Shortfall	4	2,464,403	9,337,234
January 1, 2017	Shortfall	5	3,761,735	17,500,524
January 1, 2018	Shortfall	6	0	0
January 1, 2019	Shortfall	7	<u>0</u>	<u>0</u>
Total			\$ 11,829,460	\$ 37,151,518

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Line 24 – Change in Actuarial Assumptions

The expected rate of return on assets was changed from 7.00% to 6.75%. This decrease was due to a combination of a decrease in the 20-year moving average of annual performance and lower future expected market returns. The process relied on a combination of historical asset return information and forward-looking returns by asset class information from various external investment managers and consultants. The change in the expected rate of return on assets had no impact on the results.

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Line 23 – Information on Use of Substitute Mortality Tables

The substitute mortality table applies to all groups of plan participants and thus there are no groups that use the prescribed mortality tables for the 2019 plan year. The mortality ratio used to develop the table is 1.1017515, and applies to both males and females. The tables are based on full credibility. The substitute mortality tables have been approved beginning with the plan year commencing January 1, 2019 and ending with the plan year commencing January 1, 2028.

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Line 15 – Reconciliation of Differences Between Valuation Results and Amounts Used to Calculate AFTAP

	Amounts Used to Calculate AFTAP	Valuation Results
A.1 Funding Target	\$339,078,822	\$339,078,822
B. Actuarial Value of Assets	\$349,790,267	\$349,790,267
C. Funding Balances		
1. Carryover Balance (COB)	\$0	\$0
2. Prefunding Balance (PFB)	<u>\$78,527,209</u>	<u>\$78,527,209</u>
3. Total	\$78,527,209	\$78,527,209
D. Annuity purchases for non-HCEs during 2 preceding years	\$33,871,019	N/A
E. Adjusted FTAP (AFTAP) for benefit restrictions	102.87%	103.15%

ALCOA SUBSIDIARIES MERGED INACTIVE PLAN

EIN: 37-1808900

PN: 037

ATTACHMENT TO SCHEDULE SB OF 2019 FORM 5500

Schedule SB, Line 22 - Description of Weighted Average Retirement Age

Since the plan has no active participants, the weighted average retirement age is not applicable.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies
Statements of Individual Plan Net Assets Available for Benefits
December 31, 2019

	Alcoa Corp. Salary Plan	Alcoa Corp. Hourly Plan	Alcoa Subsidiaries Merged Inactive Plan	Suriname Plan I	Suriname Plan II
Assets					
Plans' interest in Pension Plans Master Trust for Alcoa USA Corp. at fair value (Notes 3 and 4)	\$ 1,533,157,815	\$ 1,651,618,498	\$ 257,923,700	\$ 99,330,849	\$ 72,602,245
Employer contributions receivable	17,622,698	19,252,417	11,651,905	3,261,917	1,703,781
Total assets	1,550,780,513	1,670,870,915	269,575,605	102,592,766	74,306,026
Liabilities					
Administrative expenses payable	52,123	71,734	33,677	25,253	42,863
Total liabilities	52,123	71,734	33,677	25,253	42,863
Net assets available for benefits	<u>\$ 1,550,728,390</u>	<u>\$ 1,670,799,181</u>	<u>\$ 269,541,928</u>	<u>\$ 102,567,513</u>	<u>\$ 74,263,163</u>

The accompanying notes are an integral part of these financial statements.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies
Statements of Individual Plan Net Assets Available for Benefits
December 31, 2018

	Alcoa Corp. Salary Plan	Alcoa Corp. Hourly Plan	Alcoa Subsidiaries Merged Inactive Plan	Suriname Plan I	Suriname Plan II
Assets					
Plans' interest in Pension Plans Master Trust for Alcoa USA Corp. at fair value (Notes 3 and 4)	\$ 1,408,656,294	\$ 1,426,096,092	\$ 322,306,845	\$ 92,928,322	\$ 65,995,257
Total assets	<u>1,408,656,294</u>	<u>1,426,096,092</u>	<u>322,306,845</u>	<u>92,928,322</u>	<u>65,995,257</u>
Liabilities					
Administrative expenses payable	<u>97,328</u>	<u>107,897</u>	<u>29,168</u>	<u>27,279</u>	<u>30,169</u>
Total liabilities	<u>97,328</u>	<u>107,897</u>	<u>29,168</u>	<u>27,279</u>	<u>30,169</u>
Net assets available for benefits	<u>\$ 1,408,558,966</u>	<u>\$ 1,425,988,195</u>	<u>\$ 322,277,677</u>	<u>\$ 92,901,043</u>	<u>\$ 65,965,088</u>

The accompanying notes are an integral part of these financial statements.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies
Statements of Changes in Individual Plan Net Assets Available for Benefits
Year Ended December 31, 2019

	Alcoa Corp. Salary Plan	Alcoa Corp. Hourly Plan	Alcoa Subsidiaries Merged Inactive Plan	Suriname Plan I	Suriname Plan II
Additions					
Employer contributions	\$ 35,245,396	\$ 133,504,834	\$ 17,156,323	\$ 5,306,318	\$ 2,185,839
Plans' interest in Pension Plans Master Trust for Alcoa USA Corp. investment income	270,132,138	274,790,818	61,820,943	17,849,729	12,689,485
Other	<u>701,396</u>	<u>1,371,075</u>	<u>279,908</u>	<u>—</u>	<u>—</u>
Total additions	306,078,930	409,666,727	79,257,174	23,156,047	14,875,324
Deductions					
Benefit payments	157,185,445	153,563,812	127,803,917	9,941,004	6,188,605
PBGC premiums	5,842,368	10,106,154	3,408,048	—	—
Administrative expenses	881,693	1,185,775	780,958	318,556	388,644
Total deductions	<u>163,909,506</u>	<u>164,855,741</u>	<u>131,992,923</u>	<u>10,259,560</u>	<u>6,577,249</u>
Net increase (decrease) prior to Plan transfers	142,169,424	244,810,986	(52,735,749)	12,896,487	8,298,075
Plan Transfers					
Annuity transfer to insurer	—	—	—	(3,230,017)	—
Net increase (decrease)	142,169,424	244,810,986	(52,735,749)	9,666,470	8,298,075
Net assets available for benefits					
Beginning of the year	1,408,558,966	1,425,988,195	322,277,677	92,901,043	65,965,088
End of year	<u>\$ 1,550,728,390</u>	<u>\$ 1,670,799,181</u>	<u>\$ 269,541,928</u>	<u>\$ 102,567,513</u>	<u>\$ 74,263,163</u>

The accompanying notes are an integral part of these financial statements.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

1. Description of Plans

The following description of each Plan's provisions provides only general information. Participants should refer to each Plan document for a more complete description of each Plan's provisions.

