

ALUMINIUM BAHRAIN B.S.C (ALBA)
ANTI-MONEY LAUNDERING (AML), COUNTER-TERRORISM FINANCING (CTF)
AND SANCTIONS POLICY

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OWNER: COMPLIANCE FUNCTION

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1. DEFINITIONS

Alba: means Aluminium Bahrain B.S.C., incorporated under the laws of the Kingdom of Bahrain, and shall include (i) its branch offices in Switzerland and Singapore, (ii) its subsidiary in the United States of America, and (iii) any other subsidiary, branch, or joint venture under Alba's operational control from time to time (collectively, "**Alba**").

Anti-Corruption and Bribery Policy: means Alba's Anti-Corruption and Bribery Policy as approved and amended from time to time.

Associated Parties: means any individual or entity that performs services for, represents, supports, assists or conducts business on behalf of Alba, whether directly or indirectly, and whether formally or informally. This includes, without limitation, suppliers, contractors, consultants, agents, intermediaries, distributors, joint venture partners, customers, advisers, sponsors, government agencies and any other third party engaged in connection with Alba's business activities or acting for or on behalf of Alba.

BARMC: Alba Board Audit and Risk Management Committee.

Bahrain Governance Code: The Corporate Governance Code of the Kingdom of Bahrain as published under the Central Bank of Bahrain ("**CBB**") Rulebook as amended from time to time.

Board: the board of Directors of Alba.

Code of Conduct: a set of expectations and guidelines to all those working for Alba to ensure that the highest standards of integrity and personal conduct are upheld in their business and professional activities, and when dealing with colleagues, vendors, customers, contractors, government agencies and the public, as may be amended from time to time and published on Alba's website ([CodeofConductEN_1.pdf](#)).

Director(s): member(s) of the Board of Directors of Alba.

Document Retention Policy: means Alba's document retention policy as approved and amended from time to time.

Corporate Governance Guidelines: Alba's Corporate Governance Guidelines as may be amended from time to time and published on Alba's website (https://www.albasmelter.com/uploads/0c1plmkt_bko.pdf).

Employees: members of the Board of Directors, senior management, officers, employees (permanent, temporary or seconded), interns and trainees across Alba.

ERM Framework: Alba's enterprise risk management framework including but not limited to policies, procedures, and controls for identifying, assessing, managing, monitoring, and reporting risks across the enterprise, including strategic, operational, financial, legal, regulatory, compliance, and reputational risks, as updated or replaced from time to time.

Integrity Line: the whistleblower hotline program consisting different mechanisms or initiatives designed to encourage and collect reports from parties with information about potential wrongdoing or misconduct via phone or online in full confidentiality.

Integrity Task Force: a team consisting of senior management of Alba as approved by the Board to promote, safeguard, and enforce integrity, ethics, and compliance standards.

Levels of Authority: Alba's policy as approved by the Board that sets out the approval, signing, and execution authorities assigned to designated positions and committees within the organisation, in accordance with the approved organisational structure, as amended from time to time.

Policy: this Anti-Money Laundering ("AML"), Counter-Terrorism Financing ("CTF") and Sanctions Policy.

Whistleblowing Policy: Alba's Whistleblowing Policy as approved and as may be amended from time to time.

2. PURPOSE AND STATEMENT OF COMMITMENT

- 2.1. This Policy sets out the framework by which Alba prevents, detects and reports money laundering, terrorism financing and sanctions violations in accordance with the laws and regulations of the Kingdom of Bahrain and any other applicable laws and forms an integral part of Alba's overall governance, compliance and risk management system.
- 2.2. This Policy should be read together with Alba's Anti-Corruption and Bribery Policy, Code of Conduct, Corporate Governance Guidelines, Bahrain Governance Code, the Whistleblowing Policy and any other relevant Alba policies, procedures and frameworks, and shall be interpreted and implemented consistently with those documents.
- 2.3. Alba adopts a strict zero-tolerance approach towards money laundering, terrorism financing and sanctions breaches. It is designed to reflect both the legal obligations imposed on Alba and the expectations of regulators, shareholders, stakeholders and international business partners in relation to ethical conduct and corruption prevention.
- 2.4. Without limitation, this Policy is aligned with and informed by the following legal and regulatory frameworks as may be amended from time to time:
 - Legislative Decree No. (4) of 2001 with Respect to the Prevention and Prohibition of the Laundering of Money;
 - Legislative Decree No. (54) of 2006 with Respect to Amending Certain Provisions of Legislative Decree No. (4) of 2001 with Respect to the Prevention and Prohibition of the Laundering of Money;
 - Legislative Decree No. (25) of 2013 amending certain provisions of Legislative Decree No. (4) of 2001 with Respect to the Prevention and Prohibition of the Laundering of Money;
 - Legislative Decree No. (36) of 2017 amending article 3 of Legislative Decree No. (4) of 2001 with Respect to the Prevention and Prohibition of the Laundering of Money;

- Legislative Decree No. (57) of 2018 amending some provisions of Legislative Decree No. (4) of 2001 regarding the Prohibition and Combating of Money Laundering and Terrorism Finance;
 - Legislative Decree No. (29) of 2020 amending some provisions of Legislative Decree No. (4) of 2001 regarding Prohibition and Combating Money Laundering and Terrorism Finance;
 - Legislative Decree No. (36) of 2025 amending some provisions of Legislative Decree No. (4) of 2001 regarding Prohibition and Combating Money Laundering and Terrorism Finance;
 - Legislative Decree No. (58) of 2006 with Respect to the Protection of Society from Terrorism Activities;
 - Financial Crime Module of the CBB Rulebook;
 - Ministerial Order No. 7 of 2001: Issued to implement Legislative Decree No. (4) of 2001;
 - UNSCRs on Terrorism and Proliferation Financing: Bahrain is a member of the United Nations and is obligated to implement all relevant UNSCRs, particularly those relating to the prevention and suppression of terrorism financing and proliferation of weapons of mass destruction (e.g., UNSCR 1267, 1373, 1540, 1718, 1988, 1989, 2253, and subsequent resolutions);
 - UN Convention Against Transnational Organized Crime (Palermo Convention);
 - UN Convention Against Corruption;
 - International Convention for the Suppression of the Financing of Terrorism Bahrain;
 - Financial Action Task Force (FATF) Recommendations; and
 - Any other applicable international or local anti-corruption legislation or regulatory framework relevant to Alba's operations.
- 2.5. This Policy also incorporates recognised international best practice principles relating to effective compliance programmes, including risk-based prevention mechanisms, third-party due diligence, internal controls, reporting mechanisms, investigation protocols and senior-level oversight.
- 2.6. Where any conflict arises between the requirements of this Policy and any applicable law or regulation, the higher or more stringent standard shall apply. Where local law permits conduct that is prohibited by this Policy, the provisions of this Policy shall prevail in protecting Alba's governance, legal and ethical standards.

3. SCOPE OF APPLICATION

- 3.1. This Policy applies to all Employees and Associated Parties.
- 3.2. This Policy extends to all Alba business dealings with both private and public sector entities and across all jurisdictions in which Alba operates and to dealings with customers, suppliers, intermediaries, agents, consultants, joint venture partners and other counterparties. All persons covered by this Policy are required to comply with its provisions as well as all applicable laws, rules and regulations.
- 3.3. For the purposes of this Policy, the following concepts are understood and applied in line with the laws of the Kingdom of Bahrain and international standards implemented:
- a) **Money Laundering:** refers to any act or series of acts intended to conceal, disguise, convert, transfer, acquire, possess or use funds or assets derived, directly or indirectly, from criminal activity, where there is knowledge or belief that such funds constitute proceeds of crime. It can

include but is not limited to:

- conduct aimed at hiding or obscuring the true origin, nature, location, disposition, movement or ownership of illicit funds;
- acts intended to assist any person involved in the commission of a predicate offence to evade legal consequences or enforcement action;
- financial or non-financial transactions that may involve the misuse of legitimate businesses, structures or assets to create an appearance of lawful origin for criminal proceeds.

Money laundering constitutes a standalone criminal offence, irrespective of whether the underlying criminal activity occurred within the Kingdom of Bahrain or in another jurisdiction.

- b) **Financing of Terrorism:** the provision, collection, use or making available of funds, assets or economic resources, directly or indirectly, with the intention or knowledge that they will be used, in whole or in part, to carry out a terrorist act, to support a terrorist individual, organisation or group, or to facilitate terrorist activities. Terrorism financing is criminalised irrespective of the source of the funds, meaning that even funds derived from lawful activities may constitute terrorism financing if they are intended for terrorist purposes. Bahraini law treats terrorism financing as a serious offence given its direct threat to national security, public safety and international peace.
- c) **Sanctions:** restrictive measures that are binding in the Kingdom of Bahrain, primarily those adopted by the United Nations Security Council and implemented through Bahraini authorities. Sanctions may include asset freezing obligations, prohibitions on making funds or economic resources available to designated individuals or entities, restrictions on financial transactions, trade or services, and limitations on dealings with certain jurisdictions, sectors or activities. A breach of sanctions may arise not only from direct dealings with a designated person or entity, but also from indirect arrangements that result in funds or economic resources being made available for their benefit. Compliance with sanctions is an integral part of Bahrain’s framework for combating money laundering and terrorism financing.

3.4. Employees and Associated Parties should remain alert to red flags and indicators of potential money laundering or terrorism financing. Non-exhaustive indicators to assist in identifying and monitoring suspicious activities are set out in Appendix I to this Policy.

4. ROLES AND RESPONSIBILITIES

Role	Responsibilities
Board of Directors	<ul style="list-style-type: none"> • Ultimate responsibility for oversight of this Policy. • Approves this Policy and any material amendments. • Ensures effective internal controls to mitigate money laundering, terrorism financing, and sanctions risks.

	<ul style="list-style-type: none"> • Receives regular reports on compliance, risk assessments, significant incidents, suspicious transaction reporting, and interactions with regulators or law enforcement authorities.
BARMC	<ul style="list-style-type: none"> • Provides focused oversight of AML, CTF, and sanctions matters. • Reviews effectiveness of the framework. • Monitors remediation of identified weaknesses. • Oversees independence and effectiveness of the compliance function.
Senior Management	<ul style="list-style-type: none"> • Implements this Policy across Alba. • Embeds AML, CTF, and sanctions controls into day-to-day operations. • Ensures procedures, systems, staffing, and resources are appropriate. • Assesses and manages risks in line with Alba's risk appetite. • Addresses issues escalated by the compliance function promptly and effectively.
Compliance Function	<ul style="list-style-type: none"> • Administers the day-to-day AML, CTF, and sanctions framework. • Maintains and updates this Policy and related procedures. • Advises the business on AML, CTF, and sanctions matters. • Oversees customer due diligence and sanctions screening. • Reviews escalations and internal reports. • Determines whether suspicious transaction reports are required. • Coordinates submissions to competent authorities. • Maintains records. • Acts as primary contact with regulators, and law enforcement. • Periodically review and prepare reports to be submitted to the senior management and BARMC on AML, CTF and sanctions activities, risks, and compliance status.

	<ul style="list-style-type: none"> Escalate any concerns or possible breaches of AML, CTF, and sanctions to internal audit and senior management.
Risk Officer	<ul style="list-style-type: none"> Designs and executes institution-wide AML, CTF and sanctions risk assessments, identifying risks related to customers, vendors, counterparties and third parties.
Business Units	<ul style="list-style-type: none"> Apply this Policy in practice. Conduct and maintain due diligence on customers, counterparties, and third parties prior to business relationships in line with internal policies and this Policy. Understand the purpose and nature of transactions. Monitor activities on an ongoing basis. Identify red flags and escalate concerns to the compliance function without delay. Collaborate with the compliance function in relation to regulators' and authorities' investigations and queries.
Internal Audit	<ul style="list-style-type: none"> Periodically assess the adequacy and effectiveness of relevant internal controls. Initiate investigations and reviews in relation to any non-compliance or breach of this Policy.
Employees and Associated Persons	<ul style="list-style-type: none"> Understand and comply with this Policy. Participate in mandatory training. Exercise vigilance in their duties. Report knowledge, suspicion, or reasonable grounds to suspect money laundering, terrorism financing, or sanctions violations. Failure may result in disciplinary action or personal liability under applicable law.

5. RISK BASED APPROACH

Alba applies a risk-based approach consistent with Bahraini law, whereby the nature and extent of customer due diligence, monitoring and controls are commensurate with the level of risk identified. Risk assessments take into account customer type, ownership and control structures, geographic exposure, products and services, transaction patterns and delivery channels. Enhanced scrutiny is

applied where higher risks are identified, including in relation to politically exposed persons, complex or unusual transactions, and jurisdictions subject to sanctions or other restrictions.

6. CUSTOMER DUE DILIGENCE AND ONGOING MONITORING

- 6.1. Alba has implemented comprehensive Know Your Customer (“KYC”) policies and standard operating procedures to support its risk-based approach and customer due diligence. These policies establish clear guidelines for verifying customer identities, assessing risk, maintaining records, and monitoring transactions. All Employees and Associated Parties are required to adhere to these procedures to ensure consistency, regulatory compliance, and effective mitigation of money laundering, terrorism financing, and sanctions risks.
- 6.2. Customer due diligence is kept up to date through ongoing monitoring of the business relationship and transactions to ensure that activities are consistent with Alba’s knowledge of the customer, its risk profile and, where necessary, the source of funds. Transactions that are complex, unusually large, lack an apparent economic or lawful purpose, or otherwise raise red flags are subject to enhanced review.
- 6.3. For customers identified as high-risk, including politically exposed persons (PEPs), Alba applies enhanced due diligence (EDD) measures. This includes obtaining additional information on the customer’s identity, source of funds, business activities, and the purpose and intended nature of the relationship. Transactions are subject to closer scrutiny and ongoing monitoring, with senior management review required for establishing or continuing relationships. Where applicable, external databases, public information, and reliable independent sources are used to verify information and assess risk. Enhanced reporting and record-keeping ensure that any unusual or suspicious activity is promptly identified, escalated, and reported in accordance with regulatory obligations.

7. SANCTIONS COMPLIANCE

Alba does not engage in any transaction or business relationship that would result in a breach of applicable sanctions or other legal and regulatory obligations. Screening is conducted, in accordance with Alba’s relevant internal procedures and processes which can include screening against relevant sanctions lists and other applicable restrictions to identify designated persons or entities. Where a match or potential match is identified, the matter is escalated immediately to the compliance function, and no funds or economic resources are made available unless and until cleared in accordance with applicable legal requirements and Alba’s contractual and regulatory obligations as a listed entity. Any assets subject to freezing or other restrictive measures are managed strictly in accordance with all relevant legal, regulatory, and contractual requirements.

8. ASSOCIATED PARTIES AND INTERMEDIARIES

- 8.1. Alba recognises that it may incur criminal, civil, or regulatory liability and suffer significant reputational harm as a result of acts of money laundering, terrorism financing, sanctions violations, or other financial crimes committed by its Associated Parties. Accordingly, Alba expects all Associated Parties, including agents, intermediaries, business partners, contractors, and suppliers,

to conduct their business in full compliance with applicable laws, regulations, contractual obligations, and Alba's policies, and to refrain from engaging in any prohibited financial or commercial activity.

- 8.2. It constitutes a violation of this Policy to make, authorise, or facilitate any transaction that may contravene applicable anti-money laundering, counter-terrorism financing, or sanctions obligations, including payments through subsidiaries, agents, intermediaries, business partners, contractors, or suppliers, or to make any payment to a third party where there is reason to believe that all or any portion of such payment may be used in violation of these obligations.

9. INTERNAL CONTROLS AND RISK ASSESSMENT

- 9.1. Alba has established and continues to maintain robust internal control mechanisms designed to prevent, detect, and mitigate money laundering, terrorism financing, sanctions violations, and other financial crime risks across all its operations including but not limited to KYC policies and procedures. These controls are aligned with and supported by Alba's existing governance and control framework, including the Levels of Authority, ERM Framework, and financial policies and procedures.
- 9.2. Such controls include, at a minimum, appropriate segregation of duties, clearly defined approval hierarchies, financial authorisation thresholds, transaction monitoring procedures, enhanced due diligence for high-risk customers or counterparties, screening against sanctions and watchlists, transparent procurement controls, periodic internal control reviews, and ensuring that all applicable AML, CTF, and sanctions-related clauses are placed within Alba's standard contracts and terms and conditions of business. These mechanisms are designed to ensure that no individual is able to initiate, approve, and complete a transaction without independent oversight.
- 9.3. Money laundering, terrorism financing, and sanctions-related risks shall be formally embedded within Alba's ERM Framework and risk registers and shall be subject to periodic assessment, evaluation, and monitoring in accordance with the ERM Framework. These assessments shall consider, among other factors, geographic exposure, interaction with politically exposed persons (PEPs), engagement of third parties and intermediaries, procurement and tendering activities, sponsorships and charitable contributions, and the nature, value, and frequency of transactions.
- 9.4. The compliance function, in coordination with the internal audit, risk management, and relevant business units, shall periodically review the adequacy and effectiveness of these controls and recommend enhancements in line with evolving regulatory requirements, industry best practices, audit findings, and operational risk trends.

10. REPORTING AND INVESTIGATION

- 10.1. All Employees and Associated Parties working for or on behalf of Alba have a duty to promptly report any suspected, actual or attempted violation of this Policy, in accordance with Alba's Whistleblowing Policy.
- 10.2. Reports may be made through line managers, internal audit, the Integrity Task Force (ITF), the Integrity Line or any other officially designated reporting channel approved by Alba. Reports may be made anonymously where permitted by law and shall be handled with strict confidentiality, subject

to legal and regulatory requirements.

- 10.3. Alba strictly prohibits any form of retaliation, victimisation, intimidation or adverse treatment against any person who, in good faith, reports concerns or participates in an investigation.
- 10.4. All reported incidents shall be investigated objectively, independently and promptly in accordance with Alba's policies and procedures. Investigations shall be properly documented, and outcomes shall include appropriate corrective and remedial actions where required.

11. CONSEQUENCES OF NON-COMPLIANCE

- 11.1. Any failure to comply with this Policy shall be treated as a serious breach of Alba's governance, compliance and ethical obligations and may also constitute misconduct under Alba's disciplinary code and Human Resources policies and depending on the nature and severity of the violation, this may result in disciplinary action, suspension, termination of employment or contract, recovery of losses, referral to regulatory authorities and/or initiation of civil or criminal proceedings.
- 11.2. Alba reserves the right to enforce all contractual, legal and regulatory remedies available to it against any individual or entity found to have violated this Policy.

12. TRAINING AND AWARENESS

- 12.1. Alba through its compliance function and Training Department shall implement comprehensive training and awareness programmes to ensure that all Employees, Associated Parties and relevant third parties understand their obligations under this Policy and the applicable legal and regulatory framework.
- 12.2. Training shall form part of Employee induction and shall be delivered at least once a year or whenever there are major updates to this Policy, with targeted and enhanced training provided to personnel in high-risk roles or functions, including procurement, commercial, sales, logistics, and government-facing roles.
- 12.3. Employees and Associated Parties shall be required to formally acknowledge their understanding of and commitment to comply with this Policy. The compliance function shall maintain records of training completion and periodically assess the effectiveness of the training programmes to ensure continuous improvement.

13. RECORD KEEPING

Alba shall ensure that all records relating to money laundering, terrorism financing or sanctions activities are accurately maintained, complete, traceable and securely stored in accordance with Alba's Document Retention Policy or such period as may be required by applicable law and regulatory requirements.

14. COMMUNICATION OF THIS POLICY

This Policy shall be made available to all Employees and Associated Parties.

15. AMENDMENTS

- 15.1. This Policy shall be reviewed periodically to ensure its ongoing effectiveness, relevance and alignment with Alba's operational needs, evolving risk profile and applicable regulatory requirements.
- 15.2. The compliance function of Alba shall be responsible for initiating the review process, taking into account audit findings, regulatory developments, risk assessments and operational experience. Any material changes to this Policy shall be subject to approval by the Board of Directors in accordance with Alba's governance procedures.
- 15.3. Alba shall also conduct periodic effectiveness assessments and benchmarking exercises to ensure this Policy remains consistent with applicable laws, industry best practice and regulatory expectations.

APPENDIX I

Indicators for Identifying and Monitoring Suspicious Activities (AML/CFT)

This Appendix provides non-exhaustive indicators that may assist Employees and Associated Parties in identifying, assessing and monitoring potential money laundering or terrorism financing risks. The presence of one or more indicators does not automatically mean that money laundering or terrorism financing is taking place; however, such indicators should prompt enhanced scrutiny and, where appropriate, escalation in accordance with this Policy.

Structural and Counterparty Risk Indicators

- The counterparty's ownership or corporate structure appears unusually complex, opaque or illogical given the nature or scale of its business, including the use of shell companies, nominee shareholders or entities incorporated in high-risk or non-transparent jurisdictions.
- The counterparty is incorporated, operates from, or maintains significant links to jurisdictions identified as high risk or subject to increased monitoring for AML/CFT deficiencies by competent authorities.
- The stated business activity of the counterparty is inconsistent with its registered address, physical presence or infrastructure, such as operating from residential premises without a credible commercial explanation.
- The counterparty has little or no discernible online or public presence, or available information suggests activities inconsistent with the declared line of business.
- Adverse media or credible information indicates that the counterparty, its beneficial owners or senior management have been linked to money laundering, fraud, tax evasion, corruption, terrorism financing or other serious criminal activity, whether past or ongoing.
- The counterparty demonstrates unexplained periods of dormancy followed by sudden reactivation, particularly where accompanied by high-value or high-volume transactions.

Trade Activity Risk Indicators

- Trade activity is inconsistent with the counterparty's known or stated business profile, such as transactions involving goods or services unrelated to its usual line of business.
- Transactions involve unnecessarily complex structures, multiple intermediaries or third parties whose roles do not appear commercially justified.
- Shipping routes, logistics arrangements or methods of delivery appear unusual, circuitous or inconsistent with standard commercial practices.
- The counterparty makes use of unconventional, overly complex or unnecessarily layered financial arrangements, including atypical use or repeated extension of trade finance instruments without

clear commercial rationale.

- Newly established or recently reactivated counterparties engage in unusually large or frequent transactions, particularly in sectors with high barriers to entry or where the counterparty lacks a demonstrated track record.

Trade Documentation and Commodity Risk Indicators

- Discrepancies or inconsistencies exist between contracts, invoices, shipping documents or payment instructions, including mismatches in counterparties, pricing, quantities, quality or description of goods or services.
- Prices, fees or contractual terms appear inconsistent with market norms or fluctuate significantly without reasonable explanation when compared to similar transactions.
- Documentation contains vague, generic or non-specific descriptions of goods or services that prevent a clear understanding of the underlying transaction.
- Supporting trade or customs documents are missing, incomplete, repeatedly amended, suspected to be false or counterfeit, or resubmitted following prior rejection.
- Contracts governing complex or recurring trade transactions appear unusually simplistic or generic, including reliance on template or publicly available “sample” agreements.
- Goods are routed through multiple jurisdictions without clear economic or commercial justification.
- Late or last-minute changes are requested to payment instructions, beneficiaries, timing or amounts, particularly where payments are redirected to previously unknown entities.
- Payments are made or received in large round sums that are unusual for the relevant sector or transaction type.
- Transaction flows appear circular, with funds ultimately returning to the originating jurisdiction after passing through one or more intermediate countries.