



Towards a Sustainable Future



**HIS ROYAL HIGHNESS
PRINCE KHALIFA
BIN SALMAN AL KHALIFA**

The Prime Minister of
the Kingdom of Bahrain

**HIS MAJESTY KING
HAMAD BIN ISA AL KHALIFA**

The King of the
Kingdom of Bahrain

**HIS ROYAL HIGHNESS
PRINCE SALMAN
BIN HAMAD AL KHALIFA**

The Crown Prince, Deputy
Supreme Commander
and First Deputy
Prime Minister of the
Kingdom of Bahrain

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About This Report

This is Alba's fourth sustainability report. This report highlights our environmental, social and governance achievements and commitments covering the calendar year ended December 31, 2019. The report focuses on issues that are of greatest importance to our stakeholders.

This report has been prepared in accordance with the GRI Standards: Core option

Please send questions or comments to IR@alba.com.bh

Cautionary Message

This report contains statements that may be deemed as "forward-looking statements" that express the way in which Alba intends to conduct its activities. Forward statements can be identified by the use of forward-looking terminology such as "plans", "aims", "assumes", "continues", "believes", or any variations of such words that certain actions, events or results "may", "could", "should", "might", "will", or "would" be taken or be achieved.

Alba has made every effort to ensure the report is as accurate and truthful as possible. However, by their nature forward-looking statements are qualified to inherent risks and uncertainties surrounding future expectations that could cause actual results to differ materially from these projected or implied statements. Such statements are subject to risks that are beyond Alba's ability to control and therefore do not represent a guarantee that events implied in these forward-looking statements will actually occur.

CEO Message

As we welcome 2020, I am pleased to share Alba's 2019 Sustainability Report with the performance highlights of this year that were built upon our previous achievements and which brings us one step closer to our Sustainability Vision.

As a leading corporate in the Kingdom of Bahrain, we are responsible for the overall development of the society in which we operate. Our sustainability management approach is founded on the understanding that resource efficiency, responsible business practices and impact minimisation create value, drive longevity and protect the best interests of our stakeholders. This approach is in line with our mission, vision and core values which underpin Alba's operational roadmap.

Since Alba began commercial operations in 1971, it has consistently demonstrated its commitment for efficient production, resources' optimization and to protect the wellbeing of all its stakeholders. Throughout its operations, Alba has embraced environmentally-friendly practices, maintained strict environmental guidelines and adopted the responsible use of resources, thus making it one of the most modern and sustainable aluminum smelters in the world.

Alba has aligned its sustainable practices with Bahrain's Economic Vision 2030 as well as the Global Sustainability Development Goals (SDGs). In 2019, one of our most significant investment was the establishment of the first-of-its-kind Spent Potline (SPL) Treatment Plant in the GCC. With a capacity to treat 30,000 to 35,000 tonnes of SPL a year, this Plant will provide a sustainable solution for the treatment of SPL with zero-waste.

In 2019, we also recorded better performance in many areas compared to 2018 – a reduction of 11% in recycling waste material; 5% decrease in hazardous waste; Green House Gas (GHG) emission intensity improved by 3% -- all the while maintaining a high track record in Safety with a Zero Lost Time Injuries Frequency Rate, Zero Fatalities and Zero Spills.

"Building a better life for every Bahraini" is what we aim for by supporting numerous community-oriented programmes and social activities that would raise the Bahraini society and promote diversity and inclusion. As such, INJAZ Bahrain and Tamkeen are testaments of the community investment programmes that target Bahraini nationals and train them to take on the challenges and opportunities of the future. We also care for our employees' development and skills' enrichment through collaborating with leading universities and educational institutes locally and around the world.



“As a Bahraini who grew from within Alba, I believe that Alba’s growth and success depend heavily on the Company’s entrenched principles of Safety, Development of Human Capital, Social and Civic Responsibility as well as Community Development”.

We believe that our core values of operational efficiency, global competitiveness, social responsibility, and superior customer service are the cornerstones of our vision to serve better.

We strive to have transparent, honest and responsible relationships with our valued Stakeholders through open communication channels and full engagement in our business. Alba's Sustainability Reports serve this purpose by emphasizing its performance in different areas and serve as one of our transparent communication channels.

I would like to thank each member of Alba's family: the Board of Directors, shareholders, employees, business partners, customers, suppliers and local communities for their loyalty, and extended support which helped Alba achieve good results in 2019.

Wishing you all a prosperous year ahead with many more accomplishments at all levels.

Ali Al Baqali

Chief Executive Officer
Aluminium Bahrain
B.S.C. (Alba)

About Alba

Alba is a leading smelter in the Gulf region and our recent expansion will make us the largest Aluminium smelter in the world excluding China. We are well known for our technologically advanced operations, high quality aluminium and corporate stewardship.

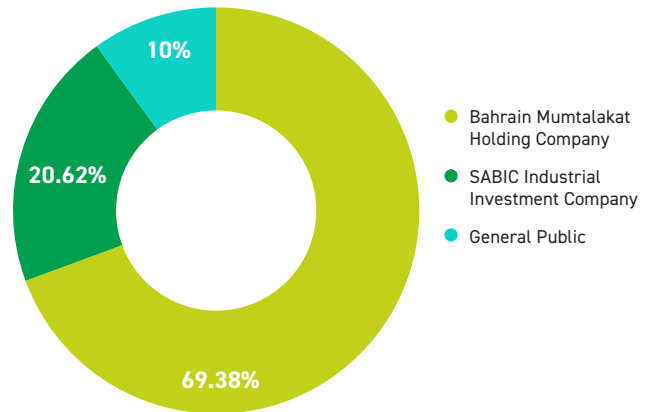
Alba leads the aluminium sector in the Kingdom of Bahrain and is a powerful force for economic development and diversification in the region. Our recent expansion will increase the aluminium sector's contribution to the Kingdom of Bahrain's GDP from 12% to 15%.

Alba's priority is to serve the Kingdom's downstream cluster, with approximately 45% of our production committed to Bahrain's downstream customers. The remaining products are exported to regional and international customers across 25 countries. International business efforts are supported by our Sales and Marketing offices in Bahrain (headquarters), Hong Kong, Europe (Zurich) and the United States (Atlanta).

Manufacturing occurs at Alba's onsite facility in Bahrain, and the Company's portfolio of value-added products includes extrusion billets; foundry alloy ingots; rolling slabs; Tee and standard ingots; and molten aluminium for various industrial and domestic applications.

Headquartered in Bahrain, Alba is a dual listed Company (ALBH) on the Bahrain Bourse and London Stock Exchange.

PRIMARY SHAREHOLDERS



OUR CHARTER

Vision



To be the number one aluminium supplier for the generations to come.

Mission



Being a responsible corporate citizen, we want to create value for all our stakeholders and society.

Values



- Safe & green
- Together
- Ethics
- Excellence
- Resilience

Strengths



- Customer focused approach
- Leader in employee safety and health
- Focused on environment protection
- Employer of choice

Our Value Chain and Business Strategy

Alba's business strategy is to increase our value through the growth and expansion of our operations, as well as through reducing costs and optimizing efficiency through continually improving our operations and processes. Growth and expansion are successfully achieved through projects such as the Line 6 Expansion Project. We also continually cut cost and improve efficiency through process innovation, the implementation of cutting-edge technology and reintroducing materials back into industrial processes. We aim to manifest our strategy in a manner that maximizes shared value for all stakeholders involved.

Alba's supply chain consists of third-party raw material providers, contractors, equipment providers, and logistics partners. Many of our suppliers are local and small-medium sized enterprises. In addition, Alba sourced its major raw materials from many worldwide locations, including Australia, China, Europe, and South America.

Alba is committed to maintaining a sustainable, resilient, and responsible supply chain. We encourage sustainable best practices for our major suppliers and vet new suppliers based on Environmental, Social and Governance (ESG) criteria.



Products

We convert natural resources into high quality aluminium products that add value to our customer's industrial processes. The end uses of our Aluminium products help drive economies and add value to society as a whole. It becomes part of essential products, such as vehicles and materials for construction and infrastructure. We produce our products in a responsible manner, allowing our customers to incorporate sustainable materials into their own products. When our products reach the end of their lifecycle, Aluminium is one of the most recyclable materials in the world.

ALBA PROVIDES ITS SUPPLIERS WITH QUALITY PRODUCTS SUCH AS:



Extrusion Billets

Soft alloys are used for architectural applications, building and kitchen suite sections. Hard alloys are used in a variety of engineering and transport applications.



Liquid Metal

Converted into a range of value-added products such as primary aluminium alloys and master alloys. Used to produce primary aluminium based EC rod, alloy rod, and wire and alloy ingot; other applications include aluminium powder and aluminium pellets, aluminium wires for electrical and mechanical use, curved line conductors, Aluminium Clad Steel (ACS) wires for transmission lines, solid conductors and aluminium casting for car and truck wheels.



Foundry Alloyed Ingots

Primarily used by the automotive industry for manufacturing high quality automotive wheels, truck hubs and gas pump nozzles.



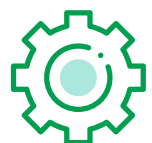
Standard Ingots and Tee Ingots

Re-melted at customer furnaces and then cast to produce a wide variety of end products that cover the entire spectrum of aluminium applications for the construction industry, transportation, electrical goods and household appliances.



High Quality Sheet Ingots (Rolling Slabs)

Used for finished products such as ultra-light gauge foils and cookware foil. Lithographic applications include the production of offset printing plates. Used in the packaging industry, transport and aviation industries, construction and general engineering applications such as panelling, flooring and roofing.



Awards and Recognition

Alba aims to achieve industry leadership in sustainability and adopt the best practices and standards related to ESG issues. We have proudly achieved the following awards and recognitions for our sustainability efforts:

AWARDS AND RECOGNITIONS



Best Corporate Governance in Industrial Services Middle East —Ethical Boardroom (2019):

This Award recognized Alba for its outstanding corporate governance policies as well as its role in establishing and maintaining good practices in transparency across its operations.



Best CEO – Industrial Services – Ethical Boardroom Middle East Individual Award (2019):

In addition to the Best Corporate Governance Award, Alba CEO Mr. Tim Murray was awarded the Best CEO Award by the Ethical Boardroom.



Achievement Award (Gold Medal)— Royal Society for the Prevention of Accidents (2019)

These awards recognise an organisations overall health and safety performance, policies and procedures.



International Safety Award (Merit)— British Safety Council (2019):

The International Safety Awards are health and safety's most prestigious award scheme. They recognise organisations that have demonstrated commitment to occupational health, safety and wellbeing, regardless of their size or the sector they operate within.



Occupational Excellence Award— National Safety Council in the USA (2019):

The National Safety Council recognizes organizations with injury and illness records better than or equal to 50% of the Bureau of Labour Statistics for their North American Industry Classification System (NAICS) code.



IATF 16949 Compliance Certification— United Registrar of Systems (2018):

IATF 16949:2016 is the International Standard for Automotive Quality Management Systems. The standard was collaboratively developed by members of The International Automotive Task Force (IATF) and published and approved by the International Organization for Standardization (ISO).



ISO 9001:2015 Compliance Certification— United Registrar of Systems (2018):

ISO 9001 is the ISO international standards for 'Quality management systems' and outlines organizational requirements related to quality, consistency and customer satisfaction in addition to regulatory compliance.



ISO 14001:2015 Certification— Bureau Veritas Certification (2018):

The ISO 14000 family of standards provides practical tools for companies and organizations of all kinds looking to manage their environmental responsibilities. ISO 14001:2015 and its supporting standards such as ISO 14006:2011 focus on environmental systems to achieve this.



Achieved ASI Performance Certification in January 2020.

MEMBERSHIPS OF ASSOCIATION

In 2019, Alba proudly became a certified member of the Aluminium Stewardship Initiative (ASI). The Keep "ASI" only is a global, multi-stakeholder, non-profit standards setting and certification organisation. It is the result of producers, users and stakeholders in the aluminium value chain coming together with a commitment to maximising the contribution of aluminium to a sustainable society. Alba's alignment and adoption of ASI objectives and values can be found in the following section detailing our Sustainability Management Approach.

In addition, Alba remains an active member of the following associations:

- International Aluminium Institute
- Gulf Aluminium Council
- Aluminium Association, USA
- Aluminium Extruders Council, USA
- Aluminium Federation of South Africa (AFSA)

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Sustainability at Alba

Alba's sustainability management approach is founded on the understanding that resource efficiency, responsible business practices and impact minimization help create value, drive longevity and protect the best interests of our key stakeholders. We understand that unprecedented issues such as climate change and resource scarcity will impact business operations around the world, and the optimized use of resources represents not only an opportunity to cut costs and build resilience, but also to join the global fight against the risks that threaten humanity at large. Further, acting as a good corporate citizen protects our license to operate and offers a competitive edge into future markets that increasingly value sustainability performance.



Sustainability Management Approach

Our sustainability management approach is aligned with traditional business objectives such as being an employer of choice, managing risk, preserving continuity and sustaining growth.

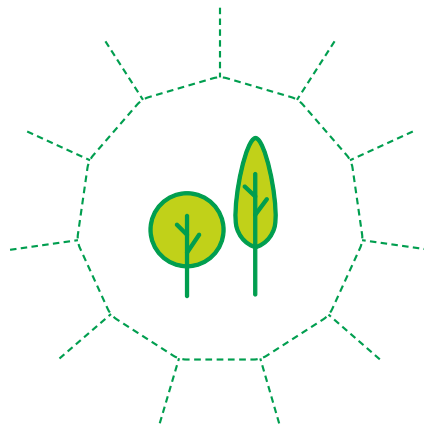
KEY ASPECTS OF OUR SUSTAINABILITY MANAGEMENT APPROACH INCLUDE:

Conducting ongoing engagement and dialogue with key stakeholders and developing strategies that serve their needs and best interests.

Continuously assessing and improving the effectiveness of our management approach.

Assessing broader sustainability related trends, risks, opportunities and developments with the ability to affect our business strategies and operations.

Promoting sustainability throughout our industry, supply chain, community and local environments.



Aligning our corporate strategies with industry, national and global efforts (e.g. ASI, Bahrain Economic Vision 2030 and the SDGs).

Uplifting local communities and the underprivileged.

Conducting thorough assessment of ESG risks and opportunities, life cycle impacts and sustainability KPIs.

Developing and nurturing our people to ensure they are prepared for the challenges of the future and that Alba remains an employer of choice.

Prioritizing corporate responsibility and ESG considerations at the highest decision-making level.

Communicating our sustainability mission and vision.

Measuring, improving and communicating sustainability performance against sustainability KPIs and targets.



Sustainability Framework and Priority Areas

To ensure that our vision of a sustainable future penetrates all aspects of our business and operations, we have recently developed a sustainability framework designed to catalyse sustainability and drive multi-stakeholder value.

Alba's Sustainability Framework summarizes what sustainability means to the metals and mining industry and identifies key areas where we can affect positive change and exemplify best practices. The framework is based on Alba's approach to integrating sustainability and managing material ESG issues within Alba's greater business strategy.

The framework (discussed further below), consists of three central pillars designed to integrate the consideration of ESG issues into all aspects of our business. The framework was developed based on the collective results of an in-depth materiality assessment, stakeholder mapping and researching the sustainability agendas of other key players in the industry.

GOVERNANCE AND MANAGEMENT

Governance and business management best practices help maintain our license to operate, build trust amongst our key stakeholders and drive sustainable growth and value creation.

SOCIAL AND COMMUNITY IMPACT

Investing in the communities in which we operate is not only part of our corporate responsibility, but it helps build long-term relationships with some of our most crucial stakeholders. Investing in the capacity and wellbeing of our workforce is a direct investment in the future of Alba.

SAFETY, HEALTH AND ENVIRONMENTAL RESPONSIBILITY

By avoiding all preventable health and safety incidents, we protect the wellbeing of our stakeholders. Our commitment to environmental responsibility goes hand in hand with our strategy to optimize resource efficiency, minimize negative environmental impacts and establish Alba as a resilient, future-minded company.



Listening to Our Stakeholders

Building long-term trusting relationships through various engagement platforms with our key stakeholders helps us better understand their best interests, improve our operations, and create value for all parties involved. Feedback and constructive communications from our stakeholders are powerful resources for continual improvement and sustainable growth.

Alba has diverse range of stakeholder engagement platforms in place that provide detailed two-way communication channels and ensure that all concerns and constructive ideas are properly heard and addressed. Our first major stakeholder engagement initiative was established as part of International Finance Corporation (IFC) lender requirements for the Line 6 Expansion Project. During this process, key stakeholder groups were identified, categorized, and prioritized. Alba's Stakeholder Engagement Plan (SEP) was developed to assess the potential environmental and social impacts to these key stakeholder groups. The SEP process was formally implemented in May 2018, when we conducted our first Stakeholder Exhibition Meeting for all the line 6 Expansion Project's stakeholders (in the presence of Alba's Chairman, Board Directors and Alba Executives).

During the construction and commissioning of Line 6, the SEP was and will continue to be reviewed twice each year. Alba's Investor Relations department is the SEP owner, and other responsible contributing parties are Alba's Safety, Health and Environment (SHE) department, Line 6 contractors and Supplementary Environment and Social Impact Assessment (ESIA) contractors. The SEP has cross linkages with other Alba management plans and policies including: Emergency Response Plan (ERP); Corporate Communications Plan; and traffic management plans.

Due to the Alba Port Capacity Upgrade project, a new SEP was designed and implemented this year. Details of stakeholder engagement for the Project and general stakeholder engagement for Alba's Sustainability strategy are available in Appendix A.

THE IFC PERFORMANCE STANDARDS INCLUDED IN ALBA'S SEP ARE:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labour and Working Conditions
- PS3: Resource Efficiency and Pollution Prevention
- PS4: Community Health, Safety and Security
- PS5: Land Acquisition and Involuntary Resettlement
- PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources

DUE TO THE SCALE AND COMPLEXITY OF THE LINE 6 EXPANSION PROJECT, KEY STAKEHOLDER GROUPS INCLUDED:

- Government: (various agencies and bodies of the Kingdom of Bahrain, including the Supreme Council for Environment)
- Non-Governmental Organisations (NGOs)
- South Alba Industrial Estate (SAIE): one of the seven industrial areas in Bahrain in the immediate project vicinity
- Media
- Local communities
- Alba employees
- Alba contractors
- General public

To provide our stakeholders with a platform to communicate their suggestions and concerns, Alba instituted the Integrity Line in 2010. This 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 also launched the External Grievance Mechanism in 2018, which initially was to receive and facilitate the resolution of affected communities' concerns and grievances about Alba's Line 6 Expansion Project's Environmental and Social (E&S) performance.

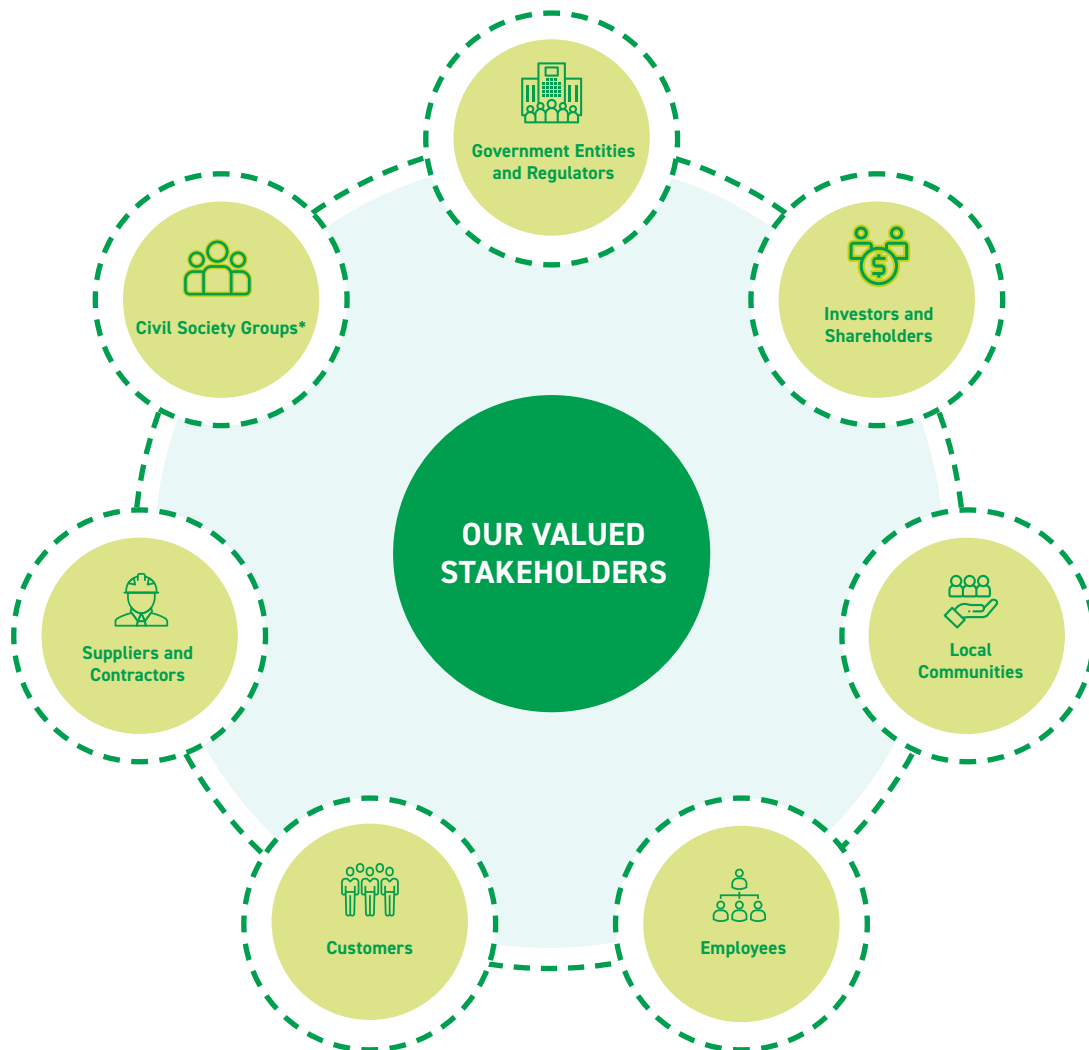
Alba has now extended the scope of the Integrity Line to include complaints about E&S matters of the Company and its operations.

Received grievances are logged, registered and tracked through proper internal channels until resolution. No grievances were received for the Line 6 Expansion Project in 2019.

These larger engagement initiatives are supplemented by numerous ongoing engagement activities conducted throughout the year for each stakeholder group. The effectiveness of our engagement efforts is assessed each year and improved as necessary.

Alba identifies key stakeholder groups based on their ability to impact or be impacted by our operations and business decisions. The perspectives and needs of our key stakeholders are key inputs to our materiality and sustainability processes and therefore, their priority issues become our priority issues.

Key stakeholder groups, priority issues and engagement mechanisms are outlined in Appendix A. In addition to these engagement platforms and mechanisms, stakeholder mapping was a key tool in the materiality assessment described in the next section. For the full stakeholder map please see Appendix A.



*Civil Society groups include Peers, Industrial Associations, NGOs, Special Interest Groups, Media, Universities and Research Institutions and Civil Society)

MATERIALITY

The Issues That Matter Most

Alba is committed to managing the issues that are most relevant to our operations, business context and the best interests of our key stakeholders. In order to focus and refine our reporting, strategies and efforts on the issues that matter most, we have engaged with corporate sustainability and reporting experts to conduct a thorough Materiality Assessment Process in line with international standards and principles, such as the GRI Standards. This process was supported by professional expertise, in-depth research on leading practices in the sector and the incorporation of national and international principles and visions. Alba's Materiality Assessment Process is based on the following 4 steps:

1 BUSINESS CONTEXT ASSESSMENT

Our Materiality Assessment Process began with the identification of thorough sectoral ESG analysis, industry trends, as well as the identification of relevant national, international and sectoral visions. Then an assessment was conducted on Alba's specific business context, e.g. ESG impacts, corporate values, stakeholder best interests, etc.



2 STAKEHOLDER MAPPING

Stakeholder mapping is a collaborative process of research, debate and discussion that draws from multiple perspectives to determine a key list of stakeholders across the entire stakeholder spectrum. The Stakeholder mapping process helps determine who Alba's key stakeholders are, what their needs and perspectives are, and how to prioritize their best interests.



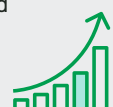
3 CREATING THE MATERIALITY MATRIX

The results of steps 1 and 2 help determine the list of ESG topics that are the most material to our business and stakeholders and a corresponding list of KPIs. These issues are determined based on significance to our organization and/or our stakeholders, and are prioritized based on the significance of impacts and influence of stakeholder assessment and decisions. The list of material topics has been refined to 16 key issues.



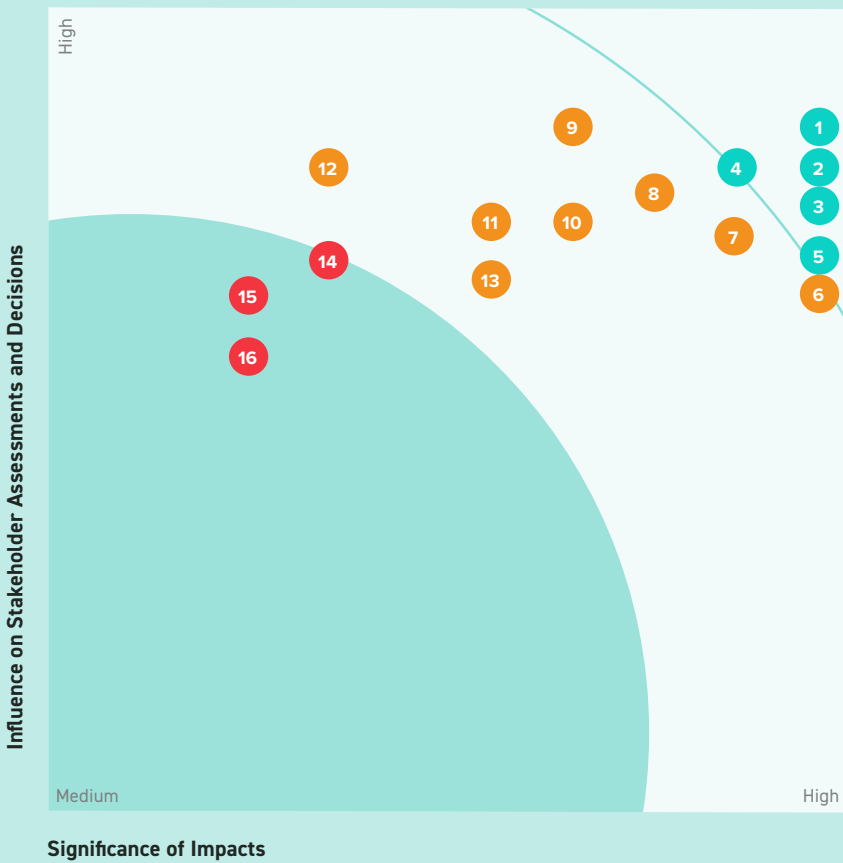
4 EXPANDING ON THE NUMBERS

While this process helped identify the most meaningful KPIs against which to measure and communicate our performance, at Alba, sustainability is about much more than numbers. Therefore, these issues are expanded into values, policies and strategies to guide Alba's operations and business decisions—and has formed the basis of our Sustainability Framework. In addition, these issues are aligned with international standards such as GRI standards, SDGs, Bahrain Economic Vision 2030 and sectoral standards such as Sustainability Accounting Standards Board (SASB) Metals and Mining guidelines.



The results of the materiality assessment process lead to the Materiality Matrix shown below and informed the creation of Alba's Sustainability Framework.

MATERIALITY MATRIX



- 1 Business Integrity including transparency, ethics, and anti-Corruption
- 2 Economic Performance
- 3 Climate Change, GHGs and Energy management
- 4 Health and Safety
- 5 Waste management incl. hazardous materials and recycling
- 6 Water and wastewater management
- 7 Compliance with statutory and regulatory requirements
- 8 Employee Welfare and Diversity incl. gender equality
- 9 Human Rights
- 10 Anti-competitive behaviour
- 11 Employee Training, Development and Talent Management
- 12 Responsible Sourcing and Supplier Management
- 13 Product Quality
- 14 Community development and engagement incl. education and cultural heritage
- 15 Technology, Innovation and Process Improvement
- 16 Biodiversity management

Our Contribution to the SDGs

Alba is committed to driving positive change and helping to address the greatest challenges facing humanity. To ensure that our sustainability strategy is well designed to contribute to these challenges on the global scale, we have aligned our sustainability management, goals and reporting frameworks with SDGs.

The SDGs are carefully considered in our decision-making processes and are highlighted in the remaining sections of this report. These efforts help ensure that Alba helps build a sustainable world for future generations.


In addition, as a result of lender requirements for the Line 6 Expansion Project, Alba has reported performance against IFC Performance Standards for environmental and social compliance. As part of the World Bank Group, IFC goals are aligned with the SDGs at the strategic sector level, which promotes investment in infrastructure such as Alba's Line 6 project (IFC, 2018).

The performance highlights below illustrate some of our key alignments and contributions to the SDGs.

2019 SUSTAINABILITY PERFORMANCE HIGHLIGHTS

+99.86 
consistent metal purity

Zero 
significant spills

91% 
of our employees represented in joint management-worker H&S committees

Recycled
9,197 mt 
of solid wastes


5% 
decrease in hazardous waste

Zero
Fatalities


Zero 
Lost Time Injuries
Frequency Rate
(per million-man hours)

BD 1,502,156
invested in
employee training
and development 

100% 
of agreements included
clauses incorporating human
rights concerns or that have
undergone human rights screening

Nationalization rate of
84% 

Zero
reported incidents
of discrimination

70 
employees contributed
an estimated 350
volunteering hours

GHG emission intensity has improved
3%

Recycled and reused
188,510 m³ 
of sewage effluent

1,626 
health and safety
audits were conducted

02

Safety, Health and Environmental Responsibility

As a responsible corporate citizen, Alba is committed to implementing SHE best practices that protect the wellbeing of our stakeholders, minimize the environmental impacts of our operations and conserve crucial resources for future generations.



CLIMATE CHANGE & RESOURCE MANAGEMENT

Environmental Management

Alba is committed to implementing the highest environmental standards across the organisation. We operate under the core belief that producing high quality products should never be at the cost of the environment.

Alba's aluminium production processes and operations are carefully designed to minimize associated upstream and downstream environmental impacts. In addition, we continuously assess new alternatives, innovations and operational improvements with the potential to further increase resource efficiency and protect environmental resources.

To minimize the environmental impacts of our operations and optimise resource efficiency, Alba implements a dynamic Safety, Health and Environment Management System (SHEMS). To ensure the implementation of best practices, our SHEMS was designed to meet the requirements of ISO 14001:2015 (Environmental Management System) and the Kingdom of Bahrain's Supreme Council for Environment (SCE). Alba's ISO 14001:2015 certification was revalidated on 25th October 2018. Revalidation and surveillance audits are conducted every six months to ensure compliance to the standard.

Alba's Line 6 Expansion Project has also brought into focus the IFC Environmental Performance Standards as a condition of lender environmental requirements which are incorporated into the SHEMS:



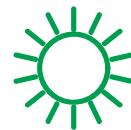
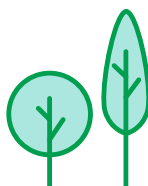
PS1: Assessment and Management of Environmental and Social Risks and Impacts



PS3: Resource Efficiency and Pollution Prevention



PS6: Biodiversity Conservation and Sustainable Management of Living Natural Resources



Our environmental ambition and management approach are aligned with the Aluminium Stewardship Initiative (ASI). In 2020, we achieved ASI membership certification after a detailed questionnaire on our sustainability management and an audit of our production and marketing of primary aluminium from alumina, calcinations of petroleum coke, water desalination, anode manufacturing, smelting, casting and captive power generation.

Alba's SHEMS was designed to drive us towards measurable goals and continual improvement that will minimize or, where possible, eliminate environmental impacts.

Alba adopts a precautionary risk-based approach to environmental management, and applies lifecycle thinking when assessing potential risks, impacts and opportunities. Members of senior management are responsible for ensuring that our operations and business decisions are consistent with our sustainability vision and SHEMS. Resources are allocated and new strategies are designed as required to improve the environmental performance based on a lifecycle cost/benefit approach that incorporates ESG impacts. As part of our alignment with the ASI, we have recently engaged an expert to conduct a full lifecycle assessment (LCA) to quantify the impacts of our major products.

Significant environmental risks are identified using established criteria and either mitigated, minimized or eliminated through state-of-the-art control methods.

Department leaders ensure that all workers throughout the organisation are aware of the environmental risks associated with their activities and the corresponding best practices to minimize or avoid them. As such, environmental training is provided to Alba employees on a monthly basis.

“Alba SHEMS was designed to drive us towards measurable goals and continual improvement that will minimize or, where possible, eliminate environmental impacts.”

Conversely, Alba continuously assesses new opportunities to improve environmental performance in a manner that optimises value for all stakeholders. Such opportunities are identified through plant modification requests, stakeholder engagement platforms, internal audits, investigation reports, third party expertise and other mechanisms.

There were no non-compliances with any environmental laws and regulations in 2019.

In addition to our internal environmental management systems, we have invested more than BD 13.2 million in environmental conservation projects. These projects focus on pollution monitoring and abatement, waste management and GHG reduction, which correspond to our two most highly prioritized material environmental issues.

BD 13.2m



invested by Alba in environmental conservation projects

0



incidents of non-compliance with environmental laws and regulations

SDGs Linked To The Issue



Energy and Emissions

Alba recognises that climate change is one of the greatest threats facing humanity today, and we are committed to climate leadership within the region and industry.

As a major industrial player in the region, we are committed to aggressively minimizing our greenhouse gas emissions (GHG) and playing a pivotal role in the economic diversification away from fossil fuel dependence in Bahrain. Further, optimizing our energy performance and emissions translates to significant cost savings, reduced exposure to volatile energy prices and builds resilience for business continuity in a low-carbon future. Therefore, climate action is part of our responsibilities as a corporate citizen, but also makes strong business sense.

The extractives industry is inherently energy-intensive and therefore, our climate strategy focuses on energy optimization as a means to minimize GHG emissions and reduce operational costs. Our smelting process is primarily powered by natural gas from an onsite captive power plant. Alba has recently transitioned to GE's cutting-edge, energy efficient technology at Power Stations 4 and 5. Power Station 5 now utilizes the world's most efficient generator (GE H Class), while Power Station 4 utilizes GE MXL2, which is also highly efficient by industry standards. In addition, steam turbines use waste heat from the gas turbines as the heat source to capture energy otherwise lost from the system. By implementing state-of-the-art energy efficient technology, Alba aims to lead the aluminium industry in terms of energy efficiency. In particular, Power Station 5 is designed to be one of the most efficient combined cycle power plants in the world. In 2020, we plan to shut down the less efficient power stations 1 and 2 but will remain as black start machines for Power Stations 5, while Power Station 3 will be partially operational and on cold standby for emergency generation in case of shortage from Power Stations 4 and 5. In addition to minimizing GHG emissions, these efforts will result in significant savings in operational costs.

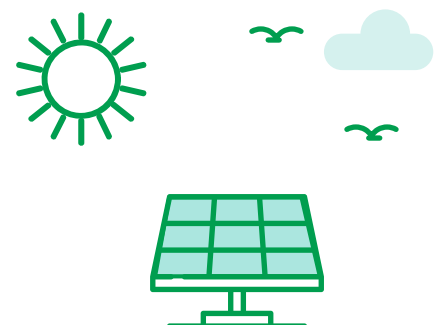
Additional energy efficiency improvements are achieved using advanced control systems and continuous monitoring. In addition, high efficiency burners are used to minimise emissions such as Nitrogen Oxides (NOx).

A full environmental team (head, supervisors, and analysts) is employed and equipped with the necessary budget and technologies to monitor power station efficiency and hazardous emissions (including GHGs as well as air quality emissions discussed below) from all departments and treatment facilities. Our performance is continually monitored, assessed and compared to material KPIs and reduction targets. Annual voluntary emission reduction targets are set in alignment with national and international emission reduction targets and policies. Our long-term goal is to reduce the GHG intensity of our operations by 1.3 tCO₂e/tAl. In the short term, we aim to improve GHG emission intensity by 13.9% by the end of 2020.

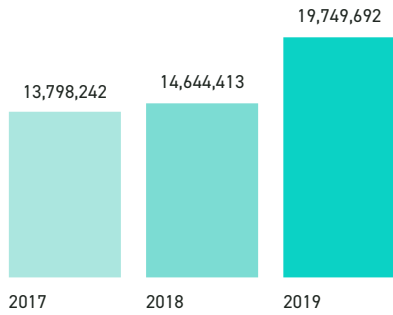
In 2019, Alba produced a total of 19,749,692 MWh of energy and consumed an additional 6,507 MWh of indirect energy in the form of purchased electricity. Our power plants and smelters consumed 157,567,467 MMBTU and 4,887,578 MMBTU of natural gas respectively. This represents an increase in total consumption of 34.3% compared to 2018. The total increase was due to the expansion of our operations and the Line 6 Expansion Project. However, energy intensity has remained relatively constant since 2018 (approximately 15.16 kwh/kgAl) and has improved by 2% since 2017 (approximately 15.5 kwh/kgAl). In 2019, energy intensity was 15.22kwh/kgAl. We have restated the energy intensity figure for 2018 due to improved calculation methods.

Our total direct and indirect energy consumption in 2019 resulted in 12,062,406 metric tons of carbon dioxide equivalent (tCO₂e). Although this represents a 30% increase compared to 2018, which is attributed to the operation of the Line 6 expansion project, GHG emission intensity has improved 3% from 9.554 (tCO₂e/tAl) in 2018 to 9.294 (tCO₂e/tAl) in 2019.

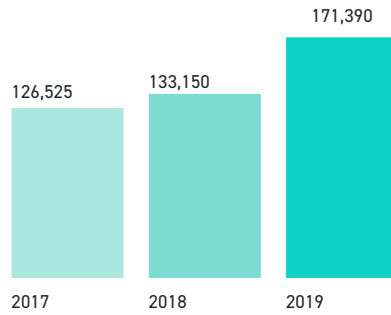
GHG emissions are calculated based on the Greenhouse Gas Protocol guidelines. GHG calculations include CO₂, CH₄, N₂O & PFCs and are calculated in accordance with Intergovernmental Panel for Climate Change (IPCC) sector specific guidelines covering power generation, pitch volatiles, calcination, packing coke, soda ash, anode consumptions and Perfluorocarbon (PFC) emission.



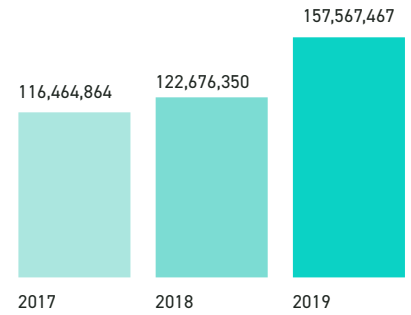
ELECTRICITY PRODUCED (MWH)



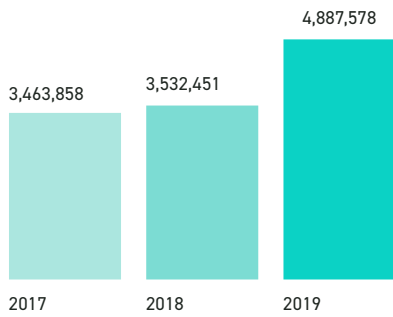
TOTAL FUEL CONSUMPTION (TJ)



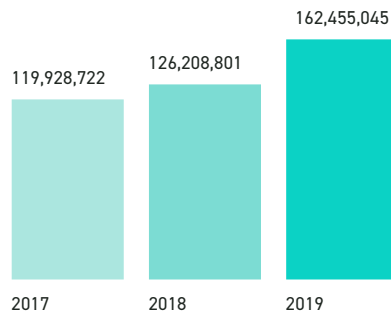
NATURAL GAS CONSUMED IN THE POWER PLANT (MMBTU)



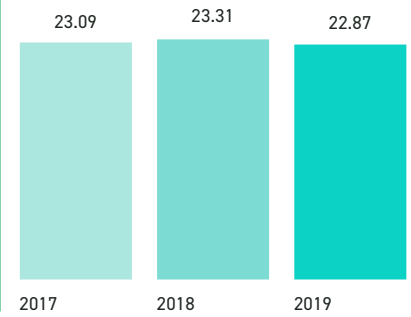
NATURAL GAS CONSUMED IN THE SMELTER (MMBTU)



TOTAL NATURAL GAS CONSUMED (MMBTU)



SO2 INTENSITY (KG/T AL)



EMISSIONS AND AIR QUALITY

In addition to GHGs, Alba continuously manages, monitors and minimizes all harmful emissions that may negatively impact air quality, the ozone or local communities. Advanced control systems and continuous monitoring are implemented to ensure that all emissions are within legal requirements and are reduced to the greatest extent feasible.

Monitoring emission levels is important primarily as an indicator of healthier production systems and compliance with the legal requirements. Alba implements both continuous and standard emission sampling on production plants, and the inlets and outlets of the emission treatment plants. Sampling provides Alba with valuable information to determine any impacts of operations on local communities. In the event of an exceedance, corrective action and direct communications are implemented to resolve the issues in a timely manner.

High efficiency burners and other cutting-edge technologies are implemented to minimise emissions which include nitrogen oxides. Ten large fume treatment plants (FTPs) are in operation to control fluoride and dust emissions arising from the smelting lines. The FTPs are 'dry scrubbers' in which primary alumina is used as a scrubbing medium for the escaping particulate and gaseous fluorides. The absorbed fluorides are subsequently reused in the pots, recycling the valuable fluoride back to the process.

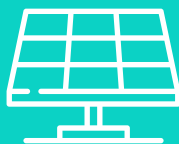
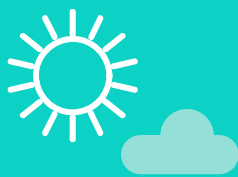
In addition to these treatment plants, several dust collectors have been installed to prevent dust emissions from different sections of the plant. Sulphur dioxide, fluoride and tar fumes are the most notable pollutants emitted from the anode baking kilns. All kilns are open type which is superior to the closed type kilns used in the past. Tar is completely burnt in the kilns with resulting emissions practically eliminated. Most sulphur dioxide and fluoride emissions are a result of our smelting operations.

New and modern plants and facilities—especially the Line 6 Expansion Project and to a major extent Line 5—are designed and equipped with the latest available technologies in regard to efficiency and environmental performance.

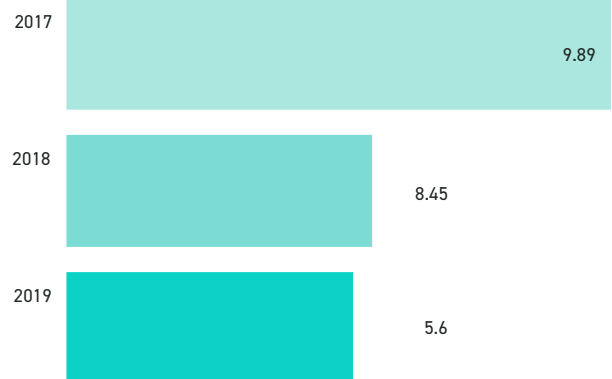
As a result of the Line 6 expansion project, all emission intensities have been reduced since 2018. For example, SO₂ and NO_x emission intensities have decreased by 1.9% and 33.7% respectively, compared to 2018.

2019 HIGHLIGHT STORY SOLAR FARM

Alba is assessing to build a Solar Farm to secure an environmentally-friendly energy to power support-services' department (Admin). By investing in Renewable Energy to generate electricity, we will reduce carbon emissions. More details will be shared post the initial assessment.



NOX INTENSITY (KG/T AL)



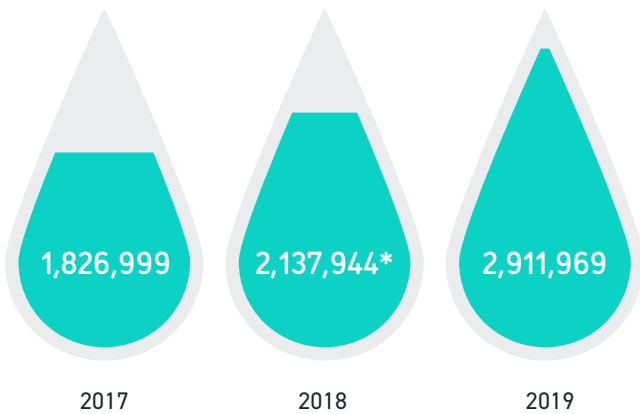
SDGs Linked To The Issue



Water Management

Water is the most crucial resource and sustainable water supplies are a necessity for our operations. Further, we are a major industrial player operating in a water-scarce region, and supplies are expected to be negatively impacted by other issues such as climate change and demand increases. As such, Alba maintains low impacts on water resources as well as a commitment to conserve and even produce future resources as scarcity progresses in the region.

FRESH WATER USED (FROM COMPANY GENERATED) - M3



* restated the figure for 2018 to be comparable to 2019

To conserve potable water resources, Alba fulfils the majority of our water consumption requirements by desalinating seawater through waste heat recovery. In addition, we recycle and reuse a considerable amount of water by treating sewage effluent and using it for irrigation. As a result of these innovative processes, Alba's operations are actually net water positive, leading the industry in water performance. The water surplus from our operations is supplied to the national water grid.

Water extraction and effluent discharge practices at Alba are conducted in accordance with all applicable legal requirements. These practices are included in the Alba Code of Practices (ACOP), which are applied throughout the organisation. The ACOPs require an assessment of environmental impacts regarding natural resource consumption, including water. In the case of potentially significant environmental impacts, a corrective plan of action with objectives and targets to eliminate or mitigate this impact will be implemented until the impact is reduced to the lowest practical level.

In 2019, Alba's operations consumed 2,911,969 m3 of fresh water. Although this represents a 36% increase compared to 2018, this water was generated from our seawater desalinization process. In 2019, Alba generated 8,186,641 m3 of water, a 22% increase compared to 2018. Of which, 5,407,415 m3 was sold and supplied to the Electricity and Water Authority (EWA), as the main customer for Alba water. Further, Alba recycled and reused 188,510 m3 of sewage effluent. No purchased freshwater resources were used in 2019.

In 2019, Alba discharged a total of 90,182,880 m3 of water into the sea, consisting of calciner discharge + RO1, 2 & 3 brine. This represents a 13% reduction compared to 2018.

22%

increase in water generated compared to 2018



188,510 (M)

of sewage effluent recycled and reused by Alba



TOTAL WATER CONSUMPTION (M3)

Total water withdrawal by source	2017	2018	2019
Fresh water used (from purchased) - m3	0	0	0
Non-contact cooling water - m3	0	0	0
Fresh water used (from company generated) - m3	1,826,999	2,137,944	2,911,969

Percentage and total volume of water recycled and reused	2017	2018	2019
Water discharged to sea (excluding non-contact cooling water)	103,707,636	104,028,869	90,182,880
Water discharged other than to the sea	0	0	0
Water recycled or reused (Ml)	270,567*	243,394	188,510

* restated the figure for 2018 to be comparable to 2019



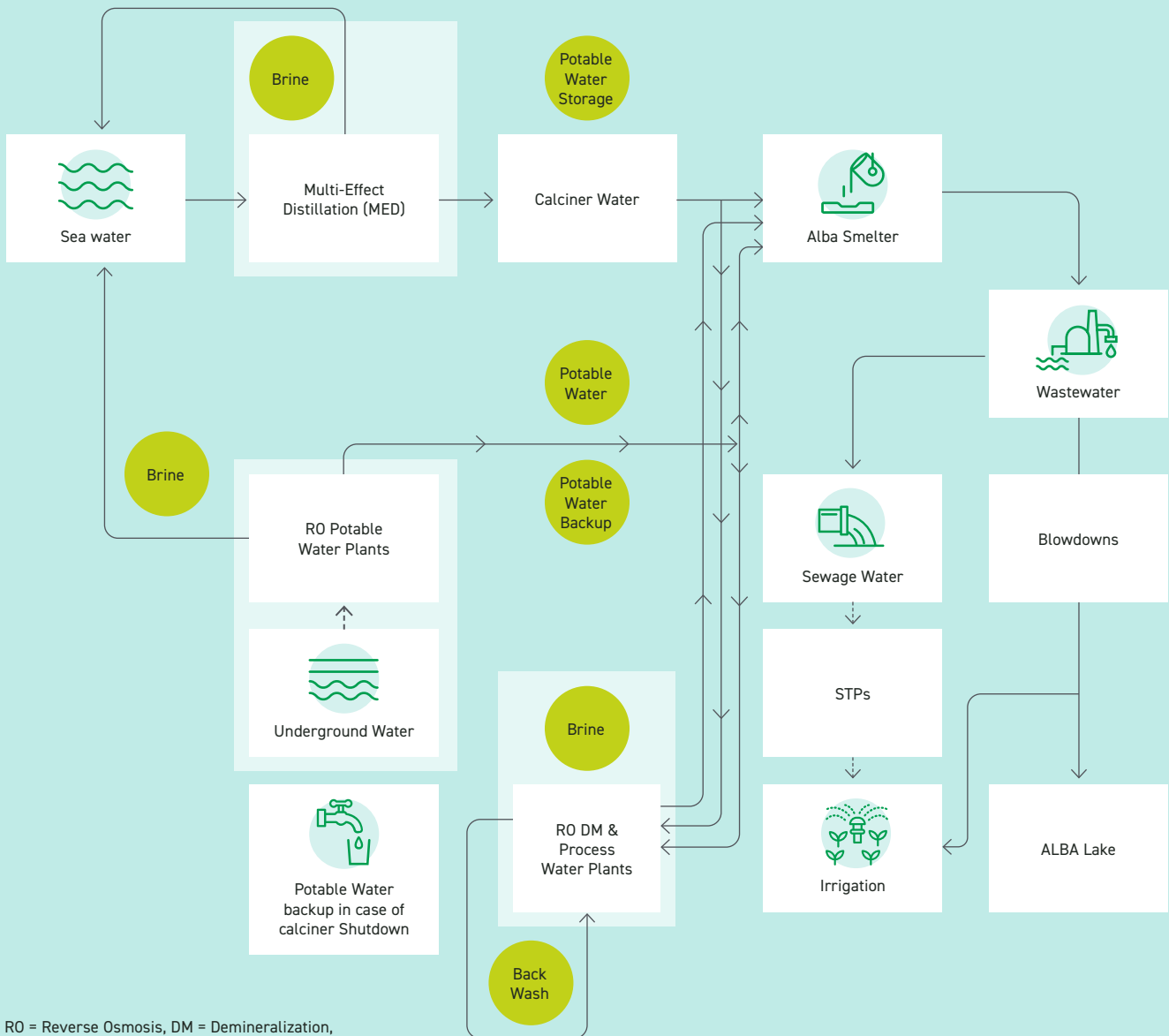
2019 HIGHLIGHT STORY ALBA'S WATER MANAGEMENT SYSTEM

The wastewater discharge from the smelter is limited to brine water rejected by the potable water plants only. The final effluent is monitored thoroughly to ensure compliance with environmental regulations. Other plants like DM & process plants are reusing the water for filter backwash, as it has lower conductivity than ordinary brine.

For water conservation, RO plants are equipped with smart operational controls. The plants are fully automated to start and stop based on storage tank levels so that no water is wasted due to overflows. Otherwise, the storage tanks levels and plant operations are monitored locally by dedicated operators for the same purposes.

Furthermore, the sanitation & sewage system consists of three different tertiary sewage treatment plants with membrane bioreactors and nutrient removal biological technologies. The treated water is reused for irrigation.

The other blowdown waters which are collected from the cooling towers and power stations is also used in irrigation. Moreover, excess blowdowns will be sent to the Lake in Alba Oasis which accommodates different types of plants, birds & different types of fish. The lake also acts as a bio indicator for the quality of the discharged water before it is discharged to the gulf.

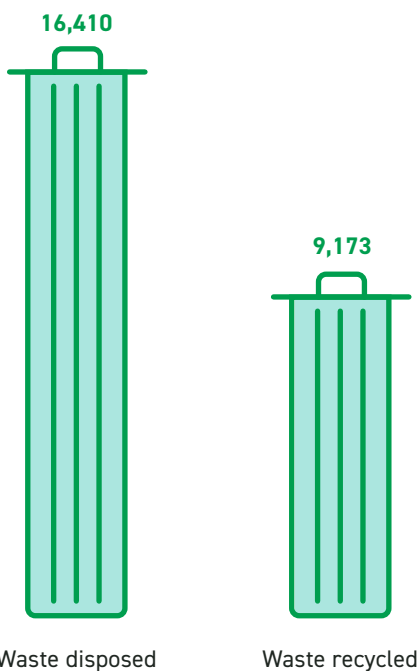


RO = Reverse Osmosis, DM = Demineralization, STP = Sewage Treatment Plant

Waste Management

Alba is committed to protecting land, water and air and conserving natural resources through the careful management of waste streams. Our waste management strategy is focused on eliminating waste at the source, recycling all valuable materials and implementing industry best practices. Further, we are continually assessing new technologies and innovative opportunities to improve the waste efficiency of our operations and keep valuable resources out of landfill. Our waste management practices are designed to comply with all relevant waste codes and regulations. Alba further minimizes waste in our waste streams and impacts by following the principles of recover, recycle, or reuse as appropriate.

2019 WASTE (TONNES)



Solid waste disposal

16,410

Recycled solid waste

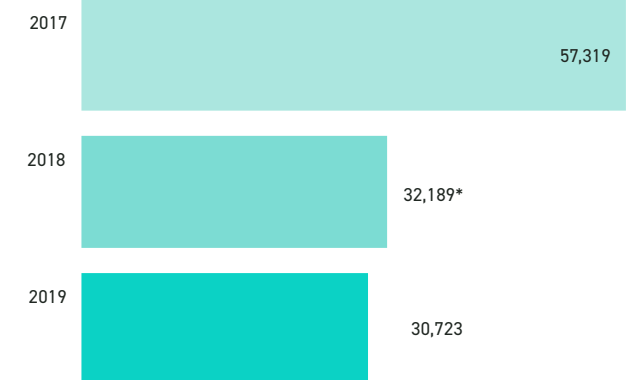
9,197

In 2018, the Company released its five year 'Waste Management Strategic Plan' which provides the structure for Alba to work towards waste reduction at the source. The catalyst for the plan was the expected increase in waste generation (ranging from 54% to 57% for key waste types) as a result of the Line 6 Expansion Project. However, due to industry leading waste management practices, Alba's total waste disposed in 2019 (16,410 mt) only increased by 21% compared to 2018, despite the Line 6 Expansion Project.

The plan objectives are to protect the environment and health of people; reduce the negative effects of waste; reduce waste disposal to landfill, and to explore new recycling or re-use methods for currently unrecycled waste streams. Alba's executive management team will provide the required support and resources for the successful implementation of the strategic plan.

Specific waste-related goals, targets and processes have been established for each of Alba's business units to address their respective solid and effluent wastes generated. Training is provided to all relevant employees on how to properly manage the waste aspects of specific operations. These goals and targets are mandatory for solids and voluntary for effluent waste. Currently, time-bound targets have been set for solid waste reduction, but not yet for effluents.

TOTAL WEIGHT OF HAZARDOUS WASTE (TONNES)



*Restated figure due to improved calculation methodologies

Waste	2017	2018	2019
Total waste disposed (Tonnes)**	15,655	13,545	16,410
Total waste recycled (Tonnes)	15,778	10,275	9,173

** the above figures are excluding SPL, as it is being temporarily stored in a dedicated landfill until the start up of the SPL treatment plant.

WASTE GENERATED AND BY PRODUCTS

Re-introducing materials back into the aluminium manufacturing process is a key aspect of our waste management strategy. To avoid unnecessary disposal, we innovate processes and find value-adding uses for by-products and co-products otherwise sent to landfill. For example, solid bath and anode butts are recycled back into the paste plant to produce new anodes.

Another operational resource recovery method is to collect aluminium scrap from our industrial customers use it as input material to produce new aluminium products. By using post-industrial recycled content in Alba's products, we reduce the demand for raw materials and further reduce the energy and costs required for producing new products.

In 2019, Alba recycled a total of 170,808 mt of potroom related waste material, a 33% increase compared to 2018. This increase is mostly attributed to construction activities related to Line 6 Expansion Project, and we expect to stabilize and optimize recycling activities throughout our operations in 2020.

LIQUID WASTE

Alba reuses or recycles nearly all liquid waste we generate except for mixed oil/water, lime sludge and cooling water sludge. All types of liquid petroleum products generated waste are recycled in addition to many other liquid wastes such as cooling tower blowdown, which is reused as irrigation water and treated sewage sludge which is sent to a local sewage treatment plant for incineration. Alba is currently exploring ways to reduce, reuse or recycle these materials. We comply with Bahrain legal limits for effluent discharge to the sea.

SOLID BATH

The main ingredient of solid bath is sodium hexafluoro aluminate (Na_3AlF_6), which exists in nature as cryolite. This material is produced as by-product for smelters of prebaked electrolytic cells due to the reaction of sodium (Na_2O) in the primary alumina—which is a major raw material for the process—and aluminium fluoride (AlF_3), which is an additive in the electrolysis process.

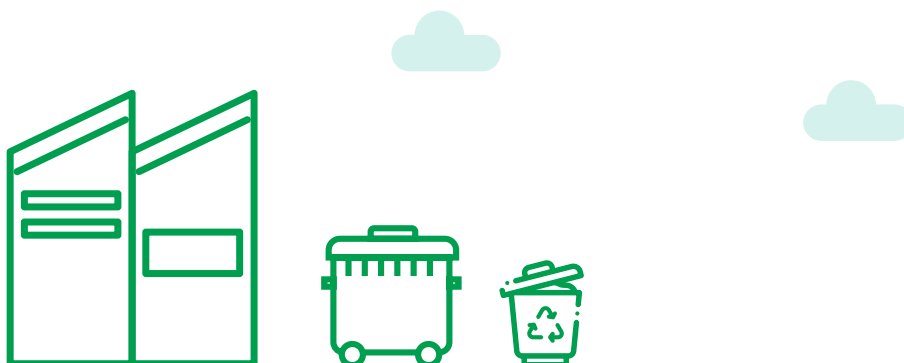
Bath from reduction pots mainly consists of cryolite and alumina and is collected and crushed. Some of the bath is reprocessed in the pot lines as cover materials and the surplus is sold as a by-product.

DROSS

Dross is formed by the oxidation of molten aluminium on the surface of the melt and produced during primary aluminium production process, with a high metal content ranging from 30% to 80%. Prior to the casting process, dross is skimmed off the surface of the molten aluminium and generally occurs in quantities of 15 to 20 kg per tonne of aluminium produced.

The dross contains aluminium and other valuable elements (aluminium oxides), which can be recovered and reused. It is currently being treated onsite by extracting the maximum amount of aluminium using the anthracite heat within the dross. The remaining ash is sent abroad for use as raw material for manufacturing processes. This is the preferred approach as it produces zero waste.

- **Zero Waste Presentation:** Chief Marketing Officer (CMO) Khalid A. Latif along with Casthouse management and SHE Group hosted representatives from Bahrain Recycling Plant and Hwarim Korea, who covered elements of Zero Waste Technology to ensure efficient dross processing.



SPENT POT LINING (SPL)

SPL is the lining material of retired smelting pots and consist of insulation refractory, carbon cathodes and steel collector bars. Steel collector bars are recovered for recycling, while the insulation bricks, carbon cathode and the mixed fine material are typically landfilled as hazardous waste.

Alba announced the establishment of the first-of-its-kind SPL Treatment Plant in the GCC and Bahrain in September 2019. The SPL Treatment Plant - expected to be operational by Q1 2021 - is in collaboration with Bahrain's SCE and is a zero-waste process with a capacity to treat 30,000 - 35,000 tonnes of SPL a year then convert it to value- product. The estimated budget for establishing the SPL treatment Plant is close to BD 17 million.

In 2019, Alba produced 30,723 mt of SPL, a reduction of 5% compared to 2018 and 46% compared to 2017. This reduction was due to a power outage and the associated cutout of a significant number of pots in Potline 5 in 2017. In 2019, Alba recycled 2,737 mt of SPL steel.

CARBON DUST

Carbon dust is produced from the carbon plants processes where the clean fractions are recycled back into the process for making anodes. The fraction that is generated from the shoot blasting stage at the Rodding plant is highly contaminated with bath and steel from the shoot blast media and is not suitable for recycling.

Alba generated 2,655 mt of carbon dust in 2019. This 16% decrease compared to 2018 can be attributed to the recycling of several hundred tonnes by a third-party recycling company.

REFRACTORY WASTE

Refractory waste is generated from the refurbishment of anode baking furnaces at the carbon plants, Casthouse furnaces and the rotary kilns at the coke Calciner plant.

Alba generated 6,672 mt of refractory waste in 2019, a 40% increase compared to 2018. This is related mainly to the repair cycles of the anode baking furnaces. There has been 330 tonnes of external recycling of this material in 2019.

CAST IRON SLAG

Cast iron slag is generated from the sealing section at the Rodding plants in the Carbon department. Cast iron is used to seal the rod/stem assembly to the carbon anode and the slag consists of impurities that are occasionally skimmed from the cast iron melt.

CONSTRUCTION WASTE

Construction waste results from construction, demolition and excavation projects. Most construction waste is recyclable such as steel, wood and plastic. Recyclable construction materials are placed in designated recyclable material skips and nonrecyclable construction waste is sent to landfill.

In 2019 Alba disposed a total of 2,097 mt of construction waste and recycled 2,154 mt, a total generation of 4,251 mt.

TREE AND GRASS CUTTINGS

This waste stream consists of lawn trimmings, trees and other plant material from clearing the Alba site.

CALCINER BAG HOUSE ASH

The calcination of the green petroleum coke within the rotary kilns at the Calciner plant generates some ash material that is periodically removed to maintain the quality of the carbon anodes within the reduction process.

In 2019, Alba disposed of 90 mt of calciner bag house ash, a reduction of 52% compared to 2018. Approximately 100 mt were externally recycled in 2019.



EFFLUENT WATER

Effluent wastewater usually contains brine water, some boiler blow-down water and water from the Calcining and Marine plant (mainly sea water) that have been used in the desalination plant and for cooling.

The discharged water is mainly cooling water and desalination brine that is discharged to the sea after ensuring that the quality conforms with legal requirements for effluent discharge.

There were no significant spills in 2019.

GENERAL WASTE

General waste is produced from most processes as miscellaneous waste from site canteens, offices and other municipal type waste.

HAZARDOUS WASTE

A total of 30,723 mt of hazardous waste was generated in 2019, representing a 5% reduction compared to 2018 and a 46% reduction compared to 2017. Hazardous waste is transported to a dedicated, Class 2 fully lined hazardous waste landfill that is controlled by Bahrain's SCE. No hazardous waste was transported internationally. Hazardous waste in 2019 consisted exclusively of SPL material.

The hazardous waste at Alba for 2019 was only SPL.



2019 HIGHLIGHT STORY

RECYCLING OF REJECTED PIG IRON

Pig Iron is used during the melting process at cathode sealing furnaces. Approximately 10% of the reject is generated during the melting of pig iron in the cathode sealing furnace. The bottom accumulated pig iron is typically de-scaled as big chunks and kept as reject at site. There was previously no effective way of recycling this solid pig iron chunks. In 2019, Alba designed a modified tray and a special hook to recycle the pig Iron safely and instantaneously. Smaller pieces of pig iron enable the operators to recycle the pig iron back into the process immediately.

This resulted in reducing the effective consumption by 20% compared to the previous consumption rates. The annual pig iron cost has been also reduced by 20% for each cathode sealed.

20%



reduction in effective consumption of pig iron compared to previous rates

SDGs Linked To The Issue



Biodiversity

Alba promotes sustainable land use practices and is committed to preserving healthy habitats for plants and animals to thrive. In addition, we manage biodiversity conservation as a key performance standard incorporated into our SEP and SHEMS as a requirement to receive IFC funds.

We aim to avoid all negative impacts to natural habitats and native and adaptive species. When impacts are unavoidable, proper mitigation and restoration actions are taken.

Alba conducts detailed environmental assessments to determine any potential impacts on biodiversity for all significant construction and expansion projects. In 2018, an Environmental and Social Impact Assessment (ESIA) was conducted for the Alba Port Capacity Upgrade Project that included an exhaustive assessment of adjacent species and habitats, potential biodiversity impacts as well as monitoring, minimization and mitigation measures. Biodiversity impact mitigation efforts conducted by Alba have included, but are not limited to:



Habitat Restoration



Marine Water Quality Management Plan (MWQMP)



Marine Noise Management Plan (MNMP)



Fuel Spill Contingency Plan

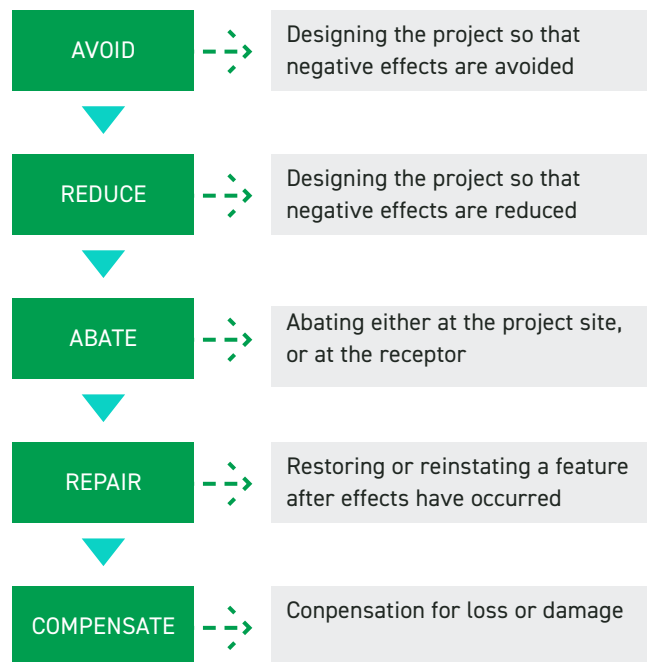


TSS Monitoring Programme



Tactical Response Plan (TRP)

ALBA FOLLOWS THE MITIGATION HIERARCHY BELOW:



Impact assessments and monitoring efforts have determined that Alba's projects and operations have not caused any significant impacts to biodiversity, critical habitats or bodies of water.

Alba follows the IFC Performance Standards as part of their funding requirements for the Line 6 Expansion Project. IFC Performance Standard 6 (PS6) is 'Biodiversity Conservation and Sustainable Management of Living Natural Resources.' According to the IFC, "Performance Standard 6 recognizes that protecting and conserving biodiversity, maintaining ecosystem services, and sustainably managing living natural resources are fundamental to sustainable development. The requirements set out in this Performance Standard have been guided by the Convention on Biological Diversity." The objectives of PS6 are:

- To protect and conserve biodiversity.
- To maintain the benefits of ecosystem services.
- To promote the sustainable management of living natural resources through the adoption of practices that integrate conservation needs and development priorities.

SDGs Linked To The Issue





2019 HIGHLIGHT STORY FROM A DESERT INTO A GREEN OASIS

Perhaps, the most significant evidence of Alba's commitment towards the environment in general and, in particular towards agriculture, is the Her Royal Highness (HRH) Princess Sabeeka Oasis. Situated in the Southern part of the smelter, the Oasis extends from Alba health care centre area in the East to the central workshops in the west.

The blueprint of the Oasis was drafted in 2004 and soon it began to take shape in 2005; over the following years, it was further developed and many projects to beautify the place were undertaken. The Oasis was named after HRH Princess Sabeeka bint Ibrahim Al Khalifa, the Wife of His Majesty King Hamad bin Isa Al Khalifa, and Chairwoman of the Supreme Council for Women, following her visit to the Oasis in 2009.

The HRH Princess Sabeeka Oasis is a source of pride for Alba. It tells future generations of Alba's success in being able to transform a desert into a beautiful Oasis.

THE OASIS IS DIVIDED INTO THREE SECTIONS:

1 Water Cover: Large Artificial Lake: The Artificial Lake, considered as one of the largest artificial lakes in the Kingdom of Bahrain, has an area of about 10,000 square meters and a capacity of more than 22,000 cubic meters of treated water. The water resulting from the cooling process of the aluminium moulds is pumped into the lake and sent to the Oasis for irrigation and for other agricultural purposes.

- **Waterway:** The Waterway, which covers an area of about 1,500 square meters, is considered an important part of the Oasis. It carries the downstream water from the Casthouse and was designed with the purpose of cooling the industrial wastewater to the appropriate degree as

well as purifying it before using it for the lake and other irrigation purposes.

- **Natural Lake:** The third part of the water cover is the Natural Lake, which covers an area of about 3,500 square meters. Shaped like the old traditional natural water wells in Bahrain, the water is mainly used to irrigate plants.

2 Green Cover: The HRH Prince Sabeeka Oasis has a long green patch of more than 300 meters and contains many species of plants and more than 8,500 trees including the Sesbania, Cordia, Oleander, Palm trees, Plumeria amongst others. The Oasis contains more than 7,600 trees and shrubs.

3 Vegetable Garden: The area of the vegetable garden that mediates the Oasis is about 2 hectares and contains many types of vegetables and Bahraini local fruit trees. Several irrigation methods are used in the garden such as drip irrigation, along with the traditional method of water immersion used in Bahraini farms.

The Landscaping Section in Alba distributes the seasonal crops of the garden, which is estimated at more than 6 tonnes per year, to Alba employees on a regular basis.

Fish Farm: Biodiversity conservation is one of the many ways that we protect our environment. By developing the Fish Farm, we will be able to maintain the health of marine ecosystem, and it will be a real life bio-indicator that our Calciner and Marine Operations are environment-friendly. Moreover, production of the Farm will support food security in the Kingdom of Bahrain to meet goal no. 2 of the UN SDGs "No Hunger". As of today, the Company is still in discussion with the Government of Bahrain; further details will be provided once the negotiation phase is completed.

OCCUPATIONAL HEALTH AND SAFETY

Safety and Health

Alba is committed to providing a safe environment and promoting the health and wellbeing of all stakeholders. As such, we continuously aim to prevent all avoidable health and safety incidents and strive for zero injuries each year.

Our senior management and executives are dedicated to fostering a strong culture of safety, and implement best in class occupational health and safety (OHS) practices throughout the organization. The safety of our employees and our stakeholders is paramount and OHS issues can have significant legal, moral and financial implication for the organization. Therefore, safety is regarded and managed as a high priority and responsibility.

We engage all staff members and contractors in the provided training and awareness sessions for OHS best procedures, standards and best practices. Health and safety issues are integrated into our operational management system based upon the ISO 45001:2018 Occupational Health and Safety Standards and social reporting as per the IFC Principles. Furthermore, numerous safety awareness sessions and engagements are conducted throughout the year to keep safety in constant focus.

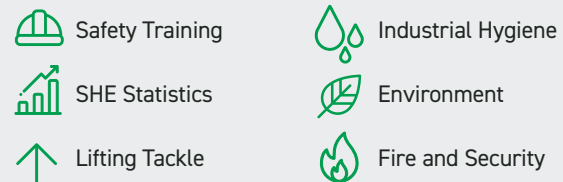
Alba's health and safety management system is designed to exceed minimal legal requirements, raise standards in the smelting industry and serve as a benchmark for our peers. The core safety principles of our integrated management system are based on the Plan-Do-Check-Act methodology with a particular focus on preventative hazard identification and risk assessment.

Safety procedures apply to all activities at the Alba smelter, Calciner/Marine and any ongoing construction areas, and is also applicable for decommissioning/demolition activities across the Alba site.

The operations and processes of our organization are diverse. As such, specific OHS responsibilities are allocated based on employee functions and departments, and performance is measured against customized KPIs, goals and targets that are re-assessed on an annual basis. Decentralised safety and health coordinators have been appointed, and each business unit manager has a dedicated SHE Coordinator as a direct report.

The Alba Health Care Centre (AHCC) handles occupational health matters.

The SHE department consists of the following sections, which provide integral support to Alba on safety matters:



SAFETY PERFORMANCE

As a result of these measures, we have achieved our ongoing target of zero fatalities in 2019. In addition, we achieved Zero Lost Time Injuries Frequency Rate (per million-man hours). Due to the teamwork spirit within the organization, Alba has successfully achieved the safe start-up of Line 6 despite the considerable challenges of the construction operation's interchange, during which the operation started while construction contractors had not fully handed over some systems. By the end of 2019 the total safe working hours of the project reached 43 million hours in the Reduction line alone, while Alba operations separately achieved above 15.5 million safe working hours.

1,626

health and safety audits
were conducted in 2019



91%

of our employees, in 2019, were represented in joint management-worker H&S committees, a 10% increase compared to 2018 and 20% compared to 2017.



HAZARD IDENTIFICATION, RISK ASSESSMENT AND RISK CONTROL

Safety risks are identified by the respective Departmental Managers (Process owners) with the assistance of the Safety, Health and Environment (SHE) Co-coordinators or SHE representatives. At the executive level, the SHE committee is responsible for legal oversight of adherence to regulatory requirements.

Alba's Safety Code of Practice provides guidance to employees and operational contractors on identifying and controlling risks and hazards. Alba's Safety Code of Practice is designed to ensure a safe working environment for not only our workforce, but also the community, stakeholders and neighbours.

Hazard identification procedures are in place to address both routine and nonroutine occupational activities and, when applicable, those associated with activities and equipment provided by contractors. To ensure continual improvement and to adapt to new risks and hazards, these measures are conducted at least once every three years and updated as necessary.

The identification procedures address companywide processes and includes aspects arising, or likely to arise, resulting from:



- Change, including planned and new developments, and new or modified activities, products and services
- Normal operating conditions
- Abnormal conditions and reasonably foreseeable emergency situations
- Incidents, accidents and potential emergency situations
- Past activities, current activities and planned activities

The assigned risk assessment team is required to introduce control measures to mitigate the risk to an acceptable level using a well-defined hierarchy of controls:

- 1 Eliminate** – complete elimination of the hazard
- 2 Substitute** – replace the material or process with a less hazardous one
- 3 Redesign** – redesign the equipment or work processes
- 4 Separate** – isolate the hazard by guarding or enclosing it
- 5 Administrative** – providing controls such as training and procedures
- 5 Personal Protective Equipment (PPE)** – use properly fitted where other controls are not practicable

SAFETY COMMUNICATION

Alba has established various channels to communicate and report work-related SHE matters:

- A SHE monthly meeting to discuss departmental SHE KPIs, issues and initiatives. The meeting is governed by the Alba Code of Practice related to the Safety, Health and Environment Committee
- Involvement of worker representatives in various SHE related committees and meetings including PPE and Tools Committee, monthly SHE Executive Meeting, monthly departmental SHE meetings and SHE campaigns
- Implementation of the 'Safety Suggestion' scheme which encourages employees to identify and suggest improvements to the workplace which may mitigate work hazards and improve workplace safety
- Involvement in risk assessment process
- 5-minute safety talk – a start of work time where employees and contractors gather with management to discuss and interact about any safety issues
- Various executives and management visits to shop-floor to interact and listen to employee concerns.

To protect the voice of our workers, Alba's Integrity Line provides a platform where employees, contractors and stakeholders can freely express safety concerns and ideas without fear of retaliation.

Alba executives have established three SHE principles that are regularly communicated to all shop-floor contractors and employees:

1 Ownership of safety and environment is everyone's responsibility

2 Working safely as one team is a condition of employment

3 All work-related injuries and illnesses are preventable

SAFETY INCIDENT MONITORING REPORTING AND IMPROVEMENT

Safety performance is carefully monitored at Alba and all incidents are meticulously documented and reported to improve our safety management systems and operational procedures, and to avoid future incidents by addressing root causes.

Employees and operational contractors are encouraged to stop and report any unsafe act or condition at work.

The process of incident investigation is governed by ACOP related to Incident Reporting and Investigation. As clearly documented in the ACOP, it is the responsibility of the Chief Experience Officer (CXO)/Director and departmental manager to lead the incident investigation. The incident final report with corrective actions should be generated and submitted to the centralized SHE department not later than two weeks of the incident.

All injuries and high potential near misses are presented within 24 hours to executives in the presence of all directors and managers, and then a safety Alert email is sent to all employees. This process aims to share incident awareness to the upper and middle management team and identify possible relevant/similar activities that have a similar nature and thus prevent a similar occurrence.

All injuries and high potential near misses are reviewed on a monthly basis during the SHE executive team review meeting, to ensure reporting the immediate and root causes and corrective actions implemented, as well as sharing experience with other departments.

In addition, Alba has established an incident notification email group in which any type of incident is communicated throughout the plant, and incidents are discussed among teams during safety meetings.

ENGAGING EMPLOYEES IN HEALTH AND SAFETY

By engaging employees in health and safety initiatives, Alba fosters a deep safety culture and ensures that our workforce is aware and well prepared to dynamically manage safety issues and prevent future incidents.

Various safety engagement activities and procedures are mandated by ACOP and The SHE Committee Code of Practice. For example, Alba's Risk Assessment Procedure mandates workforce consultations and engagements with the risk assessment team as critical component of the process. The SHE Committee Code of Practice mandates employee representatives to participate in the most crucial health and safety meetings, which are conducted by executive management on a monthly basis. At these meetings, discussions include incident statistics, health and safety KPI status and progress; corporate objectives, targets and progress; and general employee health and safety issues at the executive level.

In addition to these regular mandated engagements, numerous health and safety events, activities and workshops are held throughout each year. Additional safety activities include a Weekend Safety Visit, where Executives along with other officials conducted a safety visit to various departments in the plant outside of normal working hours to increase employees' awareness towards safety.

Alba has also made financial contributions to health and safety initiatives such as the Global HSE Conference and Exhibition, and the National Health Authority Conference.

Management is keen to involve contractors by meeting with contractor management every month, communicating the organisation's expectation and receiving the contractors' feedback accordingly.

HEALTH AND SAFETY TRAINING

It is vital to properly train all operational employees on their assigned tasks relevant to their responsibilities. This training includes both theoretical and practical aspects on how to safely operate machinery through standard operating procedures, job safety practices, and ensuring knowledge of safety rules and regulations in their respective areas.

Alba employees are obligated to conduct their tasks according to the job safety practices and standard operating procedures manual. For new and untypical activities, a risk assessment is conducted before establishing new SOPs. In addition, the company conducts SHE courses throughout the year on various topics in the relevant fields.

Alba provides a year-round intensive training programme which includes the following modules:



In 2019, 7.3% of total man hours were spent on training, including SHE, first aid and technical training. All 3,181 of our employees received training on health and safety practices in 2019.

2019 HIGHLIGHT STORY

MINIMIZING HAZARD AND IMPROVING SAFETY AT THE CARBON ANODE RODDING PLANT

Electrical Isolation is a primary safety requirement for machine maintenance. The location of the previous MCC (Motor Control Centre: point of isolation/lock out), was located far from its respective machine, which required unproductive movement to and from the MCC. This distance discouraged employees from using the MCC and conducting proper isolation.

To address the issue, our process engineers reviewed permanent and realistic solutions as part of their post-accident corrective action. As a result of the review, the engineers installed a power safety disconnect switch at a strategic location closer to the respective machine, in order to avoid short cuts. They also incorporated an Alarm (in house configuration) in the Panel view as an additional monitoring feature.



Emergency Preparedness and Response

In order to protect business continuity and the wellbeing of our stakeholders, Alba also institutes a robust and dynamic emergency preparedness plan. We are committed to safeguarding our human and physical assets against emerging risks of unpredicted events such as extreme weather, natural disasters, fire and system failures. Our efforts extend beyond regulatory compliance.

ACOP suite includes a specific Emergency Preparedness and Response Plan, which includes a raft of essential elements, including the conducting of risk assessments, implementing Job Safe Practices (JSP), firefighting emergency equipment, fire protection and detection systems and an established emergency response team. The plan applies to all Alba employees, visitors and contractors.

Alba's policy for emergency preparedness and implementation is the responsibility of the SHE department, security, fire senior management and the CEO. Specific guidance can be found within the overarching SHE Policy.

Alba's onsite Emergency Communication Centre (ECC) is home to a security control room where all necessary communication devices are available. In the event of an emergency, a SMS message is sent via a computerised call-out system to all fire team members.

People safety remains a key objective during emergency situations. All management and non-management employees are tasked with achieving zero accidents and providing a safe working environment for everyone. Emergency preparedness training is provided to both internal and external parties, and ongoing planning activities are based on criticality.

Temporary workers and contractors are treated the same as regular employees in terms of health and safety rights and responsibilities. As such, they are included in all safety performance data. Contractors who support day to day production operations are all directly supervised by Alba supervisors. Contractors involved in special projects are indirectly supervised. All have the same rights with regards to safety and care.



“The safety of our people remains a key objective during emergency situations. The Company has a duty of care to provide a safe working environment for its workforce (employees and contractors). All management and non-management employees are urged to follow the Safety principles.”

03

Social and Community Impact

Alba's business ambition focuses on creating shared value, and as such, we are committed to protecting and developing our workforce and uplifting local communities. Social and community impact is one of the three core values of our sustainability framework. We are committed to being an employer of choice as part of our corporate social responsibility as well as our long-term strategy to attract and retain the top talent of the industry. As a member of the community, we believe it is imperative to develop and contribute to community development in a positive and impactful manner.



EMPLOYER OF CHOICE

Training and Development

Our people are our greatest asset and investing in their development is a direct investment in the value and resilience of Alba. Through proper training and development, Alba builds the capacity of our workforce and prepares them to take on the challenges and opportunities of the future. Employees benefit by building skills for success, career development and advancement opportunities, creating shared value in the process. Training is provided to ensure that employees are well prepared to understand and comply with all relevant regulations, adapt to evolving industry standards and conduct business in accordance with our sustainability vision.

Alba's primary employee development objective is to harness and develop local talent in the process of expanding on the Company's position as a leading smelter in the Gulf region. We take a holistic approach by expanding our training programmes beyond operational skills to develop future leaders, plan for resiliency and succession and enable our employees to make strategic business decisions.

Training packages are offered and on occasion mandated on topics such as technical aspects, management skills, human resources and SHE issues. By providing training and education on these valuable topics, Alba contributes to safety, production, the welfare of society and the social and economic progress of Bahrain, as well as our internal stakeholders.

Alba's dedicated training department caters to all needs of human resource development in both technical and soft skill areas for all its employees. Highly sophisticated workshops utilising the latest technical equipment, tools and simulators run throughout the year, and a separate vehicle training area is available. The department boasts of 14 instructors and two heads of department.

Alba has a Training and Development Programme (TDP) where employees are given the opportunity to take on larger responsibilities which enables them to be promoted to higher positions by the end of the programme. A skills-based matrix is used for internal promotions of nonsupervisory staff, and an MBA programme is offered for managers and high potential employees. Alba has set a voluntary target of seeing 70 employees complete their MBAs by end of 2020.

The environmental training packages are a mandatory requirement in the above-mentioned skill matrix and the employee's development scheme. Environment training covers:



Environment Aspects & Impacts



Waste management & procedures



ALBA Environment standards, Policy & procedures

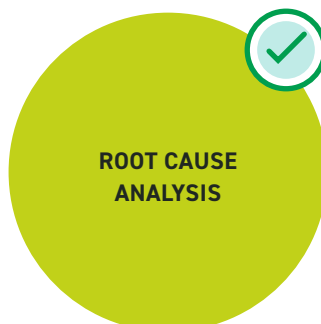
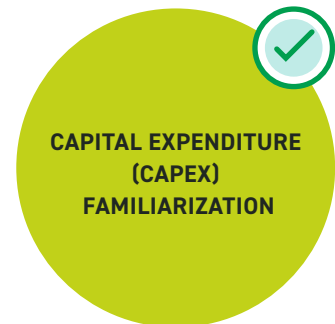
In addition, regular sessions with the theme “Know your HR” are conducted by the HR Department, ensuring dissemination of all relevant communications including policies, procedures and entitlements to all employees.

Alba's trainings are not only limited to our employees. We cooperate with several government bodies to work on a number of initiatives to provide recruitment as well as training and development opportunities for Bahrainis. This helps increase the technical expertise in the country, which in turn ensures the development of the entire industrial sector. Further, Alba is closely involved with the First Deputy Prime Minister

(FDPM) Fellowship, an initiative led by His Royal Highness Prince Salman bin Hamad Al Khalifa, the Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister, aimed at building leadership skills among young Bahrainis working in middle management positions across government.

In order to continue improving our training programmes, we conduct periodic needs assessment to ensure all current training needs are met and that the programme evolves with the changing standards and regulations, emerging risks and opportunities, new or expanding operations. and the ever-changing contextual landscape in which we conduct business.

To ensure quality and optimization of our operations and processes, our employees are encouraged to participate in Six Sigma Green Belt Training. We run various Operational Excellence training programmes to train employees at different levels:



In addition, in-house job skill craft courses, vendor training courses and language training courses are also held.

Alba also encourages and supports the academic development of its workforce by collaborating with academic institutions and sponsoring its employees' studies in higher education, including universities and training institutions locally and internationally. It is our ambition to instil the workforces of Alba and Bahrain with internationally competitive skills and capacities.

All (100%) of employees receive performance reviews, and 11% (management staff as part of the TDP receive career development reviews.

In 2019, the average Alba employee received 300 hours of training. Although this was a slight decrease (-4%) compared to last year, it has increased 108% compared to 2017. A breakdown of training hours provided can be found in the table below:

TRAINING HOURS PROVIDED

Average hours of training per year per employee	2017	2018	2019
Total number of Training for females (hours)	13,622	6,612	5,760.50
Total number of Training for males (hours)	375,043	1,058,742	954,766.50
Total number of Training for total workforce (hours)	388,665	1,065,354	960,527
Average hours of training per year per female employee	127	57	50
Average hours of training per year per male employee	145	323	309
Average hours of training per year per employee	144	314	300
Total Cost of Training (BD)	2,139,931	1,837,357	1,502,156
Average Cost of Training per Individual (BD)	794	576	470

Alba invested 1,502,156 BD into training and development in 2019. Training topics included, but were not limited to:



General Environmental Awareness



Environmental Impact Assessment



Leadership in Changing Times



Women and the Future Workplace



Crisis and Disaster Management



Empowering Women Directors

2019 HIGHLIGHT STORY BUILDING THE WORKFORCE OF TOMORROW

As a major employer in Bahrain, we seek to prepare students and fresh graduates for the job market. We encourage continuous learning and development to ensure students are equipped to meet the demands of a changing economy and future of work. In 2018, we welcomed 143 interns through several internship programmes, including the Takween programme. In 2019, a total of 176 interns, including 98 University interns and 78 school students participated in the Takween programme.



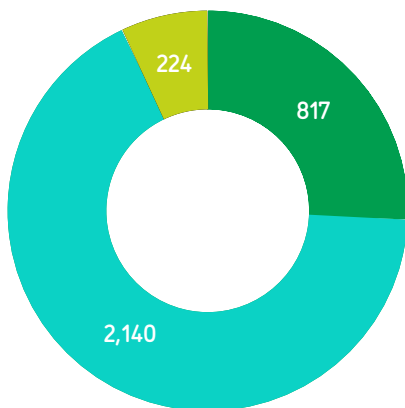
Inclusion, Diversity and Equal Opportunities

Alba is committed to providing a welcoming and inclusive work environment. We believe that providing equal opportunities based solely on merit helps drive value and protects the rights of our people. As such, we implement a strong zero tolerance policy against discrimination of any kind.

We ensure that proper equal opportunity principles are included in personnel policies, programmes and practices and throughout all aspects of the employment relationship, including recruitment, hiring, work assignment, promotion, transfer, termination, benefits and salary administration and selection for training.

Fair treatment and equal opportunities are emphasized in Alba's Code of Conduct: Shining a Light on Integrity, which applies to all employees and others working on behalf of the organization. The purpose of the Code is to provide a set of expectations and guidelines to all those working for Alba, to ensure that we always uphold the highest standards of integrity and personal conduct in our business and professional activities, and when dealing with colleagues, vendors, customers, contractors, government agencies and the public.

WORKFORCE BY AGE (2019)



- 18-30 age group
- 31 - 50 age group
- 51 and above age group

Our fair and equitable workplace policies are as such:

- 1 Advancement will be on the basis of merit and performance. Clear and consistent criteria will be applied to candidates for vacant posts and the most capable will be promoted.
- 2 Development is an essential aspect for all Alba employees. Alba seeks to provide an environment for improving qualifications and skills in line with employment position and responsibilities, and Alba's policies and plans.
- 3 The Disciplinary Process will always be fair and equitable. If an individual is party to a disciplinary review, they will have the opportunity to forward their case or grievance to the HR Department. The individual will be considered innocent of any alleged violation unless found otherwise. At all times, they will be kept fully aware of their rights and options, and will have access to an appeals process if found to be in violation. Disciplinary actions will be prescribed according to Alba's Disciplinary Procedure and Guide.

Our equal opportunity policy is designed in conformance with all applicable laws and regulations.

Employees are encouraged to report any incidents of discrimination through our Integrity Line. In 2019, there were zero reported incidents of discrimination.

In 2019, our workforce consisted of 3.62% females, a 25% increase compared to 2018.

Workforce profile	2017	2018	2019
Total work force	2,700	3,192	3181
# of Female	109	120	115
# of Male	2,591	3,072	3,066
# of Local	2,266	2,653	2657
# of Expatriates	434	539	524

SDGs Linked To The Issue



Employee Engagement and Wellbeing

Alba prioritizes and promotes employee wellbeing and morale and is dedicated to making sure our employees are properly engaged, motivated and satisfied. We are committed to ensure that our employees' needs are met, and their voices are heard. We believe that proper employee engagement leads to higher productivity, builds capacity and elevates a company culture that our employees can be proud to contribute to. We achieve this vision by providing good employment conditions and building quality relationships with our employees. These are key components of our strategy to be an employer of choice.

Alba's Human Resources (HR) department is supported by the following three sections that are dedicated to managing employee related functions and issues:

1 Compensations and Benefits

2 Employee Relations and Alba Housing Scheme (Albaskan)

3 Employee Services

Alba has a long history of encouraging greater interaction between workers and management. In 1975, Alba was selected by the Government of Bahrain to be the first company in the country to have the privilege of forming a joint consultative committee as part of the Government's plans to encourage greater interaction between workers and management. The committee comprised members representing both employers and employees – the latter were directly voted in by the workforce. However, the committee was dissolved in 2002 when Alba became one of the first companies in Bahrain to establish an active labour union directly elected by employees.

While collective bargaining agreements are not the norm in Bahrain, the HR Department and two Alba Unions (Alba Labour Union and Alba Trade Union) work together to address any issues that may arise. Significant operational changes can take place with immediate effect or can be implemented in a planned manner depending upon operational requirements, which can be managed in an agreeable manner through these partnerships.

Alba makes significant efforts to support our workforce, by working to understand the relationships between Management, Line Supervisors and all employees; implementing policies that provide competitive salaries and benefit packages; and promoting the general health and wellbeing of our greatest asset, our people.

At Alba, employee engagement and continual improvement go hand in hand. Alba implements the Six Sigma method of quality assurance and process improvement. As part of this method, we open engagement platforms where employees can share information, experiences and ideas to improve our operations. We encourage employees to submit their ideas through our "Good Suggestion Scheme," available to all employees online. For extra motivation, there are various awards and incentives attached to employee-suggested improvements. For An employee may get a maximum of BD 2,500 as an award for quantifiable savings and for non-quantifiable suggestions, an employee may get a maximum of BD 200 award as an encouragement to generate more ideas.

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

2017

100%



2018

100%

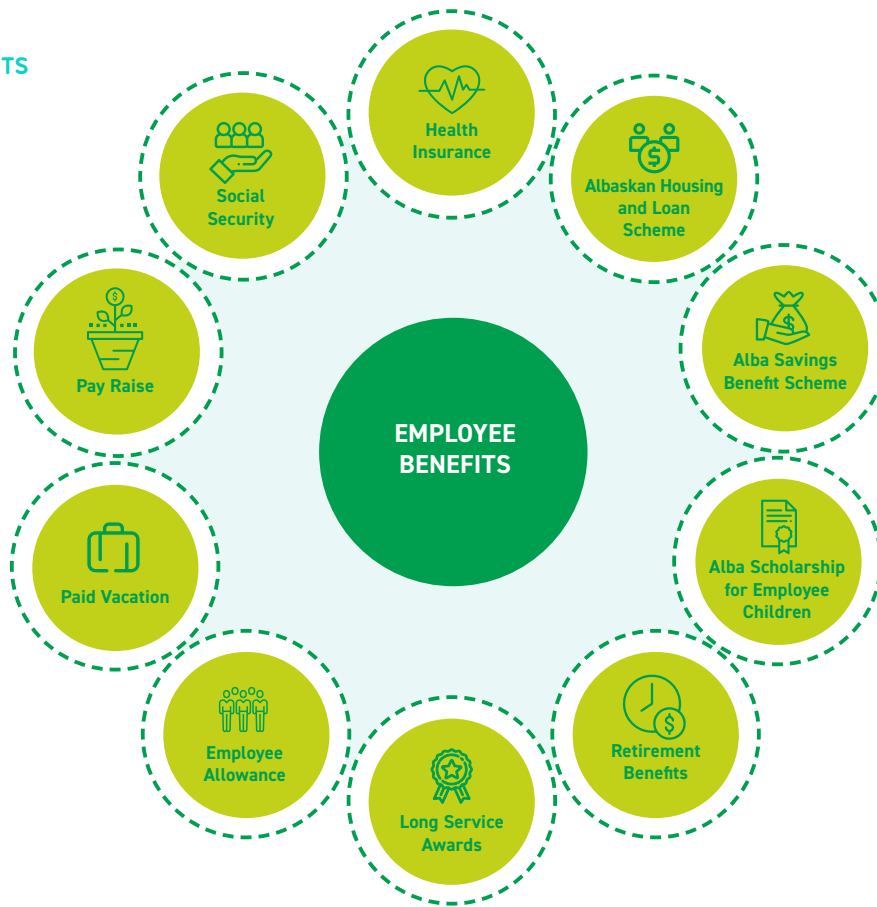


2019

100%



EMPLOYEE BENEFITS



All employees throughout the organization are responsible and accountable for implementing applicable HR policies. We review and update our HR policies at least every two years, or as necessary.

Platforms and procedures for reporting grievances are available for all employees in each department. Generally, depending in the nature of the grievance, the procedure follows three stages: Department Manager, CXO, then the CEO if necessary. Alba did not receive any HR-related grievances in 2019.

PARENTAL LEAVE

All female Alba employees are entitled to receive full pay over a 60-calendar-day maternity leave period. In addition, they have the option to take an additional 15-day maternity leave without pay. While working or upon returning to work, new mothers are entitled to take up to two hours each day to feed their child for two years. In 2019, 14 female employees availed a total of 778 days of Maternity Leave.

HEALTH AND WELLBEING

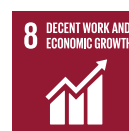
Alba takes a holistic approach to promoting the health and wellness of our employees that extends from providing a safe working environment to promoting healthy lifestyles through company organized events. For example, the Ramadan Sports Tournament is one of our most popular events and promotes friendly competition and teambuilding amongst the different departments. Alba staff also participated in

the Annual Charity Raft Race, organised by the Rotary Club of Salmaniya, one of the biggest charity events in Bahrain where all proceeds go to various charities and diverse community projects throughout Bahrain.

While participation in these events promotes healthy activity, the true value is in the teamwork and relationship building that is fostered by healthy competition.

Alba's Healthcare Centre represents the core of our health initiatives and is regarded as one of the most advanced medical facilities of any industrial organisation in Bahrain. The Centre was established to provide a comprehensive range of medical services to all Alba employees, as well as emergency services to residents in adjacent communities. In addition to these services, the Centre launches various health-related activities and lectures on an annual basis, which focus on general health fitness and awareness. In 2019, these included: Hypertension under the title "Get to know the silent killer" and on the occasion of World Heart Day another session was conducted under the title "How to live with healthy heart". Also, a Cervical Cancer session was conducted for female employees to increase awareness and encourage routine screening.

SDGs Linked To The Issue



New Hires and Attrition

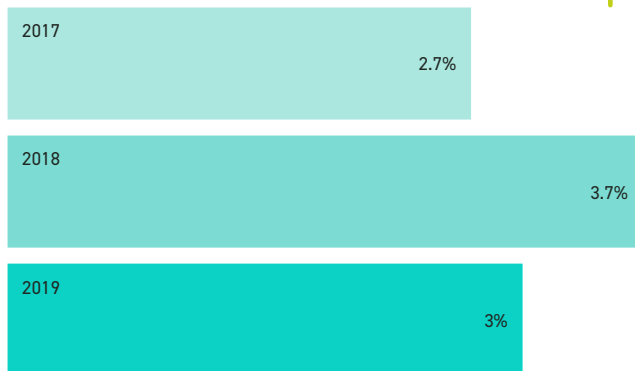
As Alba continues to grow, we aim to attract, develop and retain the top talent in the industry and ensure that the members of our workforce share our values and vision.

We aim to accomplish this not only through competitive compensation packages, benefits and development opportunities, but also through our company culture that carefully accounts for the best interests of our employees. It is our ambition to develop meaningful, long-term and mutually beneficial relationships with our employees, and build a resilient future for the Company in the process.

It is our priority to hire and develop members of the local workforce. As part of these efforts, we collaborate with local universities and offer internships to identify the best local talent.

“It is our ambition to develop meaningful, long-term and mutually beneficial relationships with our employees, and build a resilient future for the Company in the process.”

WORKFORCE TURNOVER RATE (%)



New hires	2017	2018	2019
Total number of new employees who joined the organization	146	566	83
New hires by gender:			
Female	3	11	4
Male	143	555	79
New hires by age:			
18-30	110	390	56
31-50	35	176	27
51 and above	1	0	0

Human Rights

Alba respects and safeguards the human rights of our stakeholders and is committed to conducting our business in an ethical manner. Our commitment to respecting our stakeholders extends far beyond basic human rights. Our Code of Conduct, which applies to all Alba employees and representatives, outlines our commitment to respecting the beliefs and religious practices of people of all faiths.

100%

of agreements included clauses incorporating human rights concerns or that have undergone human rights screening



Alba affirms the UN Guiding Principles on Business and Human Rights, and expresses its commitment to United Nations Charter, and in the Universal Declaration of Human Rights in our Code of Conduct.

ESIAs for major operational developments such as the Line 6 Expansion Project and the Marine project thoroughly assess human rights impacts. Our SEP initiated by the Line 6 Expansion Project identified Bahrain Youth Society for Human Rights (BYSHR) and Bahrain Center for Human Rights (BCHR) as NGOs who may have an interest in the Alba and the Project's E&S aspects. These reports have determined that there were no adverse impacts on human rights caused by the Company.

Discussions with the senior leadership team have been held to understand the due diligence process adopted by the organization to prevent human rights violations. Several HR procedures have been established such as disciplinary procedure 2/08, Job description procedure 3/20, Grievance procedure 3/30, ALBA Committee procedure 3/42, among others to mitigate any infringements on human rights. Further, SOP 1.11 has been documented to monitor contractors' social performance covering human rights issues. Training is provided to Alba employees on how to conduct business in a manner that respects, and protects, human rights.

ESIA reports, Integrity Line case reviews, internal interviews and labour union engagements have identified no violations or grievances related to human rights in 2019.

In 2019, 100% of agreements included clauses incorporating human rights concerns or that have undergone human rights screening.

SDGs Linked To The Issue



LOCAL COMMUNITY INVESTMENT AND DEVELOPMENT

Nationalization

Alba is committed to the employment and development of the local Bahraini workforce as well as the utilization of local suppliers and partners when feasible. Alba prioritizes Bahraini nationals when recruiting for new positions, however, we recruit expatriates when suitably qualified Bahrainis are not available. Priority is given to local and national companies and organizations when vetting potential suppliers and partners.

We aim to inspire and prepare young Bahrainis to succeed. To achieve this vision, we conduct and support projects such as INJAZ Bahrain and Tamkeen to train Bahraini nationals to take on the challenges and opportunities of the future. We contribute significant financial and practical support to projects designed to inspire young Bahrainis and enhance their capacity to compete and succeed on the global platform. We also collaborate with leading universities and educational institutes to develop programmes that enrich knowledge and develop the skills of our Bahraini employees.

The Kingdom of Bahrain's Economic Vision 2030 sets a national goal of a 25% Bahrainisation rate. In 2019, Alba achieved a Bahrainisation rate of 84%, vastly exceeding the national goal, and also represents a 1% increase compared to 2018. Although Bahrain lacks much of the input material we require, we prioritize local suppliers when feasible.

Nationalization	2017	2018	2019
Nationalization rate	83.93%	83.11%	83.53%

“We aim to inspire and prepare young Bahrainis to succeed.”

THE KINGDOM OF BAHRAIN'S ECONOMIC VISION 2030 SETS A NATIONAL GOAL OF A 25% BAHRAINISATION RATE

84%

Bahrainisation rate in 2019



1%

Increased from 2018



Community Investment

Alba is dedicated to stimulating the development and wellbeing of local communities through volunteering our time, proving financial donations and distributing economic value. We are proud members of the communities in which we operate and we aim to thrive together. It is our goal to uplift and build long-term relationships with local community members.

The "Alba Sponsorship, Donation and Corporate Social Responsibility Policy" provides clear guidelines on Alba's Values, Principles, Targeted Community Segments and CSR Priority Areas, as well as the activities that are not favoured as per our criteria. Our community investment initiatives aim to address the specific regional and cultural, social and environmental needs of our local communities.

The Alba Community Services Team was established to promote the participation of our employees in various community-oriented activities. Such activities include, but are not limited to, visiting and distributing gifts to the elderly in Isa Town and sick children at Salmaniya Medical Complex on festive occasions such as Eid. We are also proud to support local environmental initiatives such as our initiative to redevelop Malkiya Beach, which is widely acknowledged as a highly successful partnership between industry and government.

In 2019, approximately 70 employees contributed an estimated 350 volunteering hours to various community service projects.

In addition to our community service activities, we also financially support local community initiatives and events. We are a proud sponsor of the World Juniors Table Tennis Federation, the first ever Ironman 70.3 Middle East Championship, the 10th H.M. King Hamad Trophy Golf Championship, H.M. King Hamad Football Cup and the annual F1 Grand Prix Weekend.

In 2019, Alba provided financial support to many community events and initiatives. Some examples include:



Irrigation system expansion in Bahrain



Junior Achievement Bahrain (INJAZ Bahrain)



Bahrain F1 weekend



Bahrain National Football Team Support



Bahrain Pro Cycling Team



The National Green Initiative



Providing Charter Airplanes in the Gulf Cup Championship



Celebrating 50 Years of Diplomacy in Bahrain



Bahrain's Spring of Culture

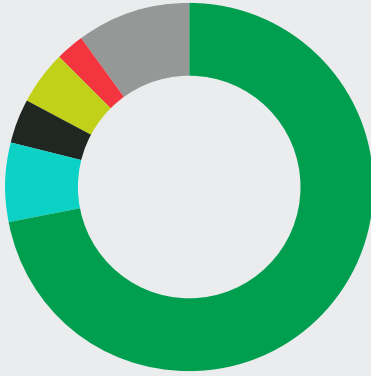


Bahrain Basketball Association



Bahrain Athletic Association

COMMUNITY INVESTMENTS BY CATEGORY (%)



- 72% Sports/ recreational
- 7% Cultural
- 4% Public awareness
- 4.6% Industry specific initiative
- 2.4% Educational
- 10% Safety/ health/ Environment

We make significant efforts to avoid any adverse impacts to adjacent communities; and to minimize and mitigate impacts should they be unavoidable. We have conducted several ESIA's for projects such as the Line 6 Expansion Project and the Alba Port Capacity Upgrade Project. These ESIA's carefully assess any potential impact on the community as a result of proposed Alba projects and have determined no significant adverse impacts to the community. Conversely, they will have positive impacts such as contributing to local economic stimulation.

After the completion of Line 6 Expansion Project, Alba's contribution to the national economy is estimated at 15% of the GDP, through the Company's production, growth and the development of the local downstream industries.

SDGs Linked To The Issue



2019 HIGHLIGHT STORY

IN 2019, ALBA ORGANIZED/PARTICIPATED IN THE FOLLOWING COMMUNITY SERVICE ACTIVITIES:

Increasing Cancer Awareness: As part of its prescheduled activities to observe Breast Cancer Awareness Month, Alba Health Care Centre organised a session on 22nd October 2019, for Alba females at the SHE Hall. The session was delivered by Obstetrician & Gynaecologist Consultant Dr. Huda Al-Juffairy from Ibn Al-Nafees Hospital. Moreover, Alba joined the walkathon which was organized by Bahrain Cancer Society at the Water Garden City – Seef District on Friday 25th October 2019.

Alba CEO visits Askar Boys Primary School: In line with Alba's civic and social commitment to raising awareness in the Bahraini Society, Aluminium Bahrain B.S.C. (Alba) Chief Executive Officer, Tim Murray visited the Askar Primary Boys School and gave a presentation in Arabic on Alba and its Safety values, and held a Q&A session with the students. Alba's Chief Administration Officer Waleed Tamimi, SHE Director Mohd Khalil and Manager SHE Nezar Hameed Ali were also present during this visit.

Alba's management team met with the Askar Boys Primary School students and spread awareness on Safety, especially on the subject of being safe whilst going to and returning from school.

Gulf Cooperation Council (GCC) Traffic Week: Alba received a token of appreciation for sponsoring the 2019 GCC Traffic Week, on Wednesday 13th March 2019. The Traffic Safety awareness campaign was held throughout the GCC to highlight the importance of safe driving.

Alba Received Dar Al-Manar Centre: On Monday 11th March 2018, in line with the Company's commitment towards society development, Alba received a group from Dar Al-Manar Centre for the elderly at our Alba Club. The visitors enjoyed using Alba club facilities as well as playing billiards and bowling.

Alba Delivers Fire Safety Training: Alba's Fire and Safety team delivered a Fire Safety Training course to the Indonesian Embassy on Thursday 12th December 2019, as part of the social support we extend to all agencies.

04

Governance and Management

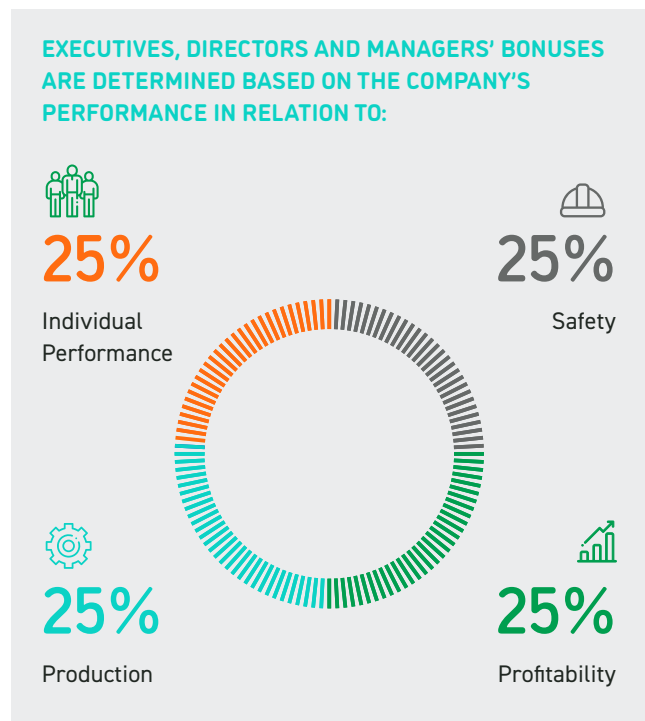
Alba implements best practices related to corporate governance and is committed to the proper management of ESG issues at the highest levels of governance. Good governance is a crucial aspect of our corporate responsibility as well as the future success of the company. Our governance structure and corporate management strategies allow us to remain dynamic and resilient in the face of emerging risks, new opportunities and contextual changes of the future. Further, our governance processes are designed to ensure the proper treatment of our stakeholders and protection of their best interests as we grow and continue to create shared value.



Considerations of ESG issues are integrated into all our business functions and as high as the CEO and Board of Directors. The Board considers ESG issues to be highly material in terms of business risks, opportunities, business continuity and compliance. ESG business matters and governance issues are discussed in detail in the Nomination, Remuneration and Corporate Governance Committee (NRCGC). Safety issues are addressed by the NRCGC and Executive Committee (ExCom) while economic matters are addressed at ExCom and Board Audit Committee (BAC). The Board also delegates related responsibilities to the CEO and other members of the C-Suite.

In 2018, the Board of Directors assigned the Corporate Governance (CG) responsibilities to the Nomination and Remuneration Committee (NRC) after it was part of the BAC responsibilities. Accordingly the NRC has become NRCGC.

Executives, Directors and Managers' bonuses are determined based on the Company's performance in relation to Safety 25%, Profitability 25%, Production 25%, and 25% assigned to Individual Performance.



In line with Alba's 2018 Corporate Governance Code, effective as of September 2018, Alba is now bound to measure the impact of its adopted Corporate Social Responsibility (CSR) initiatives and must disclose them in its annual Corporate Governance Report. As a result, Alba is in the progress of developing its first formal Corporate Social Responsibility (CSR) Policy.

All corporate governance information is available in Alba's annual Corporate Governance Report (<https://www.albasmelter.com/IR/CorporateGovernance/Pages/default.aspx>).

BUSINESS ETHICS AND RESPONSIBLE SOURCING

Business Ethics

At Alba, business ethics and trust go hand-in-hand and our commitment to ethical practices helps develop long-term relationships with our stakeholders, enhance our brand and protect our licence to operate. We build trust and confidence amongst our employees, customers, partners, investors, local communities and society through consistently upholding high standards of ethics.

Standards and guidelines for ethics and integrity are outlined in our Code of Conduct; Shining a Light on Integrity (Code), which is designed to ensure that all Alba employees and representatives conduct their business with the highest standards of integrity and personal conduct. The Code was developed through extensive internal consultations and benchmarked against our peers to ensure best-in-class ethical business practices. The Code was built on strong values of trust, respect, transparency and integrity in order to ensure that our business is safe, ethical, professional, environmentally sustainable and socially responsible.

The Code of Conduct is refined and re-launched periodically through a comprehensive communication, training and certification programme for all (100%) employees. In addition, all new recruits receive training on the Code as part of their induction.

A relaunch of the Code of Conduct policies and procedures occurred in May and June 2018 for all employees. The relaunch included a speech by Alba's CEO, training of management and executives by the Chief Internal Audit & Risk Officer, followed by training through managers to their respective departmental employees, with facilitated team discussions on relevant aspects.

SUPPLEMENTARY ACTIVITIES INCLUDED:



Distribution of hard copy Codes of Conduct in English or Arabic



Quizzes



Posters



Employee signatures as proof of receipt of the Code, and of their commitment to comply



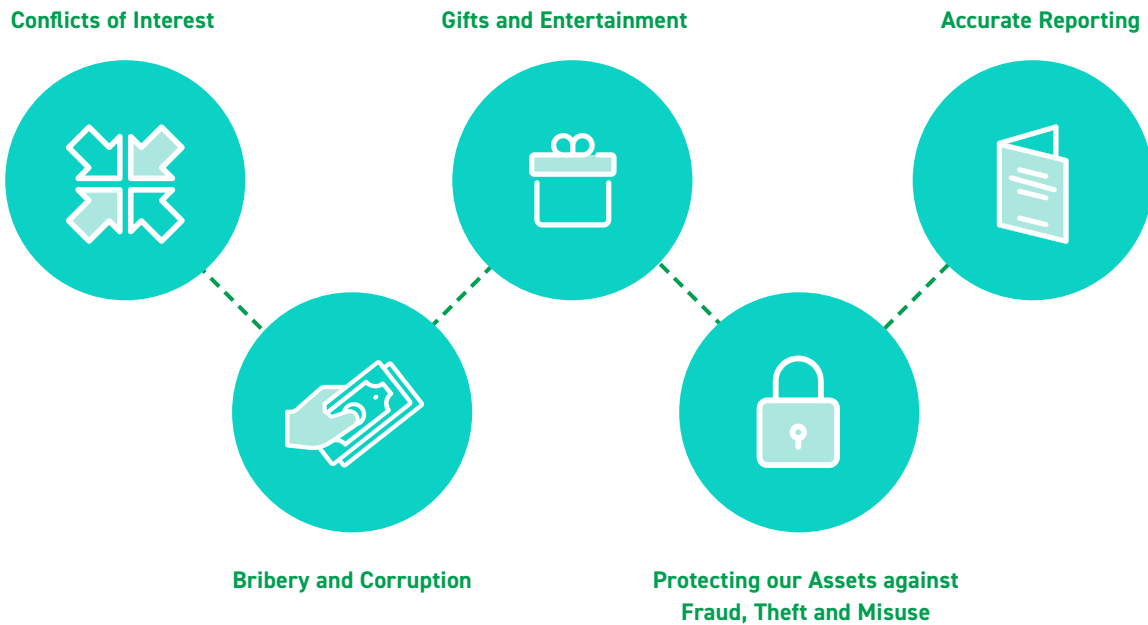
Presentation slide-packs in English and Arabic, together with talking points for managers



Code of Conduct Video featuring Alba's CEO and employees (also made available on the internet and intranet)

In 2018, communications were sent to all active Alba customers, suppliers and business partners to reemphasize on the Code of Conduct, anti-corruption policies and Integrity Line and general expectations related to business ethics.



THE CODE OUTLINES GUIDANCE AND EXPECTATIONS REGARDING THE FOLLOWING ASPECTS OF ETHICAL BUSINESS:


Alba believes that industrial competition is essential for driving innovation and performance and protecting the best interests of our stakeholders. As such, we implement a zero-tolerance policy for anti-competitive behaviour. All customer-facing Alba employees are required to ensure that Alba's practices do not abuse a dominant market position. The Code of Conduct instructs Alba employees to avoid specific activities to ensure the protection of market competition.

Alba's 'Enterprise Risk Management' Framework was utilized to conduct a high-level risk assessment related to corruption risks. Certain risks are prevalent in the aluminium industry, such as those related to collusion with competitors in the setting of prices for customers; collusion in allocating customers among producers; setting of costs for major raw materials; conflicts of interest; the exchange of inappropriate gifts; kickbacks in the awarding of engineering and service contracts; and facilitation payments by contractors in obtaining permits.

To safeguard against potential corruption, all premiums and discounts provided to individual customers are subject to a rigorous review and approval process. Such processes are outlined in Alba's Levels of Authority document, and in Marketing department policies and procedures. Such activities typically require review and approval by the Board.

To improve transparency and uphold ethics, we improved the monitoring procedures for major raw material costs and major contracts. This involved revisions to Alba's Direct Materials Sourcing Policy and Levels of Authority. In addition, we have implemented a multi-sourcing strategy for major raw materials that improves transparency and exhibits non-competitive transactions.

In 2019, there were no violations, incidents or grievances identified related to anti-corruption or anti-competitive regulations or policies.



Compliance

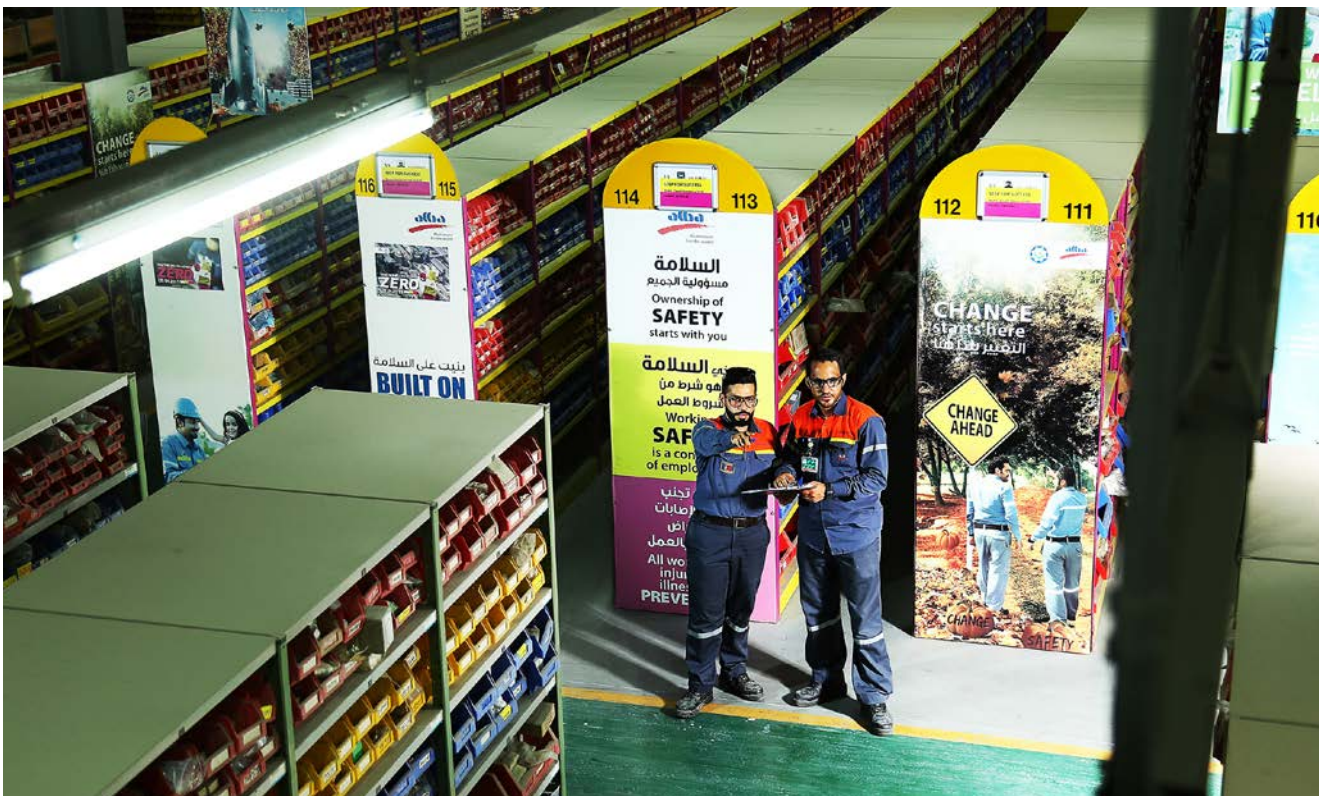
As a responsible corporate citizen, Alba is committed to complying with all applicable laws and regulations, including those related to ESG issues and business integrity. To ensure that we remain in compliance as operations and regulations change over time, we implement dynamic programs that ensure all our employees are properly trained and policies are updated as necessary. Compliance mechanisms are continuously reviewed, updated and communicated as necessary. Rigorous controls are in place to review performance and ensure ongoing compliance is achieved.

The Board is responsible for ensuring compliance with the relevant ongoing requirements relating to the issuing of securities, including obligations relating to disclosure, dissemination of price sensitive information, and the prevention of market abuse and insider trading. The BAC is responsible for reviewing the effectiveness of the system for monitoring compliance with legal and regulatory requirements.

As a publicly listed Company, Alba follows the Corporate Governance Code of the Kingdom of Bahrain (the 'MOICT Code') and the Central Bank of Bahrain's (CBB) corporate governance module published under the Capital Markets section of the CBB Rulebook. Alba has created board-approved Corporate Governance Guidelines to ensure compliance with these codes. We ensure that we adhere to all reporting requirements mandated by the MOICT and CBB code of conduct.

Employees dealing with imports and exports must ensure that our practices are compliant with the regulations of relevant countries, and with applicable international trade controls.

In addition to legal requirements, we also commit ourselves to the requirements of organizations such as the ASI and IFC.



Responsible Sourcing

Alba implements sustainable procurement best practices to create positive change throughout our supply chain. We go beyond procurement to directly engage with our suppliers and create partnerships that generate shared value throughout the industry, communities and world at large. The fruits of such partnerships include synchronizing logistics and aligning waste and input streams (e.g. purchasing and using scrap aluminium).

Our suppliers are also partners in our sustainability efforts by engaging in our collaborative efforts to reduce our environmental footprint. As we adopt a lifecycle approach to sustainability management, our efforts extend to our supply chain. For example, we join forces with our supplier to find valuable uses for scrap and by-products and cut greenhouse gases through logistics optimization.

Alba has played a pivotal role in stimulating the local economies through our procurement practices. Alba has provided large-scale economic and development opportunities across a diversity of markets, including many local suppliers. This influence has increased significantly by the Line 6 Expansion Project, as we grow into the largest single-site aluminium producer in the world.

We engage local Bahraini suppliers whenever feasible to support our operational activities, reinforcing Alba's commitment to drive the economic development of the Kingdom of Bahrain and support Economic Vision 2030. Since 2017, we have increased the percentage of total spending in the Middle East by 126% (9.8% of total spending in 2019). In 2019, 53% of our procurement was spent on local suppliers.

Alba helps expand the supplier base by leveraging the ideal location of our operations. Many downstream industries and support functions for Alba are now moving or expanding closer to industrial areas in the vicinity. These businesses include small to medium size enterprises such as contractors, trading establishments, stockists and

distributors, logistics and warehousing, and scrap merchants who can further stimulate the local economy. Alba also facilitates alliances between established Bahraini firms and larger international companies.

Our suppliers are assessed on a broad range of criteria. We screen our existing major suppliers through pre-qualification and regular vendor audit programs. These programs make compliance with local and international regulations concerning safety, health and the environment a top priority. Alba screens all major contractors for their environmental compliance (Chemicals and Waste Management Compliance Report of Industries) and social compliance as a prerequisite to the tender process.

A comprehensive set of robust policies and operating procedures are implemented into Alba's supply chain processes. Alba's procurement, human resources and SHE departments continuously rate the performance of our suppliers and update our systems to monitor and comply with local and international regulations as they evolve. Under similar conditions, 3 suppliers were monitored for non-compliance and their waning performance eventually resulted in either restricted business or termination of contract with Alba.

Alba implements a cutting-edge Enterprise Resource Planning (ERP) system to manage the entire supply chain process. The system offers a platform for prospective businesses to thrive and enables the strengthening of our core business through rigorous periodic vendor development in terms of supply services, quality, SHE, sourcing of critical supplies and services and performance monitoring of defined vendor criteria. Vendor's safety, health and environmental performance remain the most important criteria, particularly for medium to large manufacturing units, depending on the vendor engagement plan.

In 2020, we plan to upgrade our ERP system to advance SAP-Ariba. This system offers host of benefits like sustainable savings on direct and indirect materials, real-time supplier collaboration with deep supply chain visibility and faster supplier risk management decisions. It also offers simpler procurement with improved contract compliance and a stronger financial supply chain, through accounts payable via automation and working capital optimization.

Procurement	2017	2018	2019
Total spending on suppliers and contractors (million BD)	159	168	120
Spending on locally based suppliers and contractors (million BD)	90	100	63
Local procurement (%)	57%	60%	53%

ECONOMIC IMPACT AND SUSTAINABLE GROWTH








Economic Growth & Innovation

Alba's primary purpose and responsibility is to create and distribute economic value. We generate shared value for our shareholders and stimulate economic growth through the generation of resources and industrial inputs, providing employment, infrastructure development, procurement spending and taxes. Further, by growing the Aluminium industry in Bahrain, we play a transformational role in reducing the country's economic dependence on fossil fuels.

Alba plays a critical role in the economic development of Bahrain. With the increased metal from Alba's Line 6 Expansion Project and thereafter development of Bahrain's downstream industries, the aluminium sector will represent 15% of the national GDP (previously 12). The Line 6 Expansion will also propel us to become world's largest single-site aluminium smelter. The Company's economic strategy includes the growth and expansion of its operations, as well as various cost savings initiatives such as process innovations.

In addition to our corporate economic objectives, we aim to spur innovation, both internally—by implementing cutting-edge technologies and designing innovative and efficient processes—but also externally through collaboration with research institutes and external organizations. We have always remained committed to consistent improvement and adaptation of advanced technology in our operations. We realise the importance of sharing experience and expertise.

OUR ECONOMIC GROWTH STRATEGY FOCUSES ON THE FOLLOWING FACTORS:

-  Growth
-  Sales
-  Customer perception
-  Innovation
-  Cost competitiveness
-  Throughput increase
-  Quality of our products

12%

of Bahrain GDP is represented by aluminum sector, led by Alba

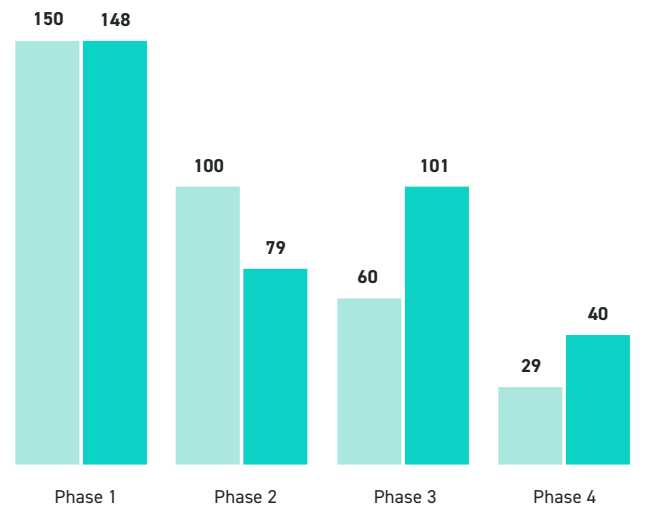


In 2019, Alba produced a total of 1,365,005 tons of aluminium, representing a 35% increase compared to 2018. Our total sales reached 1,350,326 representing a 33% increase compared to 2018. This growth can be attributed to the Line 6 Expansion Project. We have created a Major Raw Materials 5 Year Plan, which projects increasing our production to over 1.5 million tons per year from 2020-2023. This achievement would make us the largest aluminium smelter in the world outside of China.

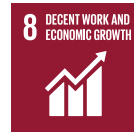
In 2019, Alba had Direct Economic Value Generated and Distributed totalling BD 1,029, representing a 13% increase compared to 2018. This consisted of operational costs, employee wages and benefits, etc.

One of Alba's key methods of reducing costs as well as impacts is through operational efficiency improvement projects such as the Project Titan Cost Improvement Program and the Good Suggestion Scheme. In the year 2019, employees raised 79 good suggestions towards process improvement in the workplace. Through these employee suggestions ALBA saved US\$ 1.12 million in the year 2019. Cost optimisation also helps protect Alba against unpredictable market volatility. As a result of such initiatives, in 2019 we achieved an operational efficiency of 0.56 kg of aluminium per \$, an improvement of 18% compared to 2018. More information on process innovations can be found in the section Waste Generated And By-Products.

PROJECT TITAN PROGRESS (US\$/MT)



SDGs Linked To The Issue



2019 HIGHLIGHT STORY PROJECT TITAN PHASE IV

Project Titan, a cost reduction program aimed at reducing Alba's sensitivity towards externally set prices, began in 2014. The continuous improvement program was planned and implemented exclusively by Alba employees. Each year since the launch of Project Titan, the program has continued to achieve efficiencies throughout the Company. Initially a cost saving initiative, Project Titan has also realised benefits derived through improvements in revenue, throughput, and energy efficiencies.

The fourth phase of Project Titan (launched in January 2019) is a two-year program essential for the sustainability of our business. It is imperative to improve Alba's ability to adapt quickly to changes in the market whilst maintaining continuous business operations and safeguarding people, assets and overall brand equity. Phase IV aims to improve operational efficiency and productivity as part of Alba's strategy for value creation and sustainable operations. Phase IV yielded savings of 72% by the end its first Year in 2019.

Project Titan has demanded large scale change at the employee and structural levels. A systematic approach in managing change was imperative to embedding the initiative within Alba.

Throughout all phases of Project Titan, weekly, monthly and quarterly activities have been planned to collect information, evaluate performance, produce reports, communicate horizontally and vertically and review action plans in order to reach set targets.

Monthly review meetings are conducted by the CEO with executives and managers to review the previous month's performance as well as the organisation's overall year-to-date achievement and forecast. In addition, a fully automated tracking tool has been developed in-house to raise weekly notifications and alarms to process owners on deviations from target, in order to expedite the process of decision making and execution of corrective actions.

Immediately after the commitment from top level management, a clear vision in measurable and observable terms was laid out including:

- Cascaded targets from department to shop floor level
- Facilitated idea generation workshops
- Training of employees in Lean Six Sigma

All of this has been supported by an intensive communication strategy.

Customer Satisfaction

Understanding and exceeding the expectations of our customers is one of Alba's top priorities. We pride ourselves on building long lasting, mutually beneficial relationships with our customers with consistent quality. We maintain excellent customer satisfaction levels by delivering value along with flexible, customised and specialised after-sale customer and technical services.

Alba boasts consistent metal purity above 99.86% and we proudly offer our customers dynamic flexibility in delivery quantities and specifications.

Another form of value we offer customers is affordable inputs that would have otherwise been industrial waste. Therefore, the value of Alba's operational innovations and efficiency improvements extend across the sector and even to other industries (e.g. cement) through access to new, affordable quality inputs to their own processes. Together with our customers, we take steps towards closed-loop industrial waste streams.

Alba customers can be proud to purchase products from a certified ASI member, knowing that the product is not only high quality, but also produced responsibly. As markets increasingly value sustainable products, ASI certification is becoming a key differentiator.

To ensure that our customers are treated fairly and ethically, the Code of Conduct provides detailed guidance on how Alba employees can interact with customers in a responsible manner. The Code instructs Alba employees on how to uphold the highest standards of integrity and personal conduct when serving our customers. The Code also helps ensure that all applicable laws and regulations are complied with when conducting business with our customers.



“Alba customers can be proud to purchase products from a certified ASI member, knowing that the product is not only high quality, but also produced responsibly.”

99.86%

metal purity



APPENDIX A

Stakeholder Engagement (Stakeholder Map)

Stakeholders	Importance to Alba	Needs and Expectations	Methods of Engagement
Government entities and regulators	Government entities and regulators have the control to regulate or influence Alba's operations including the Line 6 project in terms of establishing policies, granting permits or other approvals and monitoring and enforcing compliance with Bahrain laws. We recognise the importance of their terms and work to ensure compliance across the board.	<ul style="list-style-type: none"> Compliance with business, safety, health and environmental laws and regulations Minimize Alba's environmental impact Be transparent and report performance and activities accurately Implement rigorous internal audit processes and controls 	<ul style="list-style-type: none"> Annual performance and sustainability reporting Regular communication with ministries and regulatory bodies Infrastructure Development (such as Malkiya Beach)
Investors and Shareholders Bahrain Mumtalakat Holding Company, SABIC Investment Company and the general public. Bahrain Mumtalakat Holding Company and SABIC Investment Company influence the decisions of the Company and affects the way in which Alba operates.	Our Investors and Shareholders are the cornerstone of our sustainable growth, providing the capital necessary for maintaining business operations, as well as offering expertise and guidance. They are involved in advising on a strategic level and authorizing projects and transactions.	<ul style="list-style-type: none"> Effective environmental management system Cost saving through SHE implementation SHE continuous improvement and sustainable development Profitability and Achieving operational and financial targets 	<ul style="list-style-type: none"> Management Review Meetings Internal audits and inspections Performance reporting Contacting Investor Relations Department through phone, fax or email (as mentioned on website)
Local Communities	As a responsible corporate citizen which aligns itself with Bahrain National Vision 2030, we hold ourselves responsible for stimulating the development and wellbeing of local communities and building long-term relationships via numerous community oriented programmes and social activities.	<ul style="list-style-type: none"> To be committed to being a socially responsible employer that offers employment opportunities to Bahrainis. Considering the Environment and Health in our constructions and operations. 	<ul style="list-style-type: none"> Training Workshops (such as INJAZ Bahrain and Tamkeen for young Bahrainis, Fire Safety Training to the Indonesian Embassy) Nationalization through giving the local Bahraini workforce additional consideration in the employment process Support Local suppliers & partners CSR initiatives and volunteering events Infrastructure Development (such as Malkiya Beach)
Employees	Employees implement the Company's decisions thereby influence the profitability of Alba, and are also directly affected by Alba's business decisions. They are considered the main assets of the company, and without them we cannot run our business.	<ul style="list-style-type: none"> A good working environment Professional development Training and career growth Clearly defined duties, responsibilities, accountability and authority Timely payments 	<ul style="list-style-type: none"> Meetings and awareness sessions Workshops and trainings for implementation of operational procedures (such as Training and Development Programme, MBA program, Six Sigma Green Belt Training and the FDPDM Fellowship) "Know your HR" regular sessions Integrity Line to report any incidents of discrimination Labor union "Good Suggestion Scheme" online platform for employees' suggestions Alba's Code of Practice (ACOP) for safety "Shining a Light on Integrity" Code of conduct for Fair treatment and equal opportunities

<p>Customers</p> <p>50% of Alba's output is supplied to Bahrain's downstream aluminum industry, with the remainder exported to regional and international customers in the Middle East, Europe, Far East, South East Asia, Africa, and North America.</p>	<p>Alba cares about its customers, which are at the heart of our business and their satisfaction is a sign of our business health. Thus, being pro-active in responding to their needs and queries presents tangible evidence of our customer focused service.</p>	<ul style="list-style-type: none"> • Timely execution of activities • Management of customer issues • Zero Safe, Health and Environment (SHE) incidents • No violations to applicable SHE laws • Quality, Responsible products 	<ul style="list-style-type: none"> • Customer feedback forms • Customer complaints mechanism • Website • Email
<p>Suppliers and contractors</p>	<p>Our suppliers deliver valuable, safe, and high- quality services which support Alba's growth and success in alignment with our in our sustainability efforts by engaging in our collaborative efforts to reduce our environmental footprint.</p>	<ul style="list-style-type: none"> • Environmentally responsible workplace • Supplier availability, capacity and capability • Superior level of technology and focus on customer requirements • Correct and timely information orders • Timely payments 	<ul style="list-style-type: none"> • Formalized tender process • Supplier selections, evaluations and audits • Contracts and tenders • Supplier SHE Code of Conduct • Supplier meetings and events • Product safety and quality information • (e.g. MSDS, third party certifications)

APPENDIX B

Acronyms

ACOP	Alba Code of Practices
ACS	Aluminium Clad Steel
AFSA	Aluminium Federation of South Africa
AHCC	Alba Health Care Centre
AIF3	Aluminium Fluoride
ASI	Aluminium Stewardship Initiative
BAC	Board Audit Committee
BCHR	Bahrain Centre For Human Rights
BD	Bahraini Dinar
BYSHR	Bahrain Youth Society for Human Rights
CAPEX	Capital Expenditure
CBB	Central Bank of Bahrain
CEO	Chief Executive Officer
CG	Corporate Governance
CH4	Methane
CMO	Chief Marketing Officer
CO2	Carbon Dioxide
CSR	Corporate Social Responsibility
CXO	Chief Experience Officer
DM	Deminerization
E&S	Environment and Society
EC Rod	Ec Grade Aluminium Wire Rod
ECC	Emergency Communication Centre
ERP	Emergency Response Plan
ESG	Environmental, Social and Governance
ESIA	Environmental and Social Impact Assessment
EWA	Electricity and Water Authority
ExCom	Executive Committee
FDPM	First Deputy Prime Minister
FMEA	Failure Modes & Effect Analysis
FTP	Fume Treatment Plant
GCC	Gulf Cooperation Council
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
H&S	Health and Safety
HR	Human Resources
HRH	Her Royal Highness
HSE	Health, Safety and Environment
IATF	International Automotive Task Force
IFC	International Finance Corporation
IPCC	Intergovernmental Panel for Climate Change
ISO	International Organization for Standardization

JSP	Job Safe Practices
KG	Kilo Grams
KG/T AL	Kilo Grams per Ton of Aluminium
KPI	Key Performance Indicators
LCA	Lifecycle Assessment
m3	Cubic Meter
MBA	Master of Business Administration
MCC	Motor Control Centre
MED	Multi-Effect Distillation
MMBTU	Million British Thermal Units
MNMP	Marine Noise Management Plan
MOICT Code	Ministry of Industry, Commerce and Tourism Code
MWh	Megawatt-Hour
MWQMP	Marine Water Quality Management Plan
Na2O	Sodium
Na3AlF6	Sodium Hexafluoro Aluminate
NAICS	North American Industry Classification System
NGO	Non-Governmental Organisation
NOx	Nitrogen Oxides
NRCGC	Nomination, Remuneration and Corporate Governance Committee
OHS	Occupational Health and Safety
PFC	Perfluorocarbon
PPE	Personal Protective Equipment
PS	Performance Standard
Q&A	Question and Answer
RO	Reverse Osmosis
SAIE	South Alba Industrial Estate
SASB	Sustainability Accounting Standards Board
SCE	Supreme Council for Environment
SDGs	Sustainable Development Goals
SEP	Stakeholder Engagement Plan
SHE	Safety, Health and Environment
SHEMS	Safety, Health and Environment Management System
SOP	Standard Operating Procedure
SOx	Sulphur Oxides
SPL	Spent Pot Lining
tCO2e	Tons of Carbon Dioxide Equivalent
TDP	Training and Development Programme
TRP	Tactical Response Plan
TSS	Total Suspended Solids
UN Guiding Principles	United Nations Guiding Principles
US\$	United States Dollar

APPENDIX C:

GRI Content Index



The references for the GRI Content in the report can be found in the table below. For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report.

This service was performed on the English version of the report.

GRI Standard	Disclosure	Page number(s) and/or direct answers
GRI 101: Foundation 2016		
General Disclosures		
GRI 102: General Disclosures 2016	Organizational profile	
	102-1 Name of the organization	Aluminium Bahrain (Alba)
	102-2 Activities, brands, products, and services	6-8
	102-3 Location of headquarters	6
	102-4 Location of operations	6
	102-5 Ownership and legal form	6
	102-6 Markets served	6
	102-7 Scale of the organization	4-5, 31, 53-54
	102-8 Information on employees and other workers	41-42, 45, 47, 59,
	102-9 Supply chain	55-57
	102-10 Significant changes to the organization and its supply chain	56-57
	102-11 Precautionary Principle or approach	19-20, 34, 53, 55
	102-12 External initiatives	9, 48
	102-13 Membership of associations	9
	Strategy	
	102-14 Statement from senior decision-maker	5
	Ethics and integrity	
	102-16 Values, principles, standards, and norms of behavior	6, 12-17
	102-17 Mechanisms for advice and concerns about ethics	35
	Governance	
	102-18 Governance structure	51
	102-19 Delegating authority	51
	102-20 Executive-level responsibility for economic, environmental, and social topics	51
	102-21 Consulting stakeholders on economic, environmental, and social topics	11, 13, 15, 59
	102-22 Composition of the highest governance body and its committees	51
	102-23 Chair of the highest governance body	5, 51
	102-25 Conflicts of interest	13, 53
	102-26 Role of highest governance body in setting purpose, values, and strategy	51
	102-29 Identifying and managing economic, environmental, and social impacts	11-17
	102-30 Effectiveness of risk management processes	53
	102-33 Communicating critical concerns	13-14, 35, 46
102-36 Process for determining remuneration	51	
Stakeholder engagement		
102-40 List of stakeholder groups	13, 59	

102-41 Collective bargaining agreements	While collective bargaining agreements are not the norm in Bahrain, the HR Department and two Alba Unions (Alba Labour Union and Alba Trade Union) work together to sort out any issues that may arise.
102-42 Identifying and selecting stakeholders	59
102-43 Approach to stakeholder engagement	13, 59
102-44 Key topics and concerns raised	59
Reporting practice	
102-45 Entities included in the consolidated financial statements	Financial statements include the activities of Alba. No other entity is included
102-46 Defining report content and topic Boundaries	11-12, 15-16
102-47 List of material topics	16
102-48 Restatements of information	21, 24, 25, 27,
102-49 Changes in reporting	There have been no significant changes to the report scope and aspect boundaries.
102-50 Reporting period	4
102-51 Date of most recent report	4
102-52 Reporting cycle	4
102-53 Contact point for questions regarding the report	4
102-54 Claims of reporting in accordance with the GRI Standards	4
102-55 GRI content index	62-66
102-56 External assurance	Not assured

GRI Standard	Disclosure	Page number(s) and/or URL(s)
Material Topics		
GRI 200 Economic Standard Series		
Economic Performance		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	56
	103-2 The management approach and its components	56
	103-3 Evaluation of the management approach	56
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	56-57
Indirect Economic Impacts		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	48
	103-2 The management approach and its components	48
	103-3 Evaluation of the management approach	48
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	17
	203-2 Significant indirect economic impacts	48-49
Procurement Practices		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	55
	103-2 The management approach and its components	55
	103-3 Evaluation of the management approach	55
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	55
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GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	52-53
	103-2 The management approach and its components	52-53
	103-3 Evaluation of the management approach	52-53

GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	53
	205-2 Communication and training about anti-corruption policies and procedures	52
	205-3 Confirmed incidents of corruption and actions taken	53
Anti-competitive Behavior		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	52-53
	103-2 The management approach and its components	52-53
	103-3 Evaluation of the management approach	52-53
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	53
GRI 300 Environmental Standards Series		
Materials		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	27-30
	103-2 The management approach and its components	7-8, 27-30, 53, 55, 57
	103-3 Evaluation of the management approach	27-30
GRI 301: Materials 2016	301-1 Materials used by weight or volume	28-29
	301-2 Recycled input materials used	28-29
Energy		
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	21
	103-2 The management approach and its components	21
	103-3 Evaluation of the management approach	21
GRI 302: Energy 2016	302-1 Energy consumption within the organization	21-22
	302-3 Energy intensity	21
	302-4 Reduction of energy consumption	21
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CEO 2020 Expectations



- . Safety Globe
- . Beyond Line 6
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