General

The Alcoa USA Corp. and Subsidiary Companies' ("Alcoa Corp." or the "Company") Pension Plan for Certain Salaried Employees of Alcoa USA Corp. (Alcoa Corp. Salary Plan), Pension Plan for Certain Hourly Employees of Alcoa USA Corp. (Alcoa Corp. Hourly Plan), Alcoa Subsidiaries Merged Inactive Plan (Alcoa Subsidiaries Merged Inactive Plan), Employees' Retirement Plan of Suriname Aluminum Company LLC Plan I (Suriname Plan I) and Employees' Retirement Plan of Suriname Aluminum Company LLC Plan II (Suriname Plan II) (each referred to as the "Plan") are noncontributory defined benefit plans that cover eligible United States employees and certain employees in foreign countries and participate in the Pension Plans Master Trust for Alcoa USA Corp. ("Master Trust").

The investments of the Plans are maintained under one trust pursuant to a "Master Trust Agreement" with the trustee, The Bank of New York Mellon ("trustee").

All fiduciary responsibility for the Plans is maintained by the Alcoa Corp. Benefits Management Committee. The Plans are subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA").

The Plans provide, in general, for monthly pensions upon retirement at or after age 65, or earlier upon disability, incapacity, special circumstances, or with certain minimum age and service requirements. Pension benefits generally depend upon length of service, job grade or remuneration, and certain social security and other benefits.

Eligibility and Vesting

Employees hired before March 1, 2006 are eligible to participate in the Alcoa Corp. Salary Plan after they have attained age 21 with one year of service. Certain new employees hired after March 1, 2006 are not eligible to participate in the Alcoa Corp. Salary Plan. Certain hourly employees are eligible to participate in the Alcoa Corp. Hourly Plan after they have attained age 21 with one year of service.

Suriname salaried employees hired after December 31, 2011 are no longer eligible to participate in Suriname Plan I. Suriname hourly employees hired after December 31, 2012 are no longer eligible to participate in Suriname Plan II. If hired prior to these dates, employees are eligible to participate in Suriname Plan I and Suriname Plan II after they have attained age 21 with one year of service.

There are no longer any active participants accruing benefits in the Alcoa Subsidiaries Merged Inactive Plan. Benefits are being provided to retired participants and will be provided to deferred vested participants in accordance with Plan provisions applicable at the time of their termination.

All eligible participants currently accruing benefits in the Plans fully vest after a five-year period.

Benefit Provisions

The benefit provisions for the Alcoa Corp. Salary Plan and the Suriname Plan I determine the retirement benefit on a compensation-based formula.

The Alcoa Corp. Hourly Plan and the Suriname Plan II determine the retirement benefits on a factor times years of service.

Benefit provisions for certain participants of the Alcoa Subsidiaries Merged Inactive Plan determine the retirement benefit on a compensation-based formula while the remaining is based on hypothetical account balances.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

Normal retirement for the Alcoa Corp. Salary Plan, the Alcoa Corp. Hourly Plan and the Alcoa Subsidiaries Merged Inactive Plan is age 65 with five years of service.

Normal retirement for the Suriname Plan I is age 60 with 18 months of service or age 55 with 30 years of service.

Normal retirement for the Suriname Plan II is the earlier of the date of (i) age 60, or (ii) the later of the date of age 65 or 18 months of service.

Risks and Uncertainties

The Plans invest in investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the Statements of Individual Plan Net Assets Available for Benefits and Statements of Changes in Individual Plan Net Assets Available for Benefits.

Plans' contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the individual Plans' financial statements.

Termination of Plans

Benefits under the Plans (except for the Suriname Plans, which are not subject to Title IV of ERISA) are insured by the Pension Benefit Guaranty Corporation ("PBGC"). Should the Plans terminate at some future time, the net assets of the Plans generally will not be available on a pro rata basis to provide participants' benefits. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

A full description of each Plan's termination priorities is available in each Plan document.

2. Summary of Accounting Policies

Basis of Accounting

The financial statements of the Plans are prepared under the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates

The preparation of the financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are stated at fair value. Fair value is 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. See Note 4 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Plans' interest in the Master Trust Investment loss includes the Plans' unrealized and realized gains and losses on investments, dividends, interest income, and investment management/trustee fees.

The fair value of the Plans' interest in the Master Trust are based on the beginning-of-year value of the Plans' interest in the Master Trust plus actual contributions and allocated investment income less actual distributions, allocated investment loss, and administrative expenses.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

The individual Plans participate in the operations of the Master Trust through the purchase and sale of units. Cash inflows and outflows between the Plans and the Master Trust are accounted for at the beginning-of-the-month unit value. Units are revalued monthly to reflect changes in the investment values. Net investment income and losses are allocated to the Plans that participate in the Master Trust based on each Plan's units held.

Benefit Payments

Benefit payments to participants are recorded when paid.

Administrative Expenses

Trustee, audit, legal, actuarial, recordkeeping, and other administrative expenses are paid by the Plans. Expenses for services provided for the Master Trust are allocated to the Plans ratably. Expenses for services provided directly to a specific plan are attributed only to that plan.

Investment Management Fees

Investment management fees are paid by the Plans and are included in Plans' interest in the Master Trust's Investment income.

Employer Contributions Receivable

Employer contributions receivable represent the remaining funding amounts the Company is required to contribute to meet the minimum contribution levels established by law or as a result of a formal commitment by the Company to make a contribution into the respective Plans.

Funding Policy

The Plans are defined benefit pension plans. No employee contributions to the Plans are required or permitted. The Company contributes such amounts as are necessary on an actuarial basis to provide the individual Plans with assets sufficient to meet the benefits to be paid to current and future retirees or their beneficiaries. The minimum contributions required, if any, for the Plans are designed to fund the Target Normal cost and an amortization installment towards any funding shortfalls. A funding shortfall occurs when there is an excess of Funding Target liability over the Actuarial Value of Plan Assets. The amortization installment is designed to fully fund the funding shortfall in a given year over a 7-year period. The Company may also voluntarily contribute amounts in excess of those minimum required amounts to meet certain funding thresholds or company objectives.

The actuarial determined pension contribution is calculated using the Unit Credit Cost Method. The Funding Target liability is the present value of accrued benefits and based on compensation and service to date. The Target Normal Cost is the present value of benefits expected to be accrued during the current plan year, reflecting the effect of expected compensation increases during the year and including expected expenses to be paid from plan assets during the year.

The Plans have met the minimum funding requirements under the provisions of ERISA in 2019 and 2018.

Investment Policy and Strategy

The Master Trust's investment policy at December 31, 2019 and 2018, by asset category, are as follows:

Asset Category	Policy Range
Equity securities	25-35 %
Fixed income securities	40-65 %
Other investments	10-25 %

The principal objectives underlying the investment of the pension plan assets are to ensure that the Company can properly fund benefit obligations as they become due under a broad range of potential economic and financial scenarios, maximize the long-term investment return with an acceptable level of risk based on such obligations, and broadly diversify investments across and within various asset classes to protect asset values against adverse movements. Investment risk is controlled by rebalancing to target allocations on a periodic basis and ongoing monitoring of investment manager performance.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

The portfolio includes an allocation to investments in long-duration government debt, long-duration corporate credit, real estate, high yield bonds, emerging market debt, global-listed infrastructure and public and private market equities. The target asset allocation is approximately 30% in equities, approximately 50% in fixed income, and approximately 20% in other investments.

Investment practices comply with the requirements of applicable laws and regulations in the respective jurisdictions, including ERISA in the United States.

Recently Adopted Accounting Standards

In February 2017, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2017-06, *Plan Accounting: Defined Benefit Pension Plans (Topic 960) Defined Contribution Pension Plans (Topic 962) Health and Welfare Benefit Plans (Topic 965) Employee Benefit Plan Master Trust Reporting*.

Under Topic 960, investments in master trusts are presented in a single line item in the Statement of Net Assets Available for Benefits. Similar guidance was not provided in Topic 962 or 965, which had resulted in diversity in practice. For each master trust in which a plan holds an interest, the amendments in this ASU require a plan's interest in that master trust and any change in that interest to be presented in separate line items in the Statement of Net Assets Available for Benefits and in the Statement of Changes in Net Assets Available for Benefits, respectively. Topics 960 and 962 required plans to disclose their percentage interest in the master trust and a list of the investments held by the master trust, presented by general type, within the plan's financial statements. The amendments in this ASU remove the requirement to disclose the percentage interest in the master trust for plans with divided interests and require that all plans disclose the dollar amount of their interest in each of those general types of investments, which supplements the existing requirement to disclose the master trust's balances in each general type of investments. Previously, U.S. GAAP did not require disclosure by plans of the master trust's other assets and liabilities. The amendments in this ASU require all plans to disclose (1) their master trust's other asset and liability balances and (2) the dollar amount of the plan's interest in each of those balances.

The ASU is effective for fiscal years beginning after December 15, 2018, with early adoption permitted. An entity should apply the amendments in this ASU retrospectively to each period for which financial statements are presented. The Plans adopted this guidance effective January 1, 2019 and applied it retrospectively. The adoption of this guidance did not have a material impact on the Plans' financial statements.

**Employees' Retirement Plans of Alcoa USA Corp. and
Subsidiary Companies**
Notes to Financial Statements
December 31, 2019 and 2018

3. Plans' Interest in the Master Trust

The Plans' investments are held in the Master Trust.

The following table sets forth the net assets of the Master Trust and the Plans' interest in the net assets of the Master Trust as of December 31, 2019:

	Alcoa Corp. Salary Plan	Alcoa Corp. Hourly Plan	Alcoa Subsidiaries Merged Inactive Plan	Suriname Plan I	Suriname Plan II	Master Trust
Assets						
Investments at fair value						
Cash and cash equivalents	\$ 58,564,027	\$ 63,089,024	\$ 9,852,248	\$ 3,794,270	\$ 2,773,283	\$ 138,072,852
Fixed income securities	766,459,921	825,681,070	128,941,833	49,657,716	36,295,488	1,807,036,028
Equity securities - common stocks	88,320,533	95,144,689	14,858,195	5,722,146	4,182,393	208,227,956
Equity securities - registered investment companies	195,137,422	210,214,873	32,828,040	12,642,643	9,240,676	460,063,654
Equity securities - commingled trust funds	324,778,114	349,872,359	54,637,541	21,041,856	15,379,773	765,709,643
Alternative investments	<u>96,365,738</u>	<u>103,811,516</u>	<u>16,211,643</u>	<u>6,243,382</u>	<u>4,563,372</u>	<u>227,195,651</u>
Total investments at fair value in Pension Plans						
Master Trust for Alcoa USA Corp.	1,529,625,755	1,647,813,531	257,329,500	99,102,013	72,434,985	3,606,305,784
Receivable for sales pending settlement and interest earned (net of payable for investments purchased)	<u>3,532,060</u>	<u>3,804,967</u>	<u>594,200</u>	<u>228,836</u>	<u>167,260</u>	<u>8,327,323</u>
Total value of interest in Pension Plans						
Master Trust for Alcoa USA Corp.	<u>\$ 1,533,157,815</u>	<u>\$ 1,651,618,498</u>	<u>\$ 257,923,700</u>	<u>\$ 99,330,849</u>	<u>\$ 72,602,245</u>	<u>\$ 3,614,633,107</u>

**Employees' Retirement Plans of Alcoa USA Corp. and
Subsidiary Companies**
Notes to Financial Statements
December 31, 2019 and 2018

The following table sets forth the net assets of the Master Trust and the Plans' interest in the net assets of the Master Trust as of December 31, 2018:

	Alcoa Corp. Salary Plan	Alcoa Corp. Hourly Plan	Alcoa Subsidiaries Merged Inactive Plan	Suriname Plan I	Suriname Plan II	Master Trust
Assets						
Investments at fair value						
Cash and cash equivalents	\$ 90,115,200	\$ 91,230,867	\$ 20,618,760	\$ 5,944,853	\$ 4,221,879	\$ 212,131,559
Fixed income securities	711,085,400	719,888,958	162,699,512	46,909,933	33,314,204	1,673,898,007
Equity securities - common stocks	97,539,874	98,747,462	22,317,559	6,434,655	4,569,723	229,609,273
Equity securities - registered investment companies	210,873,476	213,484,184	48,248,792	13,911,214	9,879,379	496,397,045
Equity securities - commingled trust funds	192,113,512	194,491,963	43,956,429	12,673,628	9,000,478	452,236,010
Alternative investments	99,246,383	100,475,097	22,708,015	6,547,232	4,649,673	233,626,400
Total investments at fair value in Pension Plans						
Master Trust for Alcoa USA Corp.	1,400,973,845	1,418,318,531	320,549,067	92,421,515	65,635,336	3,297,898,294
Receivable for sales pending settlement and interest earned (net of payable for investments purchased)	7,682,449	7,777,561	1,757,778	506,807	359,921	18,084,516
Total value of interest in Pension Plans						
Master Trust for Alcoa USA Corp.	<u>\$ 1,408,656,294</u>	<u>\$ 1,426,096,092</u>	<u>\$ 322,306,845</u>	<u>\$ 92,928,322</u>	<u>\$ 65,995,257</u>	<u>\$ 3,315,982,810</u>

For the year ended December 31, 2019, the Master Trust investment income was comprised of the following:

Investment income

Interest	\$ 44,469,614
Dividends	29,880,897
Net appreciation/(depreciation) in fair value of investments	
Fixed income securities	180,075,071
Equity securities - common stocks	56,235,821
Equity securities - registered investment companies	125,312,591
Equity securities - commingled trust funds	170,081,744
Futures contracts	137,079
Alternative investments	38,579,276
Investment management/trustee fees	(7,488,980)
Total Pension Plans Master Trust for Alcoa USA Corp. investment income	<u>\$ 637,283,113</u>

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

4. Fair Value Measurements

FASB Accounting Standards Codification No. 820, *Fair Value Measurements and Disclosures* (ASC 820), provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data correlation or other means.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at December 31, 2019 and 2018.

Cash and Cash Equivalents

Interest-bearing cash is valued at carrying value which approximates fair value.

Cash and cash equivalents held within commingled funds (institutional short-term investment funds) are fully liquid within 30 days and are valued at the closing Net Asset Value ("NAV") of shares held at year end as a practical expedient.

Cash and cash equivalents held within commingled funds (short-term investment funds) that are publicly traded are valued at the closing NAV (included in Level 1).

Fixed Income Securities

U.S. government debt is valued at the closing price reported on an active market on the last business day of each period presented (included in Level 1).

U.S. and non-U.S. fixed interest obligations (principally corporate bonds and debentures) are valued through consultation and evaluation with brokers in the institutional market using quoted prices and other observable market data (included in Level 2).

Corporate debt and other private collective investment trusts are generally valued at the last quoted sale or trade price on the primary market or exchange on which they are traded (included in Level 1). In the absence of such data, corporate debt and other private collective investment trusts are valued at the closing NAV of shares held at year end as a practical expedient.

Structured credit securities are valued by institutional pricing services using publicly available market quotations (included in Level 1). In the absence of such data, structured credit securities are valued at the closing NAV of shares held at year end as a practical expedient.

Equity Securities – Common Stocks

Valued at the closing price reported on an active market on the last business day of each period presented (included in Level 1).

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

Equity Securities – Commingled Trust Funds

Valued at the closing NAV of shares held at year end as a practical expedient. These funds are not publicly listed.

Equity Securities – Registered Investment Companies

Valued at the closing NAV of shares held at year end. These funds are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. They are required to publish their daily NAV and to transact at that price and, therefore, are deemed to be actively traded with readily determinable fair values (included in Level 1).

Alternative Investments

Valued primarily at the closing NAV of shares held at year end as a practical expedient as reported in audited financial statements. In the event that audited financial statements for these investments are not available in time to prepare the financial statements or management believes the value reported by the investment advisor does not accurately reflect fair value due to an event in the market place, management will adjust the reported value to fair value based upon information provided by the investment manager and independent valuation experts.

The following table sets forth by level, within the fair value hierarchy, the Master Trust assets at fair value as of December 31, 2019:

Assets at Fair Value as of December 31, 2019				
	Assets			
	Level 1	Level 2	Measured at Net Asset value (A)	Total
Cash and cash equivalents	\$ 503,607	\$ —	\$ 137,569,245	\$ 138,072,852
Equity securities - common stocks				
Real estate investment trusts	208,227,956	—	—	208,227,956
Equity securities - registered investment companies	460,063,654	—	—	460,063,654
Equity securities - commingled trust funds	—	—	765,709,643	765,709,643
Fixed income securities				
Corporate debt - other	61,340,475	617,127,374	243,437,286	921,905,135
U.S. government debt	720,209,529	—	—	720,209,529
Structured credit	87,547,094	—	77,374,270	164,921,364
Alternative Investments				
Private real estate - direct	—	—	48,293,478	48,293,478
Timber - direct	—	—	11,799,083	11,799,083
Venture capital - direct	—	—	100,574,411	100,574,411
Private equity - direct	—	—	34,621,847	34,621,847
Private debt - direct	—	—	4,639,599	4,639,599
Private equity/venture capital - fund of funds	—	—	19,434,956	19,434,956
Hedge funds	—	—	7,832,277	7,832,277
Total assets at fair value	<u>\$ 1,537,892,315</u>	<u>\$ 617,127,374</u>	<u>\$ 1,451,286,095</u>	<u>\$ 3,606,305,784</u>

(A) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies
Notes to Financial Statements
December 31, 2019 and 2018

The following table sets forth by level, within the fair value hierarchy, the Master Trust assets at fair value as of December 31, 2018:

Assets at Fair Value as of December 31, 2018				
	Level 1	Level 2	Assets Measured at Net Asset value (A)	Total
Cash and cash equivalents	\$ 36,243,915	\$ —	\$ 175,887,644	\$ 212,131,559
Equity securities - common stocks				
Real estate investment trusts	229,609,273	—	—	229,609,273
Equity securities - registered investment companies	496,397,045	—	—	496,397,045
Equity securities - commingled trust funds	—	—	452,236,010	452,236,010
Fixed income securities				
Corporate debt - other	192,189,179	630,524,782	134,776,285	957,490,246
U.S. government debt	716,407,761	—	—	716,407,761
Alternative Investments				
Private real estate - direct	—	—	52,179,294	52,179,294
Timber - direct	—	—	11,662,226	11,662,226
Venture capital - direct	—	—	91,066,618	91,066,618
Private equity - direct	—	—	43,288,678	43,288,678
Private debt - direct	—	—	7,797,533	7,797,533
Private equity/venture capital - fund of funds	—	—	21,238,286	21,238,286
Hedge funds	—	—	6,393,765	6,393,765
Total assets at fair value	<u>\$ 1,670,847,173</u>	<u>\$ 630,524,782</u>	<u>\$ 996,526,339</u>	<u>\$ 3,297,898,294</u>

(A) In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy.

The Master Trust uses the NAV as a practical expedient for all of the underlying investments which (a) do not have a readily determinable fair value and (b) either have the attributes of an investment company or prepare their financial statements consistent with the measurement principals of an investment company.

There have been no transfers between levels during the year.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

The following table sets forth a summary of liquidity consideration of the investments classified as commingled trust funds and alternative investments.

Category of Investment	Investment Strategy	December 31, 2019 Fair Value	December 31, 2018 Fair Value	Unfunded Commitments at December 31, 2019	Remaining Life at December 31, 2019	Redemption, Restrictions, and Terms
Corporate debt - other	Global debt markets	\$ 243,437,286	\$ 134,776,285	Not Applicable	Not Applicable	(C)
Structured credit	Mortgage and structured finance	77,374,270	-	Not Applicable	Not Applicable	(C)
Equity securities-commingled trust funds	Global equity markets	765,709,643	452,236,010	Not Applicable	Not Applicable	(C)
Private real estate - direct	Global private real estate strategy	48,293,478	52,179,294	2,258,338	Up to 2 years	(A)
Timber - direct	Global timber strategy	11,799,083	11,662,226	—	Up to 2 years	(A)
Venture capital - direct	Global private real estate strategy	100,574,411	91,066,618	544,464	Up to 2 years	(A)
Private equity - direct	Global private equity strategy	34,621,847	43,288,678	8,563,411	Up to 6 years	(A)
Private debt - direct	Global distressed debt	4,639,599	7,797,533	9,431	Up to 2 years	(A)
Private equity/venture capital - fund of funds	Global private equity/venture capital strategy	19,434,956	21,238,286	2,688,948	Up to 2 years	(A)
Hedge funds	Long/short equity strategy	7,832,277	6,393,765	Not Applicable	Not Applicable	(B)

(A) Redemption not permitted during life of funds. Sale or transfer subject to approval of the general partner.

(B) Hedge Fund Redemption terms vary by fund. Under normal conditions, most funds are available within one year. As of December 31, 2019, the single remaining hedge fund in the Long/Short Equity strategy consists of designated investments that are locked up for an indefinite period.

(C) Redemption terms vary by fund. Full liquidity is available within 30 days.

5. Derivatives

Derivatives Policy

The Master Trust enters into contractual arrangements classified as derivatives in carrying out its investment strategy, principally to (1) manage interest rate risk within the portfolio, (2) manage exposure to a market more efficiently than could be accomplished through the use of cash markets, and (3) increase investment returns by reducing the cost of structuring the portfolio or by capturing value disparities between financial instruments. The Master Trust may utilize exchange traded instruments such as interest rate futures and foreign currency forward contracts. The Master Trust is subject to enforceable master netting arrangements, or netting arrangements, with certain counterparties. Master netting agreements may not be specific to each different asset type; in such instances, they would allow the Master Trust to close out and net its total exposure to a specified counter party in the event of a default. The Master Trust's derivative holdings at December 31, 2019 and 2018 and the activity for the year ended December 31, 2019 were not material to the overall investment portfolio.

6. Accumulated Plan Benefits

Accumulated plan benefits are those future benefit payments that are attributable, under each Plan's provisions, to employees' service rendered to the benefit information date. Accumulated plan benefits comprise benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of deceased employees, and (c) present employees or their beneficiaries.

The actuarial present value of accumulated plan benefits is the amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the valuation date and the expected date of payment. The Plans' actuary made this determination.

Based upon actuarial estimates at December 31, 2019, the present value of accumulated plan benefits for the Plans are as follows:

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies
Notes to Financial Statements
December 31, 2019 and 2018

Actuarial Present Value of Accumulated Plan Benefits at December 31, 2019				
	Vested Benefits of Participants Currently Receiving Benefits	Other Vested Benefits	Nonvested Benefits	Total Present Value of Accumulated Plan Benefits
Alcoa Corp. Salary Plan	\$ 1,703,835,753	\$ 325,019,947	\$ 12,582,680	2,041,438,380
Alcoa Corp. Hourly Plan	1,708,280,537	313,351,230	11,936,938	2,033,568,705
Alcoa Subsidiaries Merged Inactive Plan	197,999,751	125,240,629	—	323,240,380
Suriname Plan I	128,321,469	20,955,935	249,195	149,526,599
Suriname Plan II	79,292,012	14,720,687	—	94,012,699

Based upon actuarial estimates at December 31, 2018, the present value of accumulated plan benefits for the Plans are as follows:

Actuarial Present Value of Accumulated Plan Benefits at December 31, 2018				
	Vested Benefits of Participants Currently Receiving Benefits	Other Vested Benefits	Nonvested Benefits	Total Present Value of Accumulated Plan Benefits
Alcoa Corp. Salary Plan	\$ 1,557,420,967	\$ 274,752,754	\$ 15,151,871	1,847,325,592
Alcoa Corp. Hourly Plan	1,594,556,326	264,575,600	17,374,291	1,876,506,217
Alcoa Subsidiaries Merged Inactive Plan	160,888,280	228,426,484	—	389,314,764
Suriname Plan I	120,795,675	18,936,863	442,826	140,175,364
Suriname Plan II	73,861,290	12,813,091	58,447	86,732,828

The change in the actuarial present value of accumulated plan benefits during the 2019 plan year resulted from the following:

	Actuarial Present Value of Accumulated Plan Benefits December 31, 2018	Change in Actuarial Assumptions	Interest	Benefits Paid (Includes LS)	Annuity (Note 10)	Benefits Accumulated and Other Experience^(A)	Actuarial Present Value of Accumulated Plan Benefits December 31, 2019
Alcoa Corp. Salary Plan	\$ 1,847,325,592	\$ 257,869,604	\$ 77,144,689	\$ (157,185,445)	\$ —	\$ 16,283,940	\$ 2,041,438,380
Alcoa Corp. Hourly Plan	1,876,506,217	224,290,779	78,474,566	(153,563,812)	—	7,860,955	2,033,568,705
Alcoa Subsidiaries Merged Inactive Plan	389,314,764	58,133,737	16,550,261	(127,803,917)	—	(12,954,465)	323,240,380
Suriname Plan I	140,175,364	16,907,514	5,974,265	(9,941,004)	(3,230,017)	(359,523)	149,526,599
Suriname Plan II	86,732,828	10,077,259	3,665,979	(6,188,605)	—	(274,762)	94,012,699

(A) Consists of expected increase (decrease) in benefits and other experience.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

The significant assumptions underlying the actuarial computations for the Plans at December 31, 2019 and 2018 are as follows:

Interest Rate

The following table lists the interest rates used for the Plans as of December 31, 2019 and 2018:

	2019	2018
Alcoa Corp. Salary Plan	3.18%	4.34%
Alcoa Corp. Hourly Plan	3.25	4.34
Alcoa Subsidiaries Merged Inactive Plan	3.35	4.44
Suriname Plan I	3.34	4.40
Suriname Plan II	3.35	4.38

Life Expectancy of Participants

The following tables list the mortality tables used for the calculation of the Accumulated Plan Benefits and lump-sum distributions for each of the plans for the years ended 2019 and 2018:

Plan	12.31.2019 Valuation	12.31.2018 Valuation
Alcoa Corp. Salary Plan Alcoa Subsidiaries Merged Inactive Plan (salaried employees)	For deaths after service retirement and deaths after disability retirement, Pri-2012 tables for males and females, with an adjustment based on Alcoa's experience, and the following improvement tables: · MP-2019 (Male Table used for males; Female Table used for females) - Generational projection scale trending to an ultimate improvement rate of 0.75%, grading down to 0.6% at age 95 and 0.0% at age 115	For deaths after service retirement and deaths after disability retirement, RP-2014 tables for males and females, and the following improvement tables: · Males - based on experience of Alcoa's salaried male population and trends to 0.65% ultimate improvement rate for ages less than 85, with the ultimate level grading to zero by age 115, achieved over a 20-year period · Females - based on experience of Alcoa's hourly (male and female) and salaried female population and trends to 0.50% ultimate improvement rate for ages less than 85, with the ultimate level grading to zero by age 115, achieved over a 20-year period
Alcoa Corp. Hourly Plan Alcoa Subsidiaries Merged Inactive Plan (hourly employees)	For deaths after service retirement and deaths after disability retirement, Pri-2012 tables for males and females, with Blue Collar adjustment and an adjustment based on Alcoa's actual experience, and the following improvement table: · MP-2019 (Male Table used for males; Female Table used for females) - Generational projection scale trending to an ultimate improvement rate of 0.75%, grading down to 0.6% at age 95 and 0.0% at age 115	For deaths after service retirement and deaths after disability retirement, RP-2014 tables for males and females, with Blue Collar adjustment and an adjustment based on Alcoa's actual experience, and the following improvement table: · Males and Females - based on experience of Alcoa's hourly (male and female) and salaried female population and trends to 0.50% ultimate improvement rate for ages less than 85, with the ultimate level grading to zero by age 115, achieved over a 20-year period
Suriname Plan I	For deaths after service retirement and deaths after disability retirement, 2018 Prescribed IRS Static Tables.	For deaths after service retirement and deaths after disability retirement Prescribed IRS Static Tables.
Suriname Plan II	For deaths after service retirement and deaths after disability retirement, 2018 Prescribed IRS Static Tables with Blue Collar adjustment for males and females with an adjustment based on Alcoa's actual experience.	For deaths after service retirement and deaths after disability retirement, IRS Prescribed Static Tables with Blue Collar adjustment for males and females with an adjustment based on Alcoa's actual experience.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

Plan	2019 Lump Sum Distributions	2018 Lump Sum Distributions
Alcoa Corp. Salary Plan Alcoa Corp. Hourly Plan Alcoa Subsidiaries Merged Inactive Plan	For the 2019 plan year, lump sum distributions are based on the PPA benefit calculated using modified segment rates and the Applicable Mortality Table as provided in Section 417(e)(3) of the Code.	For the 2018 plan year, lump sum distributions are based on the PPA benefit calculated using modified segment rates and the Applicable Mortality Table as provided in Section 417(e)(3) of the Code.

Retirement

The assumed weighted average retirement age is:

Alcoa Corp. Salary Plan	64
Alcoa Corp. Hourly Plan	64
Alcoa Subsidiaries Merged Inactive Plan	N/A
Suriname Plan I	58
Suriname Plan II	58

7. Tax Status

The Internal Revenue Service ("IRS") has determined and informed the Company that the Plans and related trust are designed in accordance with applicable sections of the Internal Revenue Code ("IRC").

The Plans have been amended since receiving the determination letters. However, the Plans' administrator believes that the Plans are currently designed and operating in compliance with the applicable requirements of the IRC. Therefore, the Plans' administrator believes the Plans were qualified and the related trust was tax-exempt as of the financial statements date.

Determination letters received were dated as follows:

Alcoa Corp. Salary Plan	May 8, 2017
Alcoa Corp. Hourly Plan	May 8, 2017
Alcoa Subsidiaries Merged Inactive Plan	December 8, 2016
Suriname Plan I	April 24, 2017
Suriname Plan II	May 4, 2017

U.S. GAAP requires the Plans' management to evaluate tax positions taken by the Plans and recognize a tax liability (or asset) if the organization has taken an uncertain position that would not be sustained upon examination by the IRS. The Plans' administrator has analyzed the tax positions taken by the Plans' and has concluded that as of December 31, 2019 and 2018, there are no uncertain tax positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure to the financial statements. As such, no reserve is required under U.S. GAAP. The Plans are subject to audit by the IRS; however, there are no current IRS audits for any tax periods in progress. The Plans' administrator believes the Plans are no longer subject to IRS audits outside the statutory audit period.

8. Information Certified by the Plans' Trustee

The information included in the Plans' financial statements and Note 3 was prepared by Bank of New York Mellon, the trustee of the Plans, as of December 31, 2019 and 2018 and for the period ended December 31, 2019 and furnished to the Plans' administrator. The Plans' administrator has obtained a certification from the trustee that such information is complete and accurate in accordance with Section 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. The Plans' management relies on third party valuation statements in valuing its alternative investments. In substantiating the reasonableness of the valuation information provided, management considers a variety of factors including review of methods and assumptions used by external sources, economic conditions, and market developments.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

- Statements of Individual Plan Net Assets Available for Benefits – investments at fair value except for the alternative investments of \$227,195,651 and \$233,626,400 identified in Note 3 (and reflected in the table below) as of December 31, 2019 and 2018, respectively.

	<u>2019</u>	<u>2018</u>
Private real estate - direct	\$ 48,293,478	\$ 52,179,294
Timber - direct	11,799,083	11,662,226
Venture capital - direct	100,574,411	91,066,618
Private equity - direct	34,621,847	43,288,678
Private debt - direct	4,639,599	7,797,533
Private equity/venture capital - fund of funds	19,434,956	21,238,286
Hedge funds	7,832,277	6,393,765
Total assets at fair value	<u>\$ 227,195,651</u>	<u>\$ 233,626,400</u>

- Statements of Changes in Individual Plan Net Assets Available for Benefits – interest, dividends, and net appreciation/(depreciation) in fair value of investments except for the net appreciation/(depreciation) in fair value of alternative investments of \$38,579,276 identified in Note 3 (and reflected in the table below) for the year ended December 31, 2019.

	<u>2019</u>
Private real estate - direct	\$ (2,006,525)
Timber - direct	283,541
Venture capital - direct	26,331,343
Private equity - direct	4,020,544
Private debt - direct	10,582
Private equity/venture capital - fund of funds	3,454,995
Hedge funds	6,484,796
Net appreciation in fair value of alternative investments	<u>\$ 38,579,276</u>

9. Related Party Transactions

The Plans invest in funds managed by The Bank of New York Mellon. The Bank of New York Mellon is the trustee as defined by the Plans; therefore, these transactions, and expenses paid to The Bank of New York Mellon, qualify as party-in-interest transactions.

The Company makes minimum funding contributions, and at times discretionary contributions, to the Plans; therefore, these transactions qualify as party-in-interest transactions.

10. Plan Specific Activities

Alcoa Corp. Salary Plan

On January 17, 2018, the Company announced the freeze of its U.S. defined benefit pension plans for salaried employees. Effective January 1, 2021, benefit accruals for future service and compensation under all the Company's qualified and non-qualified defined benefit pension plans for U.S. salaried employees will cease. In connection with this change, effective January 1, 2021, impacted employees will be transitioned to defined contribution plans, in which the Company will contribute 3% of these participants' eligible earnings on an annual basis. Such contributions will be incremental to any employer savings match the employees may receive under existing defined contributions plans. Participants already collecting benefits under the defined benefit pension plans, as well as those currently covered by collective bargaining agreements, are not affected by these changes.

Alcoa Corp. Hourly Plan

As a result of the collective bargaining agreement ratified on September 19, 2019, the Company and the United Steelworkers union agreed to discontinue defined benefit pension accruals for employees hired or rehired on or after January 1, 2020. Instead, the Company will contribute 3% of these employees' eligible earnings on an annual basis to an existing defined contribution plan. Such

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

contributions will be incremental to any employer savings match the employees may receive under the existing defined contribution plan. Participants already accruing or collecting benefits under the defined benefit pension plan are not affected by these changes.

Alcoa Subsidiaries Merged Inactive Plan

In October 2019, the Company offered lump sum buyouts to specific participants in the Alcoa Subsidiaries Merged Inactive Plan. As a result, the Company paid approximately \$112 million from plan assets on November 30, 2019 to approximately 1,700 participants and was relieved of the corresponding pension obligation.

Suriname Plan I

In November 2019, the Company signed a group annuity contract to transfer assets and related obligations for certain Trinidadian participants in Suriname Plan I. As part of the annuity contract, approximately \$3 million in assets were transferred to Sagicor Life Insurance Company. Sagicor assumed benefit payments for approximately 70 participants. Those payments began in January of 2020; participants did not see any change in the amount of their benefits.

Suriname Plan II

On December 31, 2019, the Afobaka hydroelectric dam in Suriname was transferred to the Government of the Republic of Suriname. In connection with the transfer, effective December 31, 2019, benefit accruals for future service and compensation under Suriname Plan II ceased. Participants already collecting benefits were not affected by these changes.

11. Commitments and Contingencies

The Master Trust has capital commitments of \$14,064,592 and \$15,077,810 at December 31, 2019 and 2018, respectively, in relation to additional funding for Limited Partnerships in which it invests.

12. Subsequent Events

Management has evaluated the events and transactions that have occurred through October 2, 2020, the date the financial statements were available to be issued, and noted no items requiring adjustment of the financial statements or additional disclosures, other than that which is described below.

On January 15, 2020, the Company made cash contributions of \$39,552,074 to its Plans. On September 15, 2020, the Company made cash contributions of \$13,940,644 to its Plans. In the Plans' financial statements, the total of these contributions, \$53,492,718, is being applied to the 2019 plan year and is reflected as an employer contribution receivable on the Statements of Individual Plan Net Assets Available for Benefits and as an employer contribution on the Statements of Changes in Individual Plan Net Assets Available for Benefits.

In January 2020, the Company announced the sale of Elemental Environmental Solutions LLC ("EES"), a wholly owned Alcoa subsidiary that operated the waste processing facility in Gum Springs, Arkansas, to a global environmental firm. On the date of the sale, EES employees became ineligible to participate in the Alcoa Corp. Hourly Plan. As a result of the transaction, pension assets of approximately \$2 million were transferred from the Alcoa Corp. Hourly Plan to a defined benefit pension plan sponsored by the purchasing firm with respect to the accrued benefits of active EES pension plan participants. The Company was relieved of the corresponding pension obligation.

In February 2020, participants of Suriname Plan I were notified by the Company that benefit accruals for future service and compensation will cease effective January 1, 2021. In connection with this change, effective January 1, 2021, impacted employees will be transitioned to a defined contribution plan, in which the Company will contribute 10% of these participants' eligible earnings on an annual basis. Such contributions will be incremental to any employer savings match the employees may receive under existing defined contributions plans. Participants already collecting benefits under Suriname Plan I are not affected by these changes.

In March 2020, the World Health Organization categorized Coronavirus Disease 2019 ("COVID-19") as a pandemic, and the President of the United States declared the COVID-19 outbreak a national emergency. As a result of the outbreak, there has been instability in the capital markets. The ultimate impact of COVID-19 on the Plans' financial position will depend on future developments, including the duration of the pandemic and the associated length of its impact on the global economy, which cannot be predicted at this time.

Employees' Retirement Plans of Alcoa USA Corp. and Subsidiary Companies

Notes to Financial Statements

December 31, 2019 and 2018

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was passed by Congress. The CARES Act provides temporary relief for plan sponsors with respect to minimum required contributions ("MRCs") and benefit restrictions. Specifically, the provisions allow plan sponsors to delay MRCs that would otherwise be due during calendar year 2020 to January 1, 2021 and elect to use the plan's 2019 adjusted funding target attainment percentage ("AFTAP") for the 2020 plan year. Management plans to defer approximately \$200 million of contributions due in 2020 to January 1, 2021 and has elected the AFTAP option mentioned above.

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2019 This Form is Open to Public Inspection
--	--	---

For calendar plan year 2019 or fiscal plan year beginning 01/01/2019 and ending 12/31/2019

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Alcoa Subsidiaries Merged Inactive Plan	B Three-digit plan number (PN) ▶ 037
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Alcoa USA Corp.	D Employer Identification Number (EIN) 37-1808900
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month 01 Day 01 Year 2019	
2 Assets:	
a Market value.....	2a 322,277,677
b Actuarial value	2b 349,790,267
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment	(1) Number of participants 1,439 (2) Vested Funding Target 151,087,834 (3) Total Funding Target 151,087,834
b For terminated vested participants	4,049 187,990,988 187,990,988
c For active participants	0 0 0
d Total	5,488 339,078,822 339,078,822
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 5.58%
6 Target normal cost	6 4,200,000

Statement by Enrolled Actuary
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		09/17/2020
Signature of actuary		Date
PATRICK A. GRAHAM		2008256
Type or print name of actuary		Most recent enrollment number
BUCK GLOBAL, LLC		412-281-2506
Firm name		Telephone number (including area code)
11 STANWIX STREET, SUITE 700		
PITTSBURGH PA 15222-1312		
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

**Schedule SB (Form 5500) 2019
v. 190130**

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	125,782,200
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	125,782,200
10 Interest on line 9 using prior year's actual return of <u>-2.10%</u>	0	-2,641,426
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		808,829
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.72%</u>		46,265
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return.....		0
c Total available at beginning of current plan year to add to prefunding balance.....		855,094
d Portion of (c) to be added to prefunding balance.....		855,094
12 Other reductions in balances due to elections or deemed elections.....	0	45,468,659
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	78,527,209

Part III Funding Percentages

14 Funding target attainment percentage	14	80.00%
15 Adjusted funding target attainment percentage.....	15	102.87%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	80.57%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
04/15/2019	1,834,806	0			
07/15/2019	1,834,806	0			
10/15/2019	1,834,806	0			
01/15/2020	1,834,806	0			
09/15/2020	9,817,099	0			
Totals ▶			18(b)	17,156,323	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	16,029,460

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year?..... ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?..... ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year				
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th	
0	0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost**21** Discount rate:**a** Segment rates:1st segment:
3.74 %2nd segment:
5.35 %3rd segment:
6.11 %☐ N/A, full yield curve used**b** Applicable month (enter code) **21b** 4**22** Weighted average retirement age **22****23** Mortality table(s) (see instructions) ☐ Prescribed - combined ☐ Prescribed - separate ☒ Substitute**Part VI Miscellaneous Items****24** Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No**25** Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**26** Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No**27** If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27****Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years****28** Unpaid minimum required contributions for all prior years **28** 0**29** Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) **29** 0**30** Remaining amount of unpaid minimum required contributions (line 28 minus line 29) **30** 0**Part VIII Minimum Required Contribution For Current Year****31** Target normal cost and excess assets (see instructions):**a** Target normal cost (line 6) **31a** 4,200,000**b** Excess assets, if applicable, but not greater than line 31a **31b** 0

Amortization installments:		Outstanding Balance	Installment
a Net shortfall amortization installment.....		37,151,518	11,829,460
b Waiver amortization installment.....		0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33****34** Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)..... **34** 16,029,460

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	0	0

36 Additional cash requirement (line 34 minus line 35)..... **36** 16,029,460**37** Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 16,029,460

Present value of excess contributions for current year (see instructions)		
a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)..... **39** 0**40** Unpaid minimum required contributions for all years **40** 0**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)****41** If an election was made to use PRA 2010 funding relief for this plan:**a** Schedule elected ☐ 2 plus 7 years ☐ 15 years**b** Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011