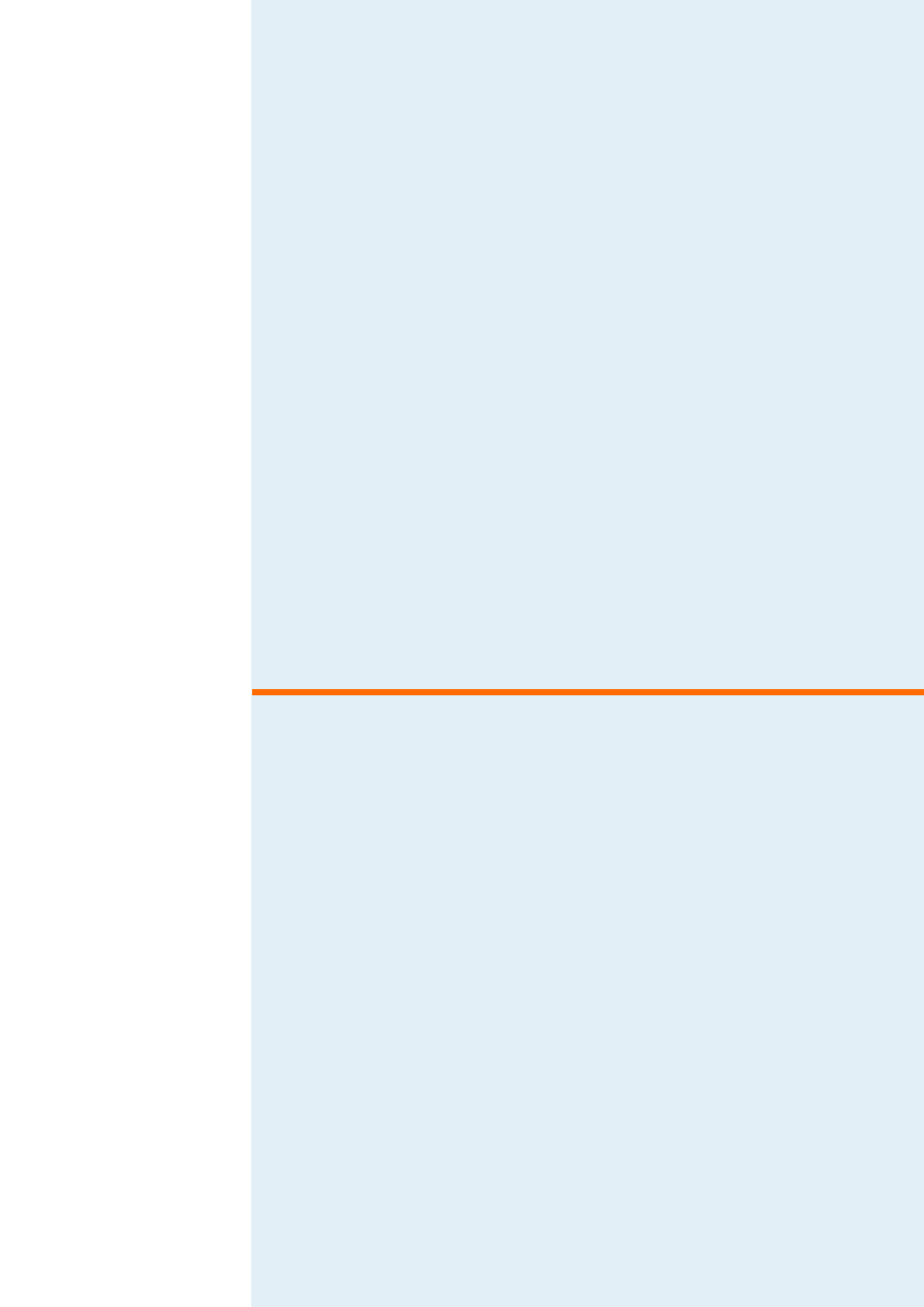


ALBA SUSTAINABILITY REPORT 2018

EMBRACING SUSTAINABILITY FOR
THE BENEFIT OF OUR SOCIETY







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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Dear Stakeholders,

I am pleased to share with you Aluminium Bahrain B.S.C. (Alba)'s Sustainability Report for 2018 – the third publication since we started reporting on our Corporate Social Responsibility initiatives.

Being a responsible corporate citizen, we take our role very seriously to demonstrate our positive contribution and progress towards the environment, economy and social and civic responsibility.

2018 at a Glance

By sanctioning UC RUSAL, the world's second largest aluminium producer, the US administration shocked commodity exchanges, caused trade tensions and has increased the volatility in LME prices. Alumina prices have also soared to record levels (thanks to the Force Majeure at Hydro's Alunorte refinery coupled with the strikes by Alcoa workers in Western Australia), thus further squeezing the smelters' margins. Alba was not an exception.

2019 Outlook

Softer demand in China coupled with stronger US\$ and challenging equity markets have given rise to a rough start in 2019 for aluminium prices, and we expect LME prices to continue to fluctuate in 2019.

Alba, as a primary producer, has no control over market forces, however, we do indeed have control over our safety, production and cost.

Our all-time ambitions for safety, health, water, energy, waste and emissions continue to progress thanks to the diligent commitment of our teams working together as 1Alba. Since our first sustainability report was published, we have made sound progress towards these targets. We must also remember that the only easy day was yesterday and so we pledge to constantly improve our goals as we are on course to become the world's largest aluminium smelter with the Line 6 Expansion Project.

At Alba, we are in the business of people. The safety and health of our people is a core value of our Company. Our safety principles, rooted in our culture, have played a transformational role in Alba's safety journey. We have been collectively working with our people towards changing the mind-set of our employees, and, taking extreme ownership on safety helped us yield exceptional performance in 2018. We have reduced our Lost Time Injuries (LTIs) by 50% Year-over-Year (YoY) versus 2017 and Total Recordable Injuries were the lowest on record. It is also noteworthy to add that we have aligned our Safety, Health & Environment (SHE) policies and procedures with the International Financial Corporation (IFC) standards, which is a remarkable feat.

Operational efficiency will always remain at the forefront of our business operations. Through lean six-sigma and improved business processes, we have focused on numerous projects such as reducing our overall controllable cost, improving raw material consumption and increasing efficiency of our power generation processes, all the while ensuring that Alba's energy consumption practices are improved to benchmark levels.

We intend to embrace sustainability throughout all our activities. Alba has collaborated with Bahrain's Supreme Council for Environment to ensure maximum utilisation of our resources and by-products. I am happy to say that we have established an environmental project with several government entities in Bahrain to address the Spent Pot Lining (SPL) waste which is a major waste for any aluminium smelter qualitatively and quantitatively. Not only will this step comply with the best practices in managing this material, but it will create new business opportunities for Bahrain.

Creating sustainable value for our people will always be second to none. Recognising the positive value of engaging with its stakeholders, Alba held its first Stakeholder Exhibition Meeting in May 2018 to disclose information about its mega Line 6 Expansion Project. Alba also published its first Stakeholder Exhibitions Plan (SEP), which presented a technically robust and culturally appropriate stakeholder engagement approach that meets with the obligations and expectations of the Company, the Government and lenders.

We have also made great strides towards energy efficiency as we are setting, as a primary smelter, the benchmark for sustainable power generation by adopting GE cutting edge technology in our Power Expansion Project, which will help us deliver exceptionally low lifecycle costs per megawatt as well as reduce our environmental footprint.

The best way to foresee our sustainable future is to plan for it. We are proud to be reporting to the Global Reporting Initiative (GRI) Standards, which sets the global best practice for sustainability reporting. Going ahead, we aim to align our business with the Sustainable Development Goals (SDGs) and seek ways to interpret and deliver on these goals within the context of our business.

Tim Murray,
Chief Executive Officer



A MESSAGE FROM
TIM MURRAY
CHIEF EXECUTIVE OFFICER

ABOUT ALUMINIUM BAHRAIN

Aluminium Bahrain B.S.C. (Alba) is one of the world's largest single-site aluminium smelters.

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.

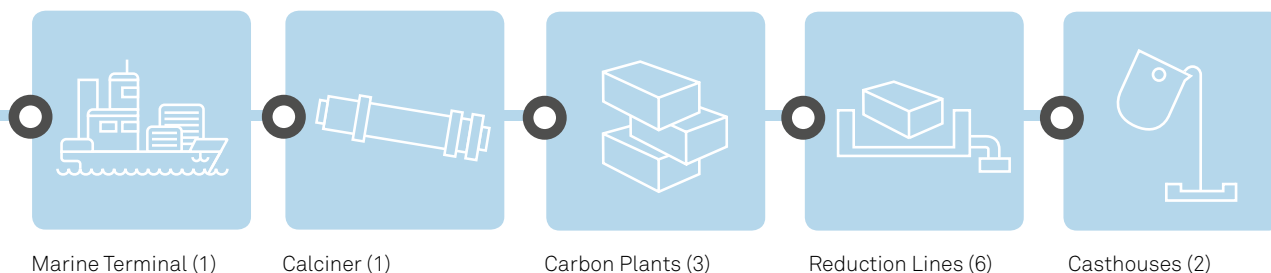
Alba leads the key strategic industry sector of aluminium in the Kingdom of Bahrain with a contribution close to 12% of the Kingdom's gross domestic product (GDP).

Alba's priority is to fulfil its commitments to the Kingdom's downstream cluster. Close to 45% of its production is dedicated to Bahrain's downstream customers with the remainder exported to regional and international customers across 25 countries through the Sales and Marketing offices in Bahrain (headquarters), Hong Kong, Europe (Zurich) and United States (Atlanta).

Alba is a dual listed Company (ALBH) on the Bahrain Bourse and London Stock Exchange. Primary shareholders are the Bahrain Mumtalakat Holdings Company (69.38%), SABIC Industrial Investment Company (20.62%) and the general public (10%).

OPERATIONS

CORE PROCESSING PLANT



Marine Terminal (1)

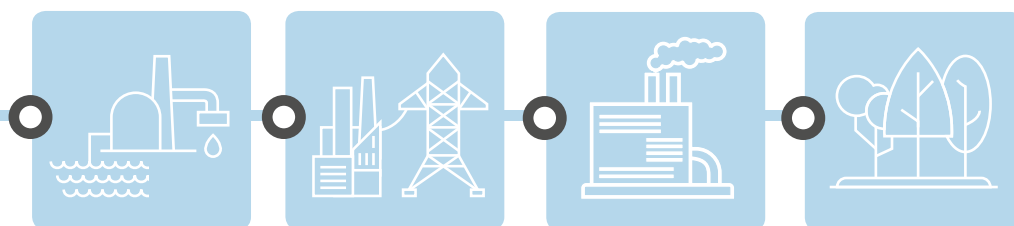
Calciner (1)

Carbon Plants (3)

Reduction Lines (6)

Casthouses (2)

ANCILLARY PLANT & SERVICES



Desalination Plant (1)

Power Plants (5)

Fume Treatment
Plants (11)

Green Oasis (1)

HISTORY

1971
Alba begins operations and becomes the first aluminium smelter in the Middle East and the first non-oil industry established in Bahrain

1981
Inauguration of Reduction Line 3

1994
ISO 9001 Quality Management Certification

2001
Commissioning of Coke Calcining Plant

2010
Alba launches first IPO and is listed on the Bahrain Bourse and London Stock Exchange

2016
USD \$1.5 billion syndicated loan closed, the first tranche of the Company's funding plan for the Line 6 Expansion Project

1979
Saudi Public Investment Fund acquires a 20% stake in Alba

1992
Inauguration of Reduction Line 4 and Power Station 3

2000
ISO 14001 Environmental Management System certification

2005
Commissioning of Reduction Line 5

2015
Alba shareholders approve Line 6 Expansion Project during Extraordinary General Meeting (EGM) and secure natural gas supply for the project

2017/2018
Alba successfully closed 1st tranche of the Export Credit Agencies (ECA) Financing of c. US\$700 million for Euler Hermes and SERV-covered facilities in July 2017, the first part of 2nd ECA-tranche of EUR 204.5 million for Bpifrance Assurance Export ("BpiAE") and Euler Hermes-covered facilities in April 2018 and final instalment of the 2nd ECA-tranche of c.US\$136 million and c. EUR90 million from ECA supported-facilities by end of 2018.

ABOUT ALUMINIUM BAHRAIN CONTINUED



PRODUCTS

Extrusion Billets

Soft alloys used for architectural applications, building and kitchen suite sections. Hard alloys 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.

IN 2018, ALBA COMMISSIONED THE STATE-OF-THE-ART BATCH HOMOGENIZER FROM HERTWICH ENGINEERING (A COMPANY OF THE SMS GROUP) IN CASTHOUSE 3 FOR SPECIALISED BILLET REQUIREMENTS.

THIS NEW GENERATION BATCH HOMOGENIZER IS THE BEST-SUITED TECHNOLOGY FOR THE HEAT TREATMENT OF VARIOUS 6XXX, 1XXX AND 3XXX BILLET ALLOYS FOR SPECIAL APPLICATIONS SUCH AS AUTOMOTIVE AND PRECISION TUBING. THE ADVANCED TECHNOLOGY OF REVERSE AIR CIRCULATION, FULLY AUTOMATED CONTROLS FOR STEP HEATING AND CONTROLLED COOLING ENHANCES THE EXISTING CAPABILITIES OF ALBA'S CASTHOUSE 3 TO ACHIEVE OUTSTANDING METALLURGICAL ASPECTS IN ITS PRODUCTS AS WELL AS IMPROVED PRODUCTIVITY OF BILLETS.

THE COMMISSIONING OF THE NEW BATCH HOMOGENIZER UNDERLINES ALBA'S COMMITMENT TO SUSTAINABILITY AND HIGHER PRODUCT QUALITY WHILST MEETING CUSTOMER DEMANDS IN THE WORLDWIDE AUTOMOTIVE SEGMENTS ESPECIALLY WITH IATF 16949:2016 AUTOMOTIVE QUALITY CERTIFICATION.

SALES

Product Line	Volume (mt)	Share %
Extrusion Billets	415,633	41%
Liquid Metal	268,819	27%
Foundry Alloyed Ingots	175,570	17%
Standard Ingots and Tee Ingots	135,130	13%
High Quality Sheet Ingots	17,395	2%
Total	1,012,548	100%

ABOUT ALUMINIUM BAHRAIN CONTINUED

AWARDS

2018 National Safety Council (NSC) Rising Stars of Safety

Alba's Safety Health and Environment (SHE) employee, Ali Hassan Radhi was awarded the prestigious 2018 National Safety Council (NSC) Rising Stars of Safety at the NSC Congress & Expo in the United States. Ali Radhi was honoured for his safety-focused mind-set and continued dedication towards the safety culture at Alba.

2018 Brandon Hall Human Capital Management Excellence Silver Award

Alba was the proud winner of the coveted 2018 Brandon Hall Human Capital Management Excellence Silver Award in the category 'Best Advance in Competencies and Skills Development'. Alba was recognised for its remarkable work and advancement in employees' competencies and skills development through engagement, evaluation, gap analysis and training.

2018 Gold Medal Award - Royal Society for the Prevention of Accidents (RoSPA)

Alba received the highest recognition of the Gold Medal Award for being the winner of the RoSPA's Gold Awards for five consecutive years.

2018 Guardian Angel Award -Royal Society for the Prevention of Accidents (RoSPA)

Alba's Casthouse Director, Abdulrasool Ahmed was honoured with the Guardian Angel Award 2018 in recognition of his passion and diligence towards strengthening Alba's safety culture.

Top CEO 2018 Award

Alba's Chief Executive Officer Tim Murray was awarded with the Top CEO Award 2018 at the Top CEO Conference and Awards. The awards celebrate the region's best-performing CEOs from companies that are listed on the stock exchanges of Saudi Arabia, the UAE, Qatar, Bahrain, Kuwait, and Oman.

Gulf Safety Forum Award

Alba was the proud recipient of the Gulf Safety Forum Award in Bahrain. Deputy Chief Executive Officer Ali Al Baqali received the Award on Alba's behalf, in recognition of the Company's continuous efforts to improve the safety and health of its employees and contractors, as well as promote environmental initiatives.

Human Resources Excellence Award

Alba received the Human Resources (HR) Excellence Award by the Fifth Arab Gulf Forum for Human Resources Development. Winning this prestigious award underscores Alba's commitment to ensure that its employees are satisfied and continuously growing in their careers to reach their full potential.

2018 International Safety Award with Merit - British Safety Council

Alba was awarded the 2018 International Safety Award with Merit by the British Safety Council for its year-round diligent efforts towards maintaining the safety and well-being of its employees.

MEMBERSHIPS

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

HYDRO IBERIA PARTNERS WITH ALBA TO PRODUCE LIGHT WEIGHT BATTERY HOUSING FOR ELECTRIC SCOOTER

Hydro Extruded Solutions (Hydro) partnered with Spanish battery manufacturer Scutum Logistics S.L. to modify the battery assembly on a range of new generation electric scooters manufactured by Scutum's end customer – leading electric motorcycle Company in Spain and Europe: 'Silence'.

Hydro is a manufacturer of extruded aluminium profiles.

Silence required the production of light weight battery housing for the scooters to achieve its requirement for an improved housing design through reduced battery weight.

Silence is embarking on a CO₂ reduction initiative to promote a greener environment by individuals using its electric scooter, rather than traditional motorcycles, which contribute significantly to pollution and high emissions.

Alba supplied Hydro's Iberian extrusion arm with 6060G3 aluminium alloy billets, 228mm in diameter for the lightweight battery housing.

Hydro chose Alba due to the consistent quality of alloy, allowing them to maintain high quality for the production of the products for customers. They also strive to do business with suppliers that have a proactive focus on partnership, quality and sustainability.

Rui Abreu, Hydro Extrusion Iberia Metal Director said: "It is important to Hydro Iberia that we are able to deliver the right product on time to meet the needs of our customers. Our partner, Alba provides us with the ability to do this."



MATERIAL TOPICS



Employee retrieves stock items: Warehouse – Procurement Department

To prepare for the compilation of Alba's FY2018 Sustainability Report, a formal materiality assessment was completed using the online Materiality Assessment Tool (MAT). The MAT identifies the environmental, social and economic issues which are most material to Alba and to respondents. Topics used to inform the materiality assessment include Global Reporting Initiative (GRI) topics, Aluminium Stewardship Initiative (ASI) topics and topics suggested by Alba.

The MAT was completed by 93 staff across Alba, out of a possible 100 respondents, representing a 93% completion rate. Respondents were from the following organisational groups: Executives, Directors, Managers, key staff members, and Department representatives.

This report explores the 'top 20' material topics identified, in addition to Climate Change, which we consider to be important to Alba operations and the broader sustainability context.

TOP 20 MATERIAL TOPICS



*Most material topic

OUR STRATEGY

MARKET CONDITIONS

2018 was a challenging year with an unprecedented spike in alumina prices which significantly impacted Alba's bottom line. Despite this, the Company was able to deliver solid results on the back of the Project Titan Cost Improvement Program.

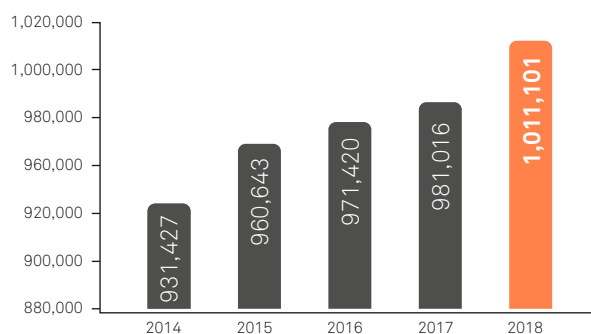
Key industry highlights:

- World consumption stood at ~66 million metric tonnes (mt), up by 3% Year-over-Year (YoY). