

# ALUMINIUM BAHRAIN B.S.C. STAKEHOLDER ENGAGEMENT PLAN POWER STATION 5 – BLOCK 4

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## 1 INTRODUCTION

### 1.1 Document Name and Number

The SEP\_PS5\_Block4\_PLN\_V002 is the formal document of Aluminium Bahrain B.S.C. (Alba), also referred to as the Company, detailing its 'Stakeholder Engagement Plan' (SEP) for Power Station 5 (PS5) Block 4 Project, which will be referred to as the 'Project' for the purposes of this document.

The SEP\_PS5\_Block4\_PLN\_V001 (available on Alba website) was issued in December 2022 following the Environment & Social Impact Assessment (ESIA) on the Project.

The SEP\_PS5\_Block4\_PLN\_V002 is the updated version following the findings of the supplementary reports on the Project and includes the updated findings in relation to Stakeholder Engagement.

### 1.2 Purpose

The purpose of this document is to outline Alba's stakeholder consultation and engagement approach with its stakeholders and the community, which may be affected by or interested in, the Project's construction activities. It presents a culturally appropriate stakeholder engagement framework that meets the obligations and expectations of the Company, the Government and the Lenders' Group.

The SEP also includes Alba's External Grievance Mechanism for any stakeholders or the general public to raise any concerns related to the Company and/or its projects.

The SEP is a live Document and will be updated as needed.

The Objectives of this Document are to:

- Provide an outline of stakeholder engagement in line with International Finance Corporate (IFC) Performance Standards and Equator Principle (EP) IV – July 2020, Bahraini legislations and Lenders' Group and other financing institutions;
- Provide a baseline and reference for a Project-related SEP, as and when required;
- Summarise Alba's stakeholders;
- Summarise the disclosure and dissemination of information to stakeholders;
- Identify stakeholder groups that are affected, and/or influence Alba and its operations;
- Identify effective methods to disseminate information to various stakeholder groups and gather feedback from stakeholders;

- Provide information on Alba’s formal External Environmental & Social (E&S) Grievance Mechanism for stakeholders and public to raise any concerns, as well as provide feedback and comments about Alba.

### 1.3 Scope

The scope of this Document is outlined as below:

- This SEP applies to PS5 Block 4 construction only;
- Is part of Alba Management Plans;
- Has overlaps and links to several other Management plans such as Health, Safety and Environmental Management System (HSEMS), Emergency Preparedness and Response Plan (EPRP), Corporate Communications Plan, Safety and Health (S&H) Policies and Procedures, Alba Code of Practice (ACOP), etc.;
- Does not supplement or replace any of Alba’s existing systems such as Legal procedures, Human Resources (HR) policies and procedures, etc. as a whole or any individual department; and
- Provide overarching plan for any SEPs that will be developed and implemented for the construction of any Project in line with national regulatory requirements, IFC Performance Standards (PS) and Equator Principles-IV July 2020 (EP), and the Lenders’ Group.

### 1.4 Approvals and Authority

This Document is owned by Alba’s Investor Relations (IR) Department. All Request for Changes (RFC) will be addressed to the IR Department, and changes will be implemented after obtaining the requisite Management approvals.

### 1.5 Resources and Responsibilities

Principle roles and responsibilities for the implementation of this SEP are outlined in the below Table 1.1.

| Entity | Responsibilities  |
|--------|---|
| IR     | <ul style="list-style-type: none"> <li>• Owner and accountable for the SEP, as well as any Project-related SEP;</li> <li>• Develop and implement a Project-related SEP in compliance with IFC and EP requirements and other international obligations, as and when required;</li> <li>• Assign a resource to manage the SEP and the External E&amp;S Grievance Mechanism to:</li> </ul> |

| Entity                          | Responsibilities   |
|---------------------------------|--|
|                                 | <ul style="list-style-type: none"> <li>– Liaise with concerned departments including S&amp;H and Environment, Social and Governance (ESG) to oversee the implementation of plans related to this SEP;</li> <li>– Perform monitoring and evaluation to track the progress of the SEP and the External E&amp;S Grievance Mechanism;</li> <li>– For any Project, current and future, liaise with the Project teams to oversee stakeholder engagement activities as mentioned in the Environment and Social Impact Assessment (ESIA) and Supplementary ESIA if any;</li> <li>– Act as a liaison between Project teams and the Lenders Group to ensure implementation of requirements;</li> <li>– Coordinate Lenders Group reporting;</li> <li>– Provide for disclosure of any Project-related ESIA disclosure</li> <li>– Draft and publish annual Sustainability Report;</li> <li>– Draft and publish the Annual Report; and</li> <li>– Coordinate regulatory/government reporting when required.</li> </ul> |
| <p><b>Other Departments</b></p> | <ul style="list-style-type: none"> <li>• Coordinate with various government authorities as and when required;</li> <li>• Implementation and compliance with Alba’s HSEMS by Alba and contractor workforce;</li> <li>• Meet the required standards through the ESG Framework, S&amp;H Policy, Alba Code of Practices (ACOPs), Statement of Purpose (SOP), Job Safe Practices (JSPs) etc.; and</li> <li>• Accountable for meeting any requirements as requested by the Lenders Group.</li> </ul>   |
| <p><b>Contractors</b></p>       | <ul style="list-style-type: none"> <li>• Implement Alba’s HSEMS, SOPs, ACOPs, JSPs, etc.</li> <li>• Prepare and deliver periodic or, as required, reports as required by different departments;</li> <li>• Communicate Alba’s External E&amp;S Grievance Mechanism as well as HR grievance systems to their employees and sub-contractors;</li> <li>• Investigate any grievances raised and keep reports on the same; and</li> <li>• Cooperate with Alba during any investigation of grievances.</li> </ul>  |

**Table 1.1 - SEP Roles and Responsibilities**

## 1.6 Cross Links to other Alba Plans

This SEP is linked to other Alba Management Plans and Policies namely:

### **Emergency Preparedness and Response Plan (EPRP)**

The objective of this Plan is to provide detailed procedures that applies to all emergency incidents that occur inside Alba and its vicinity, including the truck haul road, Calciner and Marine facilities and any construction sites/areas under the authority of Alba. This procedure is also applicable for decommissioning/demolition activities at Alba site.

1. The scope relates to all Alba (and contractor) operations and activities (including the off-site heavy vehicle movements on the Alba Haul Road).
2. While Bahrain Ministry of Interior will respond to any off-site emergencies, Alba (and its Contractors) is responsible for notification of any incidents and are to render such assistance as is possible and appropriate prior to the arrival of the emergency services.

### **Emergencies within Alba Operations**

The main purpose of the Operation Emergency Plan is to save workers lives, business interruptions and prepare/react to emergencies before, during and after the event at any work area (operation) inside the vicinity of Alba. This area of the procedure will cover the preparedness and response in the following operation emergencies:

1. Gas leakages or/and disturbance of flow from any supply to/from the department;
2. Breakage of gas lines;
3. Liquid pitch spillages;
4. Open circuit at the pot room area;
5. Bridging inside the pot room;
6. Massive oil leakage and spillages;
7. Molten metal spillages beyond control from pot Tap-out and/or metal explosion;
8. Uncontrolled chemical spillages and/or explosions;
9. Explosion of pressured vessels;
10. Accidents that involve rescue or fatal/severe injuries;
11. Any other situation(s) that are identified by the Director of S&H, Fire and Security and the Fire and Security superintendent.

### **Handling Emergencies Outside Alba Boundaries**

Alba values the society and recognize its role towards its stakeholders. As part of the organization's Corporate Social Responsibility, hence Alba will react to any emergencies that are experienced within the diameter of 500 meter outside Alba's current facility.

The following are the guidelines for reacting to emergencies outside the organization:

1. Alba emergencies that occur outside the organization's vicinity and area (i.e., King Hamad Road, Um AISaad Road, Road 96 and Downstream Roads) will be handled by the Ministry of Interior and Emergency Response and Operations Centre for the Kingdom of Bahrain. However, Alba can provide support in terms of first aid and initial response to control the scene upon the judgement of Alba shift security supervisor.
2. When an emergency occurs to the public outside the vicinity of Alba, the shift supervisor will assess the severity of the situation and will deploy the necessary resources to the scene of emergency without jeopardising the organization's emergency preparedness and response for Alba operation - in case needed.
3. Upon the sole judgment of the shift supervisor, if the external emergency is affecting Alba operations, the supervisor will do the necessary callout in consideration to the emergency callout plan.
4. Except for road traffic accidents that occur on Alba Truck Haul Road, all road traffic accidents shall be dealt by the Ministry of Interior responsible directorate.

#### **Corporate Communications Plan**

Alba's Corporate Communications Plan comprises an annual calendar of events and activities that support the Company's business strategy by providing consistent, timely and accurate messaging to various stakeholders. This Plan also includes Alba's policy on sponsorship initiatives that have a sustainable impact on Bahrain and its economy.

#### **Health, Safety and Environment Management System (HSEMS)**

Alba's formal HSEMS ensures the effective management of various safety, environmental and health risks, which in turn guide the management of stakeholder engagement activities.

The HSEMS is a tool that defines Alba's commitment, roles, and responsibilities towards the protection of OSH, environment, and the resources. Additionally, it enables Alba to comply with applicable SHE laws, regulations, standards, and policies. It also provides a common framework to promote the self-regulation of SHE management system.

Alba has established, documented, implemented, and shall maintain the HSEMS in accordance with the requirement of ISO 45001:2018 and ISO 14001:2015.

#### **Safety and Health (S&H) Policy**

Alba Executives and Senior Management are fully committed to continually improve Safety and Health in and around Alba, as well as of its stakeholders. Alba S&H policy is a commitment to all its stakeholders to comply with workplace S&H standards and procedures and strive towards eliminating harm.



### **External E&S Grievance Mechanism**

It is Alba's formal process designed to receive and facilitate the resolution of E&S grievances from the community, as well as provide a summary of the E&S performance on grievances received and resolved.

\*This SEP does not replace or substitute any of the aforementioned plans or any of Alba's other policies and procedures such as the Operation Readiness and Implementation Strategy Plan, Risk Assessment and Hazard, etc.

## 2 REGULATORY FRAMEWORK AND REPORTING

### 2.1 Introduction

The purpose of this section is to set out the requirements that apply to stakeholder engagement, which are derived from:

- National laws and regulations;
- IFC Performance Standards and EP – IV; and
- Alba’s existing HSEMS, S&H Policy, ESG Framework, etc.

### 2.2 National Laws and Regulations

There are no established Bahraini laws and regulations specifying stakeholder engagement. However, Alba will follow all the stipulated E&S laws as well as ensure that all contractors and sub-contractors meet all the environmental and social standards and guidelines. Alba also has in place relevant contracts and systems conforming to the respective regulatory framework of the Government entities and bodies.

### 2.3 Applicable International Standards and Guidelines

Alba is committed to comply with the IFC Performance Standard 1 and EP IV – July 2020 as part of the financing arrangements for the Line 6 Expansion Project. The requirements for stakeholder engagement are outlined in the below Table 1.2.

| Standard                   | Category               | Requirements   |
|----------------------------|------------------------|--|
| IFC Performance Standard 1 | Stakeholder Engagement | <ul style="list-style-type: none"> <li>• Identify people or communities that are or could be affected by the project, as well as other interested parties.</li> <li>• Ensure that such stakeholders are appropriately engaged on E&amp;S issues that could potentially affect them through a process of information disclosure and meaningful consultation.</li> <li>• Develop and implement an SEP that is scaled to the Project risks and impacts and development stage and be tailored to the characteristics and interests of the Affected Communities.</li> <li>• Undertake a process of consultation in a manner that provides the Affected Communities with opportunities to</li> </ul> |

| Standard            | Category               | Requirements   |
|---------------------|------------------------|--|
|                     |                        | <p>express their views on Project risks, impacts and mitigation measures.</p> <ul style="list-style-type: none"> <li>• The ESIA risks and impacts identification should take account of the outcome of the engagement process with Affected Communities as appropriate.</li> <li>• Engagement should be based on the timely and effective dissemination of relevant Project information, including the results of the process of identification of E&amp;S risks and impacts and corresponding mitigation measures, in languages and methods preferred by the Affected Communities and that allow for meaningful communication.</li> <li>• Affected communities should be engaged on issues that could potentially affect them, throughout the Project cycle.</li> <li>• Allow the views, interests and concerns of different stakeholders, particularly of the local communities directly affected by the Project (Affected Communities), to be heard, understood, and taken into account.</li> </ul>                                   |
| Equator Principle 5 | Stakeholder Engagement | <ul style="list-style-type: none"> <li>• Demonstrate effective stakeholder engagement as an ongoing process in a structured and culturally appropriate manner with Affected Communities and, where relevant, Other Stakeholders. Tailor the consultation process to the risks and impacts of the Project; the Project's phase of development; the language preferences of the Affected Communities; their decision-making processes; and the needs of disadvantaged and vulnerable groups.</li> <li>• The consultation process should be free from external manipulation, interference, coercion, and intimidation.</li> <li>• To facilitate stakeholder engagement, make the appropriate Assessment Documentation readily available to the Affected Communities, and where relevant Other Stakeholders, in the local language and in a culturally appropriate manner.</li> <li>• Take account of, and document, the results of the Stakeholder Engagement process, including any actions agreed resulting from such process.</li> </ul> |

| Standard                   | Category            | Requirements   |
|----------------------------|---------------------|--|
|                            |                     | <ul style="list-style-type: none"> <li>For projects with environmental or social risks and adverse impacts, disclosure should occur early in the Assessment process, in any event before the project construction commences, and on an ongoing basis.</li> </ul>   |
| IFC Performance Standard 1 | Grievance Mechanism | <ul style="list-style-type: none"> <li>Establish a grievance mechanism to receive and facilitate resolution of the affected stakeholders' concerns and grievances about the Project's environmental and social performance.</li> <li>Grievances raised by stakeholders need to be managed through a transparent process, which is culturally appropriate, understandable, readily acceptable to all segments of affected communities, at no cost and without retribution. The mechanism should seek to resolve concerns promptly.</li> <li>The mechanism should be appropriate to the scale of impacts and risks presented by a project and beneficial for both the company and stakeholders.</li> <li>The mechanism must not impede access to other judicial or administrative remedies.</li> <li>Affected Communities should be informed about the mechanism during the stakeholder engagement process.</li> </ul> |
| IFC Performance Standard 4 | Grievance Mechanism | <ul style="list-style-type: none"> <li>A grievance mechanism should allow the affected community to express concerns about the Community Health, Safety and Security.</li> </ul>   |
| Equator Principle 6        | Grievance Mechanism | <ul style="list-style-type: none"> <li>Establish a grievance mechanism designed to receive and facilitate resolution of concerns and grievances about the Project's E&amp;S performance.</li> <li>The grievance mechanism is required to be scaled to the risks and impacts of the Project and have Affected Communities as its primary user. It will seek to resolve concerns promptly, using an understandable and transparent consultative process that is culturally appropriate, readily accessible, at no cost, and without retribution to the party that originated the issue or concern. The mechanism should not impede access to judicial or administrative remedies.</li> </ul>   |

| Standard                         | Category                            | Requirements   |
|----------------------------------|-------------------------------------|--|
|                                  |                                     | <ul style="list-style-type: none"> <li>Affected Communities should be informed about the mechanism in the course of the stakeholder engagement process.</li> </ul>   |
| IFC Performance Standard 1       | Information Disclosure              | <ul style="list-style-type: none"> <li>It is regarded as international good practice to ensure that information is provided to stakeholders in a way that would enable them to make contributions meaningfully.</li> <li>Provide Affected Communities with access to relevant information on: (i) the purpose, nature, and scale of the project; (ii) the duration of proposed project activities; (iii) any risks to and potential impacts on such communities and relevant mitigation measures.</li> <li>Provide periodic reports to the Affected Communities that describe progress with implementation of the Project on issues that involve ongoing risk to or impacts on Affected Communities and on issues that the consultation process or grievance mechanism have identified as a concern to those Communities.</li> <li>The frequency of these reports will be proportionate to the concerns of Affected Communities but not less than annually.</li> </ul> |
| Equator Principle 10             | Information Disclosure              | <ul style="list-style-type: none"> <li>At a minimum, a summary of the ESIA should be made accessible and available online.</li> <li>Publicly report GHG emission levels (combined Scope 1 and Scope 2 Emissions) during the operational phase for Projects emitting over 100,000 tonnes of CO2 equivalent annually</li> </ul>  |
| IFC Performance Standard 1 and 4 | Emergency Preparedness and Response | <ul style="list-style-type: none"> <li>Document the emergency preparedness and response activities, resources, and responsibilities, and provide appropriate information to potentially Affected Community and relevant government agencies.</li> <li>Emergency plans should address emergency contacts and communication systems/protocols (including communication with Affected Communities when necessary), and procedures for interaction with government authorities (emergency, health, environmental authorities).</li> </ul>  |

| Standard | Category | Requirements  |
|----------|----------|---|
|          |          | <ul style="list-style-type: none"> <li>Provide relevant local authorities, emergency services, and the Affected Communities and other stakeholders with information on the nature and extent of environmental and human health effects that may result from routine operations and unplanned emergencies at the project facility. Information campaigns should describe appropriate behaviour and safety measures in the event of an incident, as well as actively seek views concerning risk management and Affected Community or other stakeholder preparedness.</li> </ul> |

Table 1.2 - IFC PS and EP- IV standards for Alba’s Stakeholder Engagement

## 2.4 Project Standards

The Project will meet the requirements outlined in the section ‘Regulatory Framework and Reporting’ as given above, national and international requirements and various Alba plans and procedures as applicable such as the HSEMS, SHE Policy and ESG Framework at all times.

## 3 PROJECT CONTEXT

### 3.1 Company Background

At plus-1.561 million metric tonnes per annum (2021), Alba is one of the world's largest Aluminium smelters with more than 50 years of excellence in Operations, Safety, Environment and Socio-Economic Development. A blue-chip asset of the Kingdom of Bahrain, Alba completed five decades of commercial operations in May 2021. The Company marked its Golden Jubilee by breaking all its previous records in Safety marking 30 million Safe working-hours without Lost Time Injury (LTI) on 01 September 2022.

Alba produces high-quality Aluminium products in the form of Standard and Value-Added Products (VAPs), which are exported to more than 240 global customers through its sales offices in Europe (Zurich), Asia (Hong Kong & Singapore) and subsidiary office in the U.S. Alba is dual listed on Bahrain Bourse and London Stock Exchange and its shareholders are Bahrain Mumtalakat Holding Company B.S.C. © (69.38%), SABIC Industrial Investments Company (SIIC) (20.62%) and General Public (10%). Alba holds globally-recognised certifications such as ISO 9001, ISO 14001, ISO 27001, ISO 45001, IATF 16949:2016, ISO 22301:2012 Business Continuity Management System (BCMS) and ASI Performance Standard Certification and Ecovadis Certification.

As the first Aluminium smelter in the Middle East, Alba has been a major contributor to the social, industrial, and economic development of the Kingdom of Bahrain. Alba sits at the heart of a thriving Aluminium downstream sector in Bahrain, which accounts for approximately 12% of the Kingdom's GDP. As one of the biggest national companies, Alba has ensured not only the employment of Bahrain nationals (84% in 2021) but also the enhancement of their capabilities through education, training, and development initiatives at every stage of their career.

Alba is recognised as one of the top industrial companies in the world with high standards in Environment practices, Social contribution and Corporate Governance. Launched in February 2022, the Company's ESG Roadmap outlines 6 priority areas - (1) Decarbonisation, (2) Green Energy & Aluminium, (3) Circular Economy & Secondary Aluminium, (4) Employee Welfare, (5) Collaboration & Partnership and (6) Transparency, Communications & Due Diligence. Since its inception, Alba has invested into numerous environment, sustainable and socio-economic development projects that have had a positive impact on the society with the most recent initiatives being the first-of-its-kind zero-waste Spent Pot Lining Treatment Plant and the 5-7 MW Solar Farm Project, both of which are tangible efforts to meet the goals of Bahrain's Economic Vision 2030 as well as the Net Zero Carbon targets led by HRH the Crown Prince and Prime Minister of Bahrain. Alba will also play a crucial role in the upcoming Aluminium Downstream Park, which will increase the contribution of non-oil sectors to the GDP of Bahrain.

### 3.2 Project Background

In 2019, Power Station 5 was constructed within the northwest corner of the Alba site (Figure 1.1). It is a Combined Cycle Gas Turbine (CCGT) plant utilising latest and proven 'H' class gas turbine technology in a 1 x 1 x 1 multi-shaft configuration. The CCGT plant has a minimum net electrical output capacity of 1800 Mega Watts (MW) at ISO conditions. A minimum of three separate and independent generating blocks in a multi-shaft of 1:1:1 configuration is included at the Station. The gas turbine units are fired on natural gas although one unit has the capability of being fired on distillate for the purpose of emergency shutdown of the smelter plant in the event of total loss of natural gas supply.

Block 4 is an expansion of Power Station 5 and shall have a similar 1:1:1 configuration with J-class gas turbine technology and with minimum nominal ISO rating of 680.8 MW. It includes a connection to the existing 220kV Substation. This expansion will increase the capacity of Power Station 5 from 1,800 MW to 2,481 MW. The Block 4 gas turbine unit will have the capability to operate on 100% Khuff gas, 100% residual will also have the capability to operate on any proportionate mixture of Khuff-residual gas. The increased capacity and efficiency of Power Station 5 will eliminate the need for other power stations current operating at Alba. It is understood that Power Station 3, which is operating on a low load, will be shut down and will be kept as emergency standby and Power Station 4 will run partially.

A Consortium of Mitsubishi Power Ltd. and SEPCO III Electric Power Construction Co. Ltd. (SEPCO III) (hereby known as the Contractor) will execute the construction of Power Station 5 Block 4.

### 3.3 Rationale / Needs

On completion of Line 6 Expansion Project, Power Station 1 was largely decommissioned. As of September 2020, fifteen out of nineteen Gas Turbines, originally installed, were disconnected electrically and are no longer available for generation.

Remaining four gas Turbines are connected to the network system and will remain physically available for possible future use as a black start and emergency reserve. Power Station 2 will remain in a black start and emergency reserve capacity. One of the Gas Turbine is dedicated to start the Power station 5 Gas Turbine during the blackout condition and other Gas Turbines are emergency reserve. Power Station 2 steam generator will be decommissioned and disposed of the following the power requirement review.

On completion of PS 5 Block 4 Expansion Project, the capacity of PS5 will increase from 1,800 MW to 2,481 MW. Rationale behind the expansion of PS5 Block 4 is the efficiency of this combined cycle power plant is much higher than combined cycle power plants of PS 3 and PS 4.



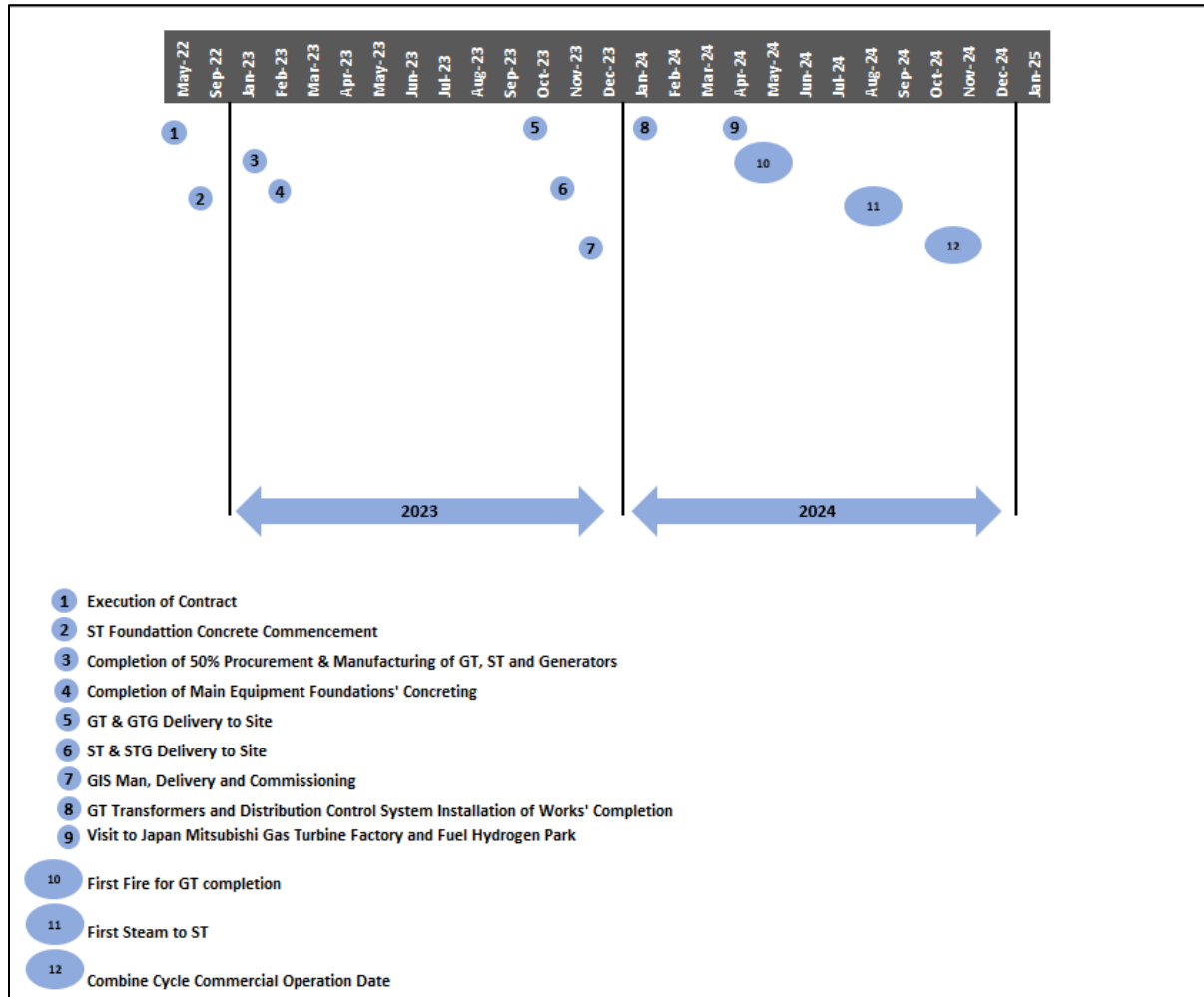
Power Station 3, which is operating on a low load, will be shut down and will be kept as emergency standby. Power station 4 will be running partially.

Table 1.3 below provides a snapshot of the Project's details.

| Project Details          |   |                    |
|--------------------------|---|--------------------|
| Project Name             | Alba Power Station 5 – Block 4                          |                    |
| Location                 | Aluminium Bahrain B.S.C                                 |                    |
| Type                     | Expansion of existing PS 5                              |                    |
| OEM                      | Mitsubishi Power Ltd                                    |                    |
| EPC Contractor           | SEPCO III Bahrain Construction Company                  |                    |
| Plot Size                | 20,000 m <sup>2</sup>                                   |                    |
| Number of Gas Turbines   | 1   |                    |
| Number of Steam Turbines | 1   |                    |
| Number of HRSG's         | 1   |                    |
| Number of Stacks         | 1 Main Stack and 1 Bypass Stack                         |                    |
| Capacity of CCP          | 681 MW  |                    |
| Natural Gas Supply       | 117.059 mmscfd from existing natural gas supply         |                    |
| Electricity Requirement  | 16,700 kW/h from PS 5                                   |                    |
| Water Requirement        | 5,000 m <sup>3</sup> /month from Alba facilities        |                    |
| Chemical Requirement     | Ammonia   | 150 litres / month |
|                          | Carbo Hydrazide   | 100 litres / month |
|                          | Tri-Sodium Phosphate                                    | 70 litres / month  |
| Emissions                | Carbon Monoxide, Oxides of Nitrogen and Sulphur Dioxide |                    |

Table 1.3 – Project Details

## Project Schedule



## 4 ESIA FOR THE PROJECT

### 4.1 Need for ESIA Study

The Government of Bahrain introduced its first environmental legislation in 1996. Decree 21 (1996) and its amendment Decree 8 (1997), issued by the then Ministry of Housing, Municipalities and Environment, defines the environmental strategy of the country and sets the basis for future legislation.

Ministerial Order No.1, regarding Environmental Evaluations of Projects 1998, is the regulatory instrument that drives the country in a sustainable way. This legislation sets the requirements for assessing the environmental status of a proposed project or expansion of an existing project and facilitates informed decision-making during the permitting process. This project falls under the obligations of the regulation.

The Environmental Impact Assessment process consists of three major phases, namely (1) Environmental Screening, (2) Environmental Scoping and (3) Environmental Impact Assessment. These phases follow a predefined sequence under the mandate of the Supreme Council for Environment (SCE).

Alba appointed Envirotech Consultancy W.L.L. to prepare an Environmental and Social Impact Assessment Study (ESIA) for the proposed Power Station 5 – Block 4 Expansion Project. Since Alba has sought finance for the Project from International Finance Corporation (IFC), there are a set of Performance Standards on Environmental and Social Sustainability and Environmental Health and Safety (EHS) guidelines with general and industry specific examples of Good International Industry Practice (GIIP) that Alba must meet.

This ESIA was prepared to demonstrate compliance to the E&S requirements of IFC Performance Standards, IFC General EHS Guidelines and IFC Sector EHS Guidelines. It should be noted that the term ESIA is used throughout this report to maintain uniformity. The ESIA includes both Environmental Impact Assessment (EIA) requirements of Supreme Council for Environment and Environmental and Social Impact Assessment Requirements of IFC.

### 4.2 Contents of the ESIA Study

The ESIA Study provides a factual description of the proposed project and prepared based on the relevant technique and knowledge available at the time.

The following information is included in the ESIA:

- A description of the physical characteristics of the proposed development, its location and its land-use requirements during construction and operational phases;
- An estimate of expected residues and emissions (water, air and soil pollution, noise, vibration, light, heat, etc.) resulting from the operation of the Plant;
- A description of the environmental aspects likely to be significantly affected by the development, including direct and indirect effects, short, medium- and long-term effects, and cumulative effects; and the data required to identify and assess the main effects. The aspects considered will include the following: Climatic Conditions and Air Quality; Noise and Vibration; Geology, Topography, Soil and Groundwater; Socio-economic Status; Access and Vehicular Traffic; Occupational Health and Safety; and Waste Streams.
- A description of the baseline scenario;
- A description of the reasonable alternatives studied and an indication of the main reasons for the option chosen, considering the effects of the development in the environment;
- A description of the measures proposed to reduce, avoid, prevent or where possible, offset any significant adverse effects on the environment; and
- A summary of the above including the main findings of the ESIA.

#### **Environmental Consultant for ESIA**

Envirotech Consultancy W.L.L was engaged by Alba as the Environmental Consultant to carry out the ESIA studies for the Project. Envirotech has technical collaborations and associations with several international engineering consultancy companies and environmental laboratories to provide added value to its services. Envirotech provides technical and managerial expertise for the preparation and conduct of Environmental Impact Assessments (EIAs), Risk Assessments (RAs), Environmental monitoring for air quality, water quality, soil quality and analysis, bioremediation green belt, waste management, marine and terrestrial ecological surveys etc.

#### **Supplementary Reports for PS5 Block 4**

Following completion of the ESIA, Environmental and Social Due Diligence (ESDD) advisors to the Project requested additional E&S impact assessment studies to be undertaken. Therefore, Supplementary Reports were undertaken by Alba through Environment Arabia Consultancy Services W.L.L (EACS) to update the original ESIA with additional information and address many of the Equator Principle Action Plan requirements as per the IFC and Lenders requirements.

The following are the Supplementary Reports produced by Alba.

1. Construction Traffic Risk Assessment - Rev 01
2. Cumulative Impact Assessment - Rev 01
3. Noise Risk Assessment Rev - 01
4. Dust Risk Assessment Rev - 01

5. Contaminated Land Risk Assessment Rev - 01
6. Groundwater Risk Assessment - Rev 01
7. Updated Climate Change Risk Assessment - Rev 03
8. Stakeholder Identification and Mapping - Rev 02

The original ESIA and the Supplementary Reports are published on Alba website - [Alba Power Station 5 Block 4 Expansion Project - Aluminium Bahrain \(Alba\) \(albasmelter.com\)](https://www.albasmelter.com), which allows stakeholders to be fully aware of the E&S impacts that may affect them and Alba's commitments on how to mitigate and manage them.

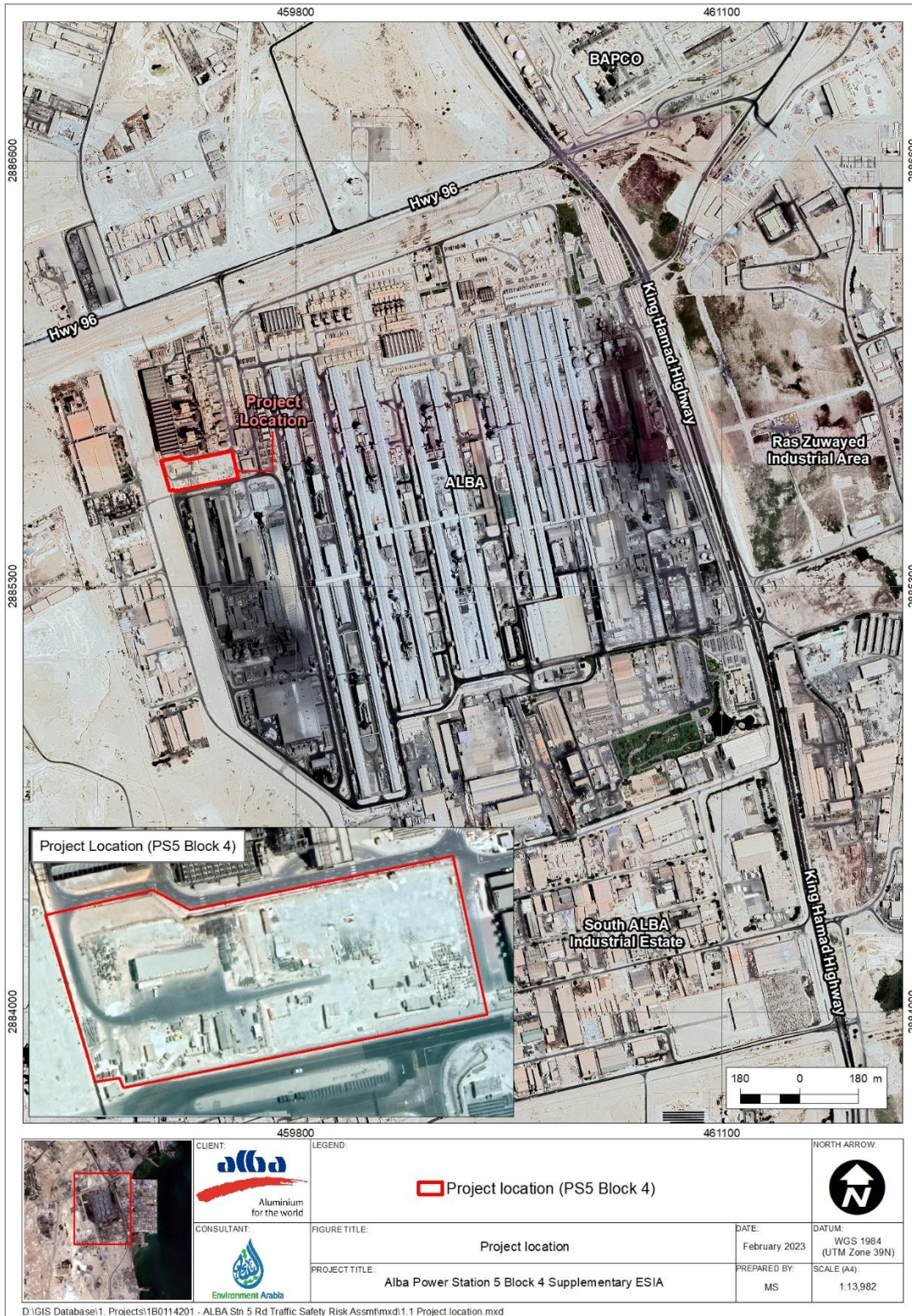
#### **Environmental Consultant for Supplementary Reports PS5 Block 4**

Environment Arabia Consultancy Services (EACS) was contracted by Alba in Q3 2022 to carry out the Supplementary Reports for PS5 Block 4. EACS has professional experience in undertaking ESIA's to International Finance Corporation (IFC) and Equator Principal Standards having produced the Supplementary ESIA for Alba Potline 6 Expansion, the ESIA for the Alba Port Capacity Upgrade, the ESIA for the Bapco Modernization Program (BMP), and more recently the ESIA for the Bahrain Field Oil and Gas Development and Expansion Project.

## 5 Project Area of Influence

### 5.1 Location

Alba's PS5 Block 4 is located in the Alba Industrial Estate, 1.5 kilometers (km) west of the King Hamad Highway (Figure 1.1). The laydown area utilised for the storage of construction equipment and vehicles used in the construction of the Project are stored in Al Dur, 0.8 km off the southeast coast of Bahrain adjacent to the SEPCO III Labour accommodation (Figure 1.2).



**Figure 1.1 - Image of the Project Location**



Figure 1.2 - Image of the Project Laydown Area



## 6 STAKEHOLDER IDENTIFICATION AND MAPPING

### 6.1 Introduction

For the purposes of this plan, a stakeholder is defined as “a person who has an interest in a particular decision or activity, either as an individual or as a representative of a group. This includes people who influence a decision, or can influence it, as well as those affected by the Project.”

Stakeholders are those ‘external’ to the Project and its operations, who have an interest or can influence project operations, such as affected individuals and communities, local government authorities, non-governmental and other civil society organizations, academia, media and other interested or affected parties.

Stakeholders, such as contractors, suppliers, distributors and customers of Alba, who are considered ‘internal’ to Alba’s operational activities are not addressed in this SEP, as they are part of the core business function, subject to national regulations and established company policies and procedures.

### 6.2 Identification of Stakeholders

The stakeholders of Alba were identified based on the ESIA parameters, the Project’s features, potential degree of impact and interest in the Project and their relation in terms of how they will be impacted by the Project.

For each category of identified stakeholder, a low, medium or high value will be assigned in relation to their impact on or by the Project as presented in the ESIA.

The below references will allow for a clear understanding of the stakeholders.

- Impact: High (H), Medium (M) or Low (L)
- Level of knowledge
  - : U – Unaware – this group has no information about the Project;
  - : R – Resistant – aware of Project and resistant to the changes and impacts the Project may bring;
  - : N – Neutral – aware of the Project and neither supportive nor resistant;
  - : S – Supportive – aware of the Project and the potential changes and impacts and is supportive; and

: L – Leading – aware of the Project and actively engaged to ensure the Project’s success.

## Area of Influence

When considering impacts on receptors, the areas of influence (AOI) considered for each category is defined in Table 1.4

| AOI No | Parameter                          | Notes   |
|--------|------------------------------------|---|
| 1      | Air Quality Stack Emissions        | 5 km radius from Block 4 based on air quality modelling         |
| 2      | Air Quality Construction Dust      | 350 m radius from Block 4                                       |
| 3      | Air Quality Road Traffic Emissions | 200 m from road centreline                                      |
| 4      | Noise                              | 1 km radius from Block 4  |
| 5      | Construction traffic               | Based on construction vehicle routes provided by the contractor |

Table 1.4: AOIs relevant to assessment

For the purpose of identifying stakeholders related to this Project, 5 km radius is considered around the Project Site in the Alba Industrial Estate to capture all areas of influence as specified in Table 1.4

## Stakeholder Identification

Within the area of influence specified in Table 1.4, stakeholders have been identified within the following categories:

1. *Government:* Government or authorities are those agencies or bodies of the Kingdom of Bahrain who have the power to regulate or influence Alba’s operations and the Project in terms of establishing policies, granting permits or other approval and monitoring and enforcing compliance with Bahrain laws.
2. *Industries, businesses and commercial enterprises:* Any industrial, business or commercial establishment within the area of influence.
3. *Area representatives:* Representatives of the local communities within the area of influence, often in the form of a municipal council which is elected by local residence.
4. *Non-Government Organisations (NGOs):* This refers to the smaller groups representing particular interests including vulnerable groups (women, children, migrant workers) in society who may have an interest in the Project’s environmental and social aspects.

5. *Alba Employee*: All employees of Alba - permanent, temporary or contractual and the unions comprise this category.
6. *Alba Contractors*: In very broad terms, contractors are the companies appointed or contracted by Alba to carry out various works within and outside Alba premises. This also includes the contractors and subcontractors for the Project.
7. *General Public*: This category may be defined as the people and communities who are not directly impacted or impacting the Project and its activities but have an interest in the development of the Project.
8. *Sensitive Receptors*: This category includes any facility, which provides services to the general public including schools, hospitals and recreational areas.
9. *Media*: Media is a key stakeholder that plays an important role in shaping public opinion. It has a wide reach, ranging from local to national or international levels.

The list of individual stakeholders for each category is presented in Table 1.5

| Category                              | Stakeholders  |
|---------------------------------------|---|
| Government                            | <ul style="list-style-type: none"> <li>• Supreme Council for Environment</li> <li>• Central Planning Office</li> <li>• Electricity and Water Authority</li> <li>• Agricultural Engineering and Water Resources Directorate</li> <li>• Bahrain Authority for Culture and Antiquities</li> <li>• Traffic Directorate</li> </ul>   |
| Commercial and Industrial Enterprises | <ul style="list-style-type: none"> <li>• Tatweer Petroleum</li> <li>• MERCO</li> <li>• Delmon Readymix</li> <li>• GEMS Fabrication Shop</li> <li>• SPK Autoshop and Workshop</li> <li>• Newbury Events</li> <li>• Komy Safety</li> <li>• 2010 Garage</li> <li>• Rego Metal Workshop</li> <li>• CROWN industries</li> <li>• Downtown Group</li> <li>• Bahrain Pipeline Construction</li> <li>• Gulf Pump Factory</li> <li>• Middle East Fiber Glass Factory</li> <li>• Polycon Bahrain W.L.L</li> <li>• Kitchen Supplies Store</li> <li>• Al Salam Furniture Industries</li> <li>• Kingdom Oil Company</li> <li>• West Point Home Bahrain</li> <li>• Al Madina Garage</li> <li>• Tylos Plastic Industries</li> </ul> |

|                           |  |
|---------------------------|--|
|                           | <ul style="list-style-type: none"> <li>• West Point Home Bahrain</li> <li>• Eminenet Packaging Industries</li> <li>• Kymera International</li> <li>• Bahrain Atomisers International</li> <li>• Al Haram Centre</li> <li>• Riffa Souq Centre</li> <li>• Prime mall</li> <li>• BAPCO club</li> </ul>  |
| NGOs                      | <ul style="list-style-type: none"> <li>• Migrant Worker Protection Society</li> <li>• Arab Youth Climate Movement – Bahrain Chapter</li> <li>• Manama shapers</li> <li>• Bahrain Environment Society</li> <li>• Bahrain Women’s Association</li> <li>• Supreme Council for Women</li> <li>• Al Hekma Retirement Centre</li> <li>• BAPCO BMP offices</li> </ul> |
| Community Representatives | Southern Municipal Council   |
| The Media                 | <ul style="list-style-type: none"> <li>• Akhbar Al Khaleej</li> <li>• Al Ayam</li> <li>• Al Bilad</li> <li>• Al Watan</li> <li>• Bahrain News Agency</li> <li>• Daily Tribune</li> <li>• Gulf Daily News</li> <li>• Gulf Industry</li> </ul>   |
| Sensitive Receptors       | <ul style="list-style-type: none"> <li>• Mohammed Bin Khalifa Bin Salman Al Khalifa Specialist Cardiac Centre</li> <li>• Royal Golf Club • Al Moaskar Military Training Facility</li> <li>• Riffa Walk Park</li> </ul>   |

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>• KIMS Bahrain Medical Centre</li> <li>• East Riffa Primary Girls School</li> <li>• Riffa Views International School</li> <li>• Al Rayan Hospital</li> <li>• Al Hajiyat Public Park</li> <li>• Askar Intermediate Boys School</li> <li>• Ahmed Al Fateh Primary &amp; Intermediate Boys School</li> <li>• Al Malaki Specialist Hospital</li> <li>• East Riffa Health Centre</li> <li>• East Riffa Secondary Boys School</li> <li>• Royal University for Women</li> <li>• Al Fateh Secondary School for Boys</li> <li>• International Medical Centre W.L.L</li> <li>• West Virginia University - Bahrain Campus</li> <li>• Awali Hospital</li> <li>• Princess Sabeeka Park</li> <li>• Hunainiyah Public Park</li> <li>• Ibn Rushd Intermediate Boys School</li> <li>• Salah Al-Deen Primary Boys school</li> <li>• Madinat Khalifa Health Center</li> <li>• American University of Bahrain</li> <li>• Middle East Medical Centre – Askar</li> <li>• Al-Hilal Multi Speciality Medical Center Riffa</li> <li>• BSPCA Animal Welfare Center</li> </ul> |
|--|--|

**Table 1.5 – Stakeholders in different categories**

### 6.3 Mapping of Stakeholders

In reference to the findings of the Project’s ESIA document and its Supplementary reports, Table 1.6 summarises the impacts to the previously mentioned stakeholder categories. The ESIA and supplementary studies have identified impacts on local industries and business from construction dust, noise and traffic; however, during the operational phase of the project, only air quality impacts from emissions are anticipated on this category. Site works from both Alba and Sepco III could also be impacted by construction noise and dust.

During the operational phase of the Project only Alba workers may be impacted by the noise and emissions arising from the power station. The study did not find any impacts on any sensitive receptors or Sepco Labour accommodations. Community representatives and the media have been included here for the sake of completeness, although no impact is assigned to them and were not considered in the ESIA.

| Stakeholder Group  | Construction                             |       |         | Operation   |       |         |
|--|--|-------|---------|-------------|-------|---------|
|  | Air Quality                              | Noise | Traffic | Air Quality | Noise | Traffic |
| Government   |  |       |         |             |       |         |
| local industries and Business (South Alba Industrial Estate) | X (within 350 meters from site boundary) | X     | X       | X           |       |         |
| Local industries and Business (Al Dur)                       |  |       |         |             |       |         |
| NGOs   |  |       |         |             |       |         |
| Alba workers (on site)                                       | X  | X     |         | X           | X     |         |
| Sepco III workers (onsite)                                   | X  | X     |         |             |       |         |
| Sepco III workers (labour accommodation)                     |  |       |         |             |       |         |
| The Media  |  |       |         |             |       |         |
| Community representatives                                    |  |       |         |             |       |         |
| Sensitive receptors  |  |       |         |             |       |         |

Table 1.6 Environmental impacts of stakeholder categories

In Table 1.7, each category of stakeholders is assigned a value of a High (H), Medium (M) or Low (L) with respect to their impact by and influence of the project. A value is assigned to the level of knowledge as follows:

- Unaware (U) - this group has no information about the project;
- Resistant (R) – aware of the Project and resistant to the changes and impacts the Project may bring;
- Neutral (N) - aware of the Project and neither supportive nor resistant;
- Supportive (S) aware of the Project and the potential changes and impacts and is supportive; and
- Leading (L) - aware of the Project and actively engaged to ensure Project’s success

Levels of knowledge are assigned based on an initial round of engagement undertaken for the Project as part of the ESIA.

| Stakeholder  | Impact on the Project | Impacted by the Project | Level of Knowledge about the Project |
|--|-----------------------|-------------------------|--------------------------------------|
| <b>Government</b>  |                       |                         |                                      |
| Central Planning Office                                  | H                     | L                       | U                                    |
| Electricity and Water Authority                          | H                     | L                       | N                                    |
| Agricultural Engineering and Water Resources Directorate | H                     | L                       | S                                    |
| Bahrain Authority for Culture and Antiquities            | H                     | L                       | U                                    |
| Roads Planning and Project Directorate                   | H                     | L                       | N                                    |
| Supreme Council for Environment                          | H                     | L                       | N                                    |
| <b>Area Representatives</b>                              |                       |                         |                                      |
| Southern Municipal Council                               | M                     | M                       | N                                    |
| <b>Commercial and Industrial Enterprise</b>              |                       |                         |                                      |
| Delmon Readymix  | L                     | M                       | N                                    |
| GEMS Fabrication Shop                                    | L                     | M                       | U                                    |
| SPK Autoshop and Workshop                                | L                     | M                       | U                                    |
| Newbury Events   | L                     | M                       | U                                    |
| Komy Safety  | L                     | M                       | U                                    |
| 2010 Garage  | L                     | M                       | U                                    |
| Rego Metal Workshop                                      | L                     | M                       | U                                    |
| Downtown Group   | L                     | M                       | N                                    |
| Bahrain Pipeline Construction                            | L                     | M                       | U                                    |



| Stakeholder                                       | Impact on the Project | Impacted by the Project | Level of Knowledge about the Project |
|---|-----------------------|-------------------------|--------------------------------------|
| Gulf Pump Factory                                 | L                     | M                       | N                                    |
| Middle East Fiber Glass Factory                   | L                     | M                       | N                                    |
| Polycon Bahrain W.L.L.                            | L                     | M                       | N                                    |
| Kitchen Supplies Store                            | L                     | M                       | U                                    |
| Al Salam Furniture Industries                     | L                     | M                       | N                                    |
| Kingdom Oil Company                               | L                     | M                       | U                                    |
| West Point Home Bahrain                           | L                     | M                       | R                                    |
| Al Madina Garage                                  | L                     | M                       | U                                    |
| Tylos Plastic                                     | L                     | M                       | R                                    |
| Eminent Packaging Systems                         | L                     | M                       | N                                    |
| Kymera International                              | L                     | M                       | N                                    |
| <b>NGOs</b>                                       |                       |                         |                                      |
| Migrant Worker Protection Society                 | L                     | L                       | U                                    |
| Arab Youth Climate Movement – Bahrain Chapter     | L                     | L                       | U                                    |
| Manama shapers                                    | L                     | L                       | U                                    |
| Bahrain Environment Society                       | L                     | L                       | U                                    |
| Bahrain Women’s Association                       | L                     | L                       | U                                    |
| Supreme Council for Women                         | L                     | L                       | U                                    |
| Al Hekma Retirement Centre                        | L                     | L                       | U                                    |
| <b>Sensitive Receptors</b>                        |                       |                         |                                      |
| Royal Golf Club                                   | L                     | L                       | U                                    |
| Al Moaskar Military Training Facility             | L                     | L                       | U                                    |
| Riffa Walk Park                                   | L                     | L                       | U                                    |
| KIMS Bahrain Medical Centre                       | L                     | L                       | U                                    |
| East Riffa Primary Girls School                   | L                     | L                       | U                                    |
| Riffa Views International School                  | L                     | L                       | U                                    |
| Al Rayan Hospital                                 | L                     | L                       | U                                    |
| Al Hajiyat Public Park                            | L                     | L                       | U                                    |
| Askar Intermediate Boys School                    | L                     | L                       | U                                    |
| Ahmed Al Fateh Primary & Intermediate Boys School | L                     | L                       | U                                    |
| International Medical Centre W.L.L                | L                     | L                       | U                                    |
| West Virginia University - Bahrain Campus         | L                     | L                       | U                                    |
| Awali Hospital                                    | L                     | L                       | U                                    |
| Princess Sabeeka Park                             | L                     | L                       | U                                    |

| Stakeholder                                    | Impact on the Project | Impacted by the Project | Level of Knowledge about the Project |
|--|-----------------------|-------------------------|--------------------------------------|
| Hunainiyah Public Park                         | L                     | L                       | U                                    |
| Ibn Rushd Intermediate Boys School             | L                     | L                       | U                                    |
| Salah Al-Deen Primary Boys school              | L                     | L                       | U                                    |
| Madinat Khalifa Health Center                  | L                     | L                       | U                                    |
| American University of Bahrain                 | L                     | L                       | U                                    |
| Middle East Medical Centre – Askar             | L                     | L                       | U                                    |
| Al-Hilal Multi Speciality Medical Center Riffa | L                     | L                       | U                                    |
| BSPCA Animal Welfare Center                    | L                     | L                       | U                                    |
| <b>Media</b>                                   |                       |                         |                                      |
| Akhbar Al Khaleej                              | M                     | L                       | U                                    |
| Al Ayam  | M                     | L                       | U                                    |
| Al Bilad                                       | M                     | L                       | U                                    |
| Al Watan                                       | M                     | L                       | U                                    |
| Bahrain News Agency                            | M                     | L                       | U                                    |
| Daily Tribune                                  | M                     | L                       | U                                    |
| Gulf Daily News                                | M                     | L                       | U                                    |
| Gulf Industry                                  | M                     | L                       | U                                    |
| Akhbar Al Khaleej                              | M                     | L                       | U                                    |
| Al Ayam  | M                     | L                       | U                                    |
| Alba Employees                                 | H                     | H                       | L                                    |
| Sepco III Employees                            | H                     | H                       | L                                    |

Table 1.7 Stakeholder Mapping Table

## 7 STAKEHOLDER ENGAGEMENT

Stakeholder Engagement is an integral part of the ESIA process and implementation of the Project in general. Engagement refers to two key activities: disclosure of information on a proposed Project and direct two-way consultations with stakeholders.

Stakeholders have two main sources of information to help them participate meaningfully in consultations: information on the Project and their knowledge of the proposed Project site and the surrounding areas and their inhabitants.

During the preparation of the ESIA by Envirotech in 2021, engagement was undertaken with government authorities and some of the neighbouring businesses. Due to Covid-19 restriction limited responses were received.

Reference to Table 1.6, the stakeholder category most likely to be impacted by the Project are the local industries and business within the South Alba Industrial Estate.

Reference to Table 1.7, a number of local industries and business and sensitive receptors within the area of influence defined in Section 2 have been identified as unaware of the Project. However, the latter category is not expected to be impacted by the Project.

### 7.1 Stakeholder Principles

Alba will follow engagement procedures that:

- Are transparent, inclusive and culturally appropriate;
- Is a two-way communication in a language and format that is understandable to local stakeholders;
- Is conducted based on timely, relevant, understandable, and accessible information; and
- Allows access to Alba's external E&S Grievance Mechanism to voice concerns and seek feedback.

### 7.2 Stakeholder Engagement till Date

In accordance with existing Bahraini practices, Alba's direct engagement with external stakeholders is largely focused on government authorities responsible for regulating the Alba operations.

Envirotech carried out extensive consultations with deemed target receptors i.e., government and non-government agencies, private establishments and community members to make them aware and appreciate the project and to secure their concerns and recommendations on the

proposed project. Correspondence with the target receptors was done in the form of Phone, Email, Formal meetings, and Online meeting portals (Zoom Cloud /Microsoft teams). Details of communication carried out with the stakeholders for the ESIA is provided in Table 1.8 below.

| Stakeholders | Name  | Details of Communication   | Summary of Consultation  |
|--------------|---|--|--|
| Government   | Agriculture Engineering and Water Resources Directorate (AEWRD) | Project Details submitted on 07th December 2020<br>NOC Obtained  | Since deep excavations are not required during the construction phase, groundwater resources are not anticipated to be impacted. AEWRD issued NOC.   |
|              | Ministry of Transport and Telecommunications (MTT)              | Project Details submitted on 23rd November 2020<br>NOC Obtained on 03rd December 2020  | The construction and operation of Block 4 does not affect the operations of MTT. MTT issues NOC.   |
|              | Roads Planning & Design Directorate (RPDD)                      | Project details submitted by official letter on 23rd November 2020   | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period  |
|              | Southern Area Governorate                                       | Project details submitted on 15th November 2020  | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period  |
| Private      | Tylos Plastic Industries Co. W.L.L.                             | Communication for Consultation sent on 2nd December 2020<br>Consultation held on 7th December 2020<br>Communication for second Consultation sent on 28th December 2021<br>Second Consultation held on 04th January 2022<br>Minutes of meeting signed | Tylos Plastics Industries informed that that persistent brown coloured deposits are visible on their office walls, cars, trucks, and stored products. Mr. Sayed Salah explained that Alba was also a victim of the brown spot deposition and as per the instructions from the Supreme Council for Environment Alba appointed an Environmental Consultant to study the phenomenon. The scope of the study was given by the SCE to the appointed consultant. The consultant did an extensive study in the area and collected samples from different locations and analysed. A formal report was then submitted to the SCE as well as Alba. The report concludes that the depositions observed in the area are not generated from the operation of aluminium smelter. Mr. |

| Stakeholders | Name                                      | Details of Communication   | Summary of Consultation   |
|--------------|---|--|---|
|              | Empack (Eminent Packaging System, W.L.L.) | <p>Communication for Consultation sent on 2nd December 2020</p> <p>Consultation held on 13th December 2020</p> <p>Communication for second Consultation sent on 23rd December 2021</p> <p>Second Consultation held on 28th December 2021 Minutes of meeting signed</p> | <p>Sayed Salah shared a summary of the report to Stakeholders. NOC Received from Tylos.</p> <p>Empack informed that that persistent brown coloured deposits are visible on their office walls, cars, trucks, and stored products. Mr. Sayed Salah explained that Alba was also a victim of the brown spot deposition and as per the instructions from the Supreme Council for Environment Alba appointed an Environmental Consultant to study the phenomenon. The scope of the study was given by the SCE to the appointed consultant. The consultant did an extensive study in the area and collected samples from different locations and analysed. A formal report was then submitted to the SCE as well as Alba. The report concludes that the depositions observed in the area are not generates from the operation of aluminium smelters. Mr. Sayed Salah shared a summary of the report to Stakeholders. Empack informed that occasional smoke releases during the night-time which makes their operation area unworkable, affecting badly their employees resulting eyes burning, breathing difficulty and cough because of the smoke. Mr. Sayed Salah explained that smoke is releasing from carbon plant by-pass stacks in every four (4) to six (6) months. Alba keeps Supreme Council for Environment about the bypass stack releases. Mr. Sayed Salah ensured that Alba would contact Empack to inform about future bypass stack releases as and when it happens. Empack added that during the construction times of potline 6</p> |

| Stakeholders | Name                            | Details of Communication  | Summary of Consultation   |
|--------------|---------------------------------|---|---|
|              |                                 |   | expansion heavy vehicles parking outside the company's premises disturbing their vehicles movement. Mr. Sayed Amer ensured that the Project is small scale in comparison to potline 6 expansion Project. Thus, the traffic generation from the project will be very less. NOC received from Empack.   |
|              | Bahrain Atomisers International | Communication for Consultation sent on 15th November 2020<br>Consultation held on 17th November 2020<br>Communication for Second Consultation sent on 28th December 2021<br>Second Consultation held on 30th December 2021<br>Minutes of meeting signed | Empack informed that that persistent brown coloured deposits are visible on their office walls, cars, trucks, and stored products. Mr. Sayed Salah explained that Alba was also a victim of the brown spot deposition and as per the instructions from the Supreme Council for Environment Alba appointed an Environmental Consultant to study the phenomenon. The scope of the study was given by the SCE to the appointed consultant. The consultant did an extensive study in the area and collected samples from different locations and analysed. A formal report was then submitted to the SCE as well as Alba. The report concludes that the depositions observed in the area are not generates from the operation of aluminium smelters. Mr. Sayed Salah shared a summary of the report to Stakeholders. Bahrain Atomisers observed that noise levels were very high in the area during the initial stages of commissioning of Line 6 but gradually decreased and are now stable. NOC received from Bahrain Atomisers |
|              | AMGARD (Ameeri Industries)      | Communication for Consultation sent on 15th November 2020   | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period   |

| Stakeholders | Name   | Details of Communication  | Summary of Consultation   |
|--------------|--|---|---|
|              | Middle East Fiber Glass                      | Communication for Consultation sent on 2nd December 2020<br>Consultation held on 7th December 2020<br>Waiting for signed Minutes of meeting | Middle East Fiber Glass did not respond to the requests for the signature on the minutes of meeting.                            |
|              | Gulf Pumps Factory W.L.L.                    | Communication for Consultation sent on 15th November 2020.  | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Polycon Bahrain                              | Communication for Consultation sent on 15th November and 2nd December 2020.   | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Downtown Contracting Company                 | Communication for Consultation sent on 15th November 2020.  | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Justa Star Kitchens Manufacturing Co. W.L.L. | Communication for Consultation sent on 15th November 2020   | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Dona Tissue                                  | Communication for Consultation sent on 15th November 2020.  | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Green Products Industries WLL                | Communication for Consultation sent on 15th November 2020.  | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Unichem Chemicals & Asphalt W.L.L.           | Communication for Consultation sent on 15th November and 2nd December, 2020   | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|              | Al Salam Furniture Industries W.L.L.         | Communication for   | Follow ups were conducted over phone. No responses received. In   |



| Stakeholders                 | Name   | Details of Communication                                   | Summary of Consultation   |
|------------------------------|--|--|---|
|                              |  | Consultation sent on 15th November 2020.                   | person meetings were not allowed during the consultation period   |
|                              | Bahrain Bitumen (MERCO)  | Communication for Consultation sent on 15th November 2020. | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|                              | Sayed Kadhem Al Durazi Laydown yard                              | Sayed Kadhem Al Durazi Laydown yard                        | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
| Non-Government Organisations | Bahrain Society for the Prevention of Cruelty to Animals (BSPCA) | Communication for Consultation sent on 15th November 2020  | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |
|                              | Bahrain Environment Society                                      | Communication for Consultation sent on 15th November 2020. | Follow ups were conducted over phone. No responses received. In person meetings were not allowed during the consultation period |

Table 1.8 – Stakeholder Engagement for ESIA

### 7.3 Publication of the ESIA and Supplementary Reports

The ESIA and approved Supplementary Reports are also available on Alba website [Alba Power Station 5 Block 4 Expansion Project - Aluminium Bahrain \(Alba\) \(albasmelter.com\)](http://Alba Power Station 5 Block 4 Expansion Project - Aluminium Bahrain (Alba) (albasmelter.com))

### 7.4 Public Disclosure of Information to Date

Information on the Project has been disseminated to various news agencies and newswires including the Kingdom of Bahrain’s local newspapers, in a timely manner by Alba’s IR Department through Press Releases and Alba’s official social media channels -- Instagram, Twitter, LinkedIn, Facebook, and Flickr. All information is bi-lingual (English and Arabic).

Table 1.9 gives the timeline of the Project milestone Press Releases that have been issued.

| No | Press Release   | Dates      |
|----|---|------------|
| 1  | Alba Holds Board Meeting for Fourth Quarter 2021                                | 01/12/2021 |
| 2  | Alba Signs Mitsubishi SEPCOIII as EPC contractor for Block 4 in Power Station 5 | 16/05/2022 |

| No | Press Release  | Dates      |
|----|--|------------|
| 3  | Alba's Chairman of Board of Directors Debuts First Concrete Pour for PS5 Block 4 Project | 26/09/2022 |
| 4  | Mitsubishi Power Awarded Alba LTSA   | 03/10/2022 |
| 5  | Alba Successfully Reaches the Financial Close for its Power Station 5 Block 4 Project    | 14/11/2022 |
| 6  | Alba's Block 4 Project: Procurement and Foundation Works for Main Equipment Completed    | 20/03/2023 |
| 7  | Alba Chairman Visits Mitsubishi Heavy Industries Facilities in Japan                     | 03/07/2023 |

Table 1.9 – Project Milestone PRs

### Alba Sustainability Report

The Alba Sustainability Report 2021 was compiled based upon the expectations/views of the stakeholders with regards to Environment, Social and Governance (ESG) interests. The material topics, which have been identified, are based on peer reviews (desktop research) in public domains, Bahrain's Economic Vision 2030, disclosure by clients and vendors. The topics were aligned with national and international standards. As part of the assessment, a list of 15 material topics has been identified to develop the Materiality Matrix.

| Environment                         | Social  | Governance   |
|-------------------------------------|---|--|
| I. Climate Change                   | VI. Human Rights  | XII. Corporate Governance  |
| II. Water and Wastewater Management | VII. Our People (Social/Employee Welfare, Cultural Diversity and Equal Opportunity) | XIII. Economic Results   |
| III. Recycling & Waste Management   | VIII. Local Community Engagement  | XIV. Compliance with Statutory and Regulatory Requirements and Anti-Corruption |
| IV. Energy Management               | IX. Health and Safety   | XV. Sustainable Supply Chain and Responsible Sourcing                          |
| V. Biodiversity                     | X. Technology and Operational Excellence  |  |
|                                     | XI. Our Product (Metal Marketing & Product Labelling)                               |  |

## 7.5 Stakeholder Engagement Techniques

The ESIA and Supplementary Reports for this Project have been found to be comprehensive with sufficient details and necessary control measures to minimise any risk with clear responsibilities assigned to all involved. Effective monitoring as well as implementation of the measures and controls provided therein will ensure that no adverse impacts would be experienced.

Further, Alba will employ a variety of tools and techniques to ensure the effective and timely disclosure of information as well as engage with its various stakeholder groups. The general engagement techniques for the purpose of this plan have been identified in Table 2.0.

| Engagement Techniques               | Most Appropriate Application of Technique   |
|-------------------------------------|---|
| Information Posters                 | Banners alongside Alba route and next to Alba)  |
| Phone/email/Text/Instant messaging  | Invite stakeholders to meetings   |
| Print media and radio announcements | Distribute Project information to the government officials, organisations, agencies, and companies  |
|                                     | Disseminate Project information to large audiences, and illiterate stakeholders   |
|                                     | Inform stakeholders about consultation meetings   |
| Formal meetings, Online Meetings    | Present project information to a group of stakeholders  |
|                                     | Allow the group of stakeholders to provide their views and opinions   |
|                                     | Build impersonal relations with high level stakeholders   |
|                                     | Distribute technical documents  |
|                                     | Facilitate information dissemination using PowerPoint presentations, posters, models, videos or project information documents                   |
|                                     | Record discussions, comments/questions raised and responses   |
| Workshops                           | Present Project information to a group of stakeholders  |
|                                     | Allow the group of stakeholders to provide their views and opinions   |
|                                     | Use participatory exercises to facilitate group discussions, brainstorm issues, analyse information, and develop recommendations and strategies |
|                                     | Recording of responses  |

Table 2.0 – Stakeholder Engagement techniques

In addition, during the Construction Phase, the below techniques may also be used to communicate with different stakeholders.

| Engagement Topics  | Stakeholders  | Time Frame   | Communication Tool   | Opportunity for SE to comment  |
|--|---|--|--|--|
| Project Description and its positive contribution to environment Social and economic development Business opportunities Environmental and Social Impact Assessment Results | National and local governments, Affected communities (incl. vulnerable group of people), NGOs Local industries and businesses | Pre and during construction stages<br>As per national regulation | Through the SEP on the website<br>Press Releases<br>Social Media<br>Face to Face and public meetings, public announcement, mass media                      | Through face to face and/or public meetings<br>Alba Grievance Mechanism<br>Email exchanges |
| General project schedule, milestones and achievements  | National and local governments, Affected communities (incl. vulnerable group of people), NGOs Local industries and businesses | Atleast annually<br><br>Regularly based on project               | Milestones announcement through electronic media, fact sheet, internet, newsletters, social media Annual report<br>Press releases<br>Sustainability Report | Email exchanges  |
| E&S Commitments and requirements for Contractor  | National and local governments, Concerned Alba Departments,   | On-going<br>Quarterly,<br>Half yearly,<br>Annually               | Contracts Monthly<br>EHS meetings<br>Joint monitoring activities<br>Reports  | During meetings<br>Email Exchanges   |

| Engagement Topics | Stakeholders     | Time Frame           | Communication Tool   | Opportunity for SE to comment     |
|-------------------|------------------|----------------------|--|-----------------------------------|
|                   | Contractors      |                      |  |                                   |
| Grievances        | All Stakeholders | As and when required | Alba website<br>Press Release<br>Annual Report<br>Sustainability Report<br>Mass Email<br>SAP Ariba | Grievances and any other feedback |

Post construction, the project will follow the stakeholder engagement techniques as mentioned in Alba's SEP for its Operations 'Aluminium Bahrain B.S.C. (Alba) SEP\_PLN\_001\_Version 002' as published on the Alba Website.

## 7.6 Dissemination of the SEP

The SEP, once approved, will be posted on Alba's website – [www.albasmelter.com.bh](http://www.albasmelter.com.bh)

Further, the SEP will be also disseminated to all stakeholders via the following methods:

- Mass email communication through the Procurement and Warehousing Team to ensure that all our clients, vendors, contractors and other stakeholders receive it;
- Project teams to communicate the same via email to their contractors and sub-contractors; and
- Post on Alba's LinkedIn and Inter:Connect (the Company's internal medium).

## 7.7 Monitoring of the Project SEP

The concerned departments involved in the Project will maintain a Stakeholder Engagement Register (SER), the ownership of which lies with the IR Department.

Throughout the Project, any issue raised by stakeholders will be recorded and passed to the appropriate member of the Project team to consider and provide a response.

The Project Stakeholder Engagement Register will be used to monitor and assess the efficiency of the stakeholder engagement activities throughout the Project lifecycle through activities such as minutes of any meeting with stakeholders, record of complaints, major concerns, comments, suggestions and queries received and handled; and Alba's feedback to concerns, suggestions, queries, etc. raised by stakeholders, including actions undertaken.

## 8 EXTERNAL GRIEVANCE MECHANISM

### 8.1 Introduction

The Performance Standards of IFC, a World Bank affiliated lending organisation, representing most of the countries in the world, require Alba to have an external Grievance Mechanism in place. An external Grievance Mechanism is a process designed to receive and facilitate the resolution of affected communities’ concerns and grievances about Alba’s Environment and Social (E&S) performance.

The general purpose of this document is to outline the formal procedure of Alba’s External Grievance Mechanism to manage E&S grievances for Line 6 Expansion Project, hereafter known as the Project.

### 8.2 Requirements

The key requirements of a Grievance Mechanism as per the IFC Performance Standards is highlighted in Table 2.1

Grievance Mechanism related to IFC Performance Standards

| Principle  | Key components  |
|--|---|
| Performance Standard 1<br>Social and Environmental<br>Assessment and<br>Management | “The client will establish a Grievance Mechanism to receive and facilitate resolution of the affected stakeholders’ concerns and grievances about the client’s environmental and social performance.” |
| Performance Standard 4<br>Community Health, Safety<br>and Security                 | “A Grievance Mechanism should allow the affected community to express concerns about the Community Health, Safety and Security”.  |

Table 21. - IFC PS for Alba’s Grievance Mechanism Stakeholder Engagement

### 8.3 Definition

A grievance is defined as a concern or complaint raised by a member of the communities affected by Alba’s E&S performance. Grievances may take the form of specific complaints for actual damages or injury, general concerns about the Project’s E&S activities, incidents and (perceived) impacts.

Under Alba's External Grievance Mechanism, a grievance is not:

- A question or suggestion to the Company;
- A question or suggestion to the Company on the Project;
- An appeal or request for assistance;
- A (medical) emergency;
- A safety or security accident;
- A complaint from an Alba (or contractor) worker about labour and working conditions; and
- A concern about unethical behaviour/breach of Code of Conduct of Alba employees.

## 8.4 Principles

The key non-judicial principles of Alba's External Grievance Mechanism are:

- Fair: It has an independent governance structure to ensure that no party can interfere with the fair conduct of that process.
- Accessible: It is publicised to all and provides adequate assistance for aggrieved parties who may face barriers of language, literacy, awareness, distance or fear of reprisal.
- Transparent: It is a clear and transparent procedure with a timeframe for each stage.
- Records: All E&S grievances will be registered by Alba and tracked through to resolution.

## 8.5 Confidentiality

The personal details of Complainants will be made available to those involved in the resolution of the grievance in question and will follow policies related to protecting personal data when handling the grievance. Alba will accept, log and seek to address grievances contained in anonymous grievance forms, but due to the anonymous source of the grievance, will not be able to respond directly to the Complainant.

## 8.6 Scope

The External Grievance Mechanism can be used by all (members of) communities affected by Alba's E&S performance and applies to all stakeholders of Alba. This section outlines the roles and responsibilities of relevant Alba departments and contractors in facilitating and resolving all grievances.

This procedure does not cover employee and worker grievances who must refer to Alba's internal, worker grievance procedures as prescribed by the Human Resources Department of

Alba. This procedure does not replace the public mechanisms of complaint and conflict resolution as per the Kingdom of Bahrain's Legal system but attempts to minimise the usage of them.

## 8.7 Alba Integrity Line: External Grievance Reporting Channel

External grievances about Alba's E&S performance can be logged via the Alba Integrity Line. The Alba Integrity Line is an independently operated confidential reporting hotline that works in multiple languages via a toll-free phone system or via the intranet 24 hours a day, every day.

The Alba Integrity Line was originally used for complaints solely related to potential breaches of Alba's Code of Conduct such as financial irregularities, fraud, bribery, corruption, conflicts of interest or any other similar matters of concern. Alba has now extended the scope of the Integrity Line to include complaints about E&S matters.

A complainant can use Alba Integrity Line by calling 800-000-00, then at the prompt dial 888-265-3470 (toll-free) and speak to an officer. Alternatively, the complainant can log on to [www.albasmelter.com](http://www.albasmelter.com), visit the page on Code of Conduct.

The Complainant/s must enter the details of the complaint/grievance through Alba Integrity Line within a maximum of 48 hours of the complaint/grievance taking place.

To facilitate tracking, evaluation and response to grievances, standardised information will be collected and recorded on the Alba External Grievance Mechanism Logging Form. As a best practice, the complainant/s should always carry this Form if they are attending any meeting with Alba parties or during resolution process of the grievance.

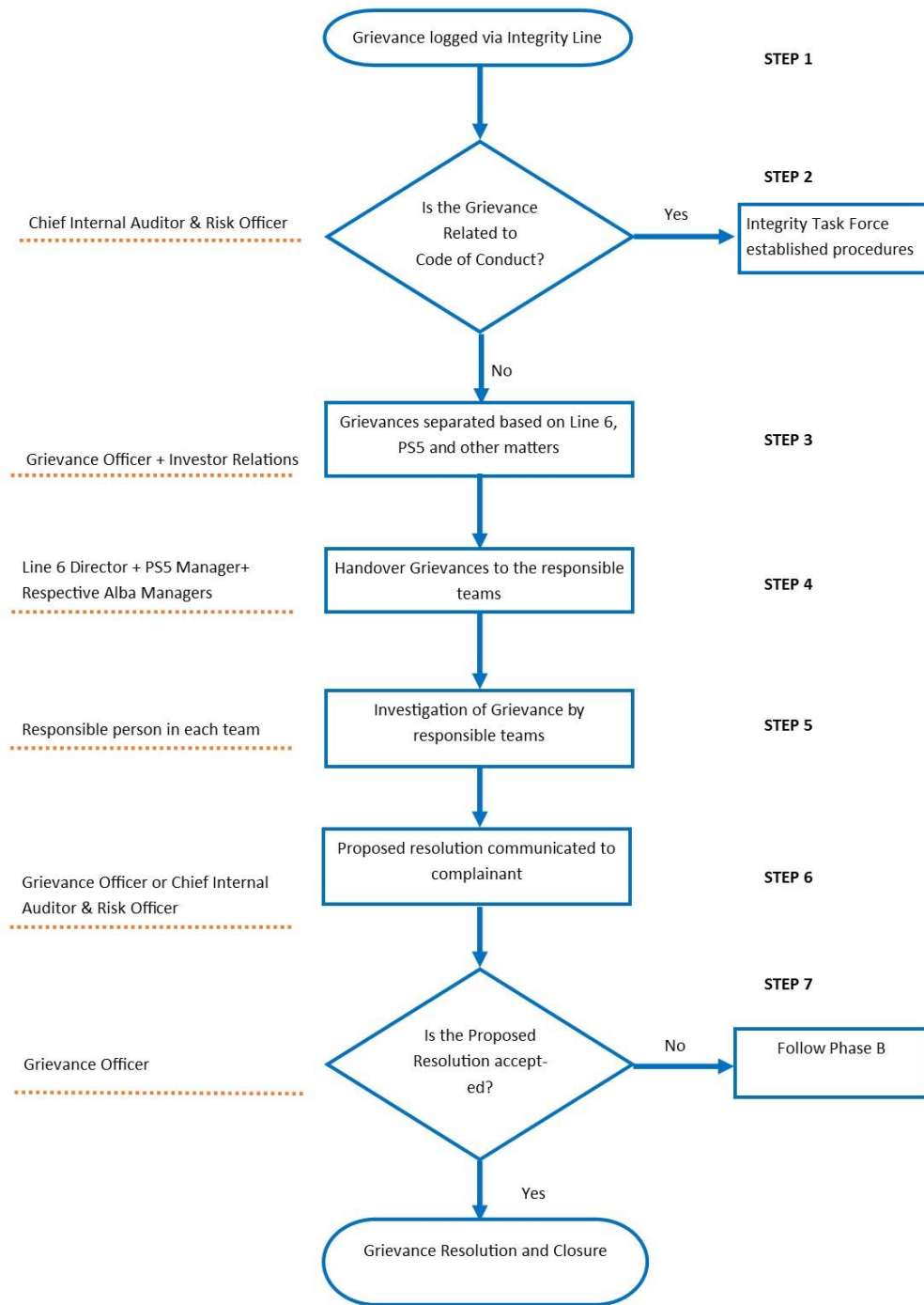
Alba's assigned GO will be the point of contact at all times during the grievance and resolution process. Please note that grievances related to E&S performance and complaints about potential breaches of the Alba Code of Conduct are handled as two separate matters on the Alba Integrity Line.

## 8.8 Process Flow of External GM

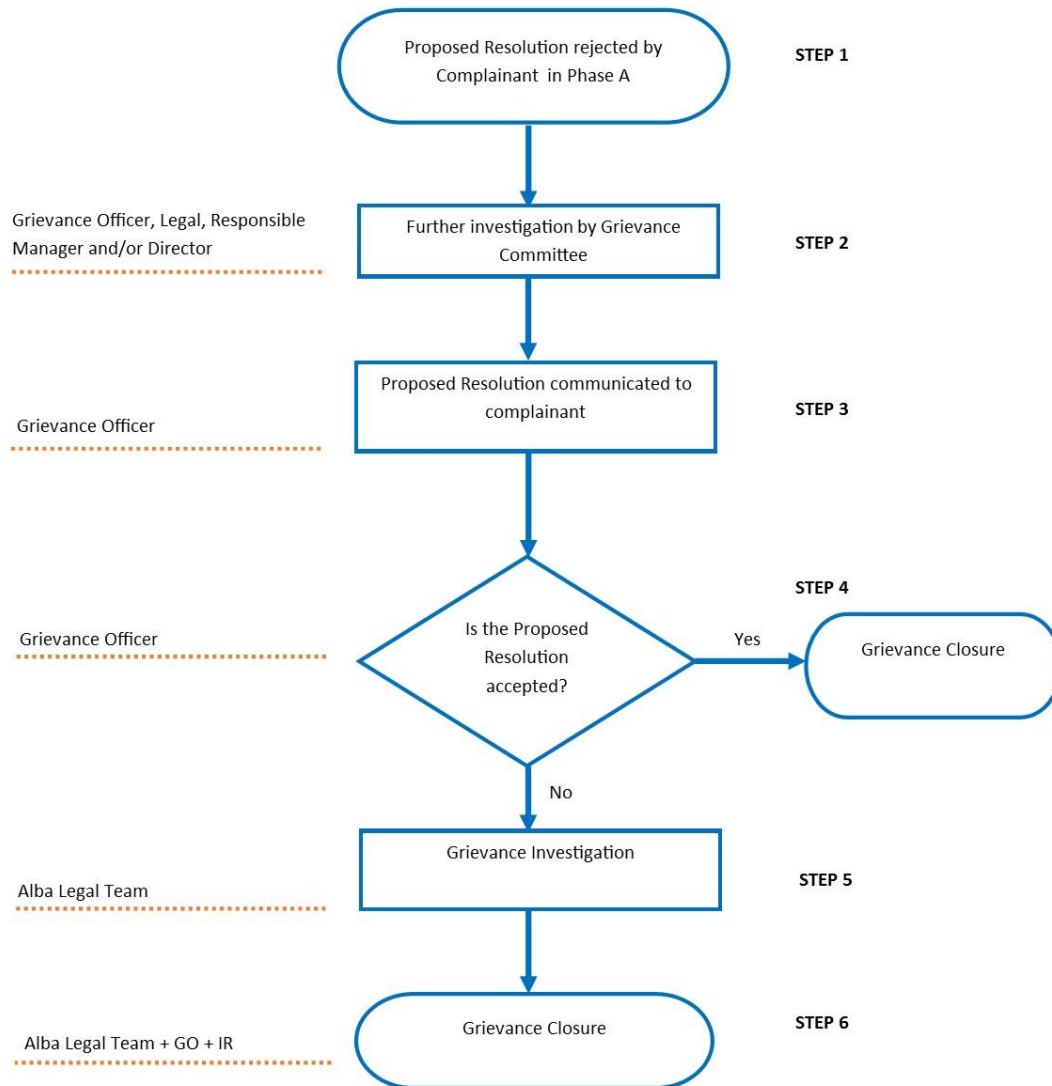
The process flow of the External Grievance Mechanism is explained below in the Alba External Grievance Mechanism Flowchart.



**External Grievance Mechanism for Environment & Social Issues—Phase A**



**External Grievance Mechanism for Environment & Social Issues—Phase B**





For projects, Alba’s Stakeholder Engagement team ensures that a presentation on Alba’s Grievance Mechanism is given to all the project’s contractors and sub-contractors during the early stages. The same presentation is shared via email and is required to be shared with their teams.

Alba also reaches out to its supplier, vendors, clients, contractors, etc. through its Procurement Department. Alba’s Code of Conduct, which is the base for Alba’s Integrity Line, is sent to the stakeholders via the following methods:

- 1) Mass email communication
- 2) As part of Vendor registration
- 3) Website (vendor general guidelines)
- 4) Ariba Supplier’s portal (Alba’s welcome page)
- 5) Ariba Buyer portal through ‘supplier information portal’ page
- 6) Contractual glossary (In every PO)

Alba intends to increase its communication on the Grievance Mechanism by:

- 1) Including it as a signature for all Project teams going forward; and
- 2) Posting on Alba’s LinkedIn and Inter:Connect.

Monitoring the Grievance Mechanism will be through appropriate measures/Key Performance Indicators (KPIs) based upon quarterly, bi-annual and annual reporting of the grievances to ensure that disclosure efforts are effective.

The Table 2.2 below summarises the KPIs that can be used to assess the progress and effectiveness of the proposed mitigation strategies.

| No | KPIs  | Target                            | Monitoring Measure |
|----|---|-----------------------------------|--------------------|
| 1  | Number of complaints or grievances received   | Total number reduced year-on-year | Grievance Register |
| 2  | Number and % of grievances acknowledged within the given timeframe 07 working days. | Target of 90%                     | Grievance Register |
| 3  | Number of complaints or grievances resolved within the 30 days.                     | Target of 90%                     | Grievance Register |
| 4  | Reporting back to stakeholders on   | Periodic reports to stakeholders  | Reporting          |

|  |  |  |  |
|--|--|--|--|
|  | implementation of the<br>Grievance Procedure |  |  |
|--|--|--|--|

**Table 2.2 – KPIs to measure Grievance Monitoring**

In the event that the monitoring identifies non-conformance with the Project Standards, these will be investigated, and appropriate corrective actions will be identified.

This SEP has been prepared in line with Bahrain's National laws and regulations, best international practice including International Finance Corporations (IFC) Performance Standards and Equator Principles (EP) - IV as well as Alba's existing HSEMS, S&H Policy, ESG Framework, etc.

If there would be any further need for stakeholder engagement, it would be undertaken in line with the above and/or any other requirements.

## 9 Glossary

|   |       |
|---|-------|
| Stakeholder Engagement Plan                       | SEP   |
| Environment & Social                              | E&S   |
| Health, Safety and Environment Management Systems | HSEMS |
| International Finance Corporation                 | IFC   |
| Performance Standard                              | PS    |
| Equator Principles                                | EP    |
| Request for Changes                               | RFC   |
| Emergency Preparedness Response Plan              | EPRP  |
| Safety and Health                                 | S&H   |
| Environment, Social & Governance                  | ESG   |
| Human Resources                                   | HR    |
| Environment and Social Impact Assessment          | ESIA  |
| Investor Relations                                | IR    |
| Key Performance Indicators                        | KPI   |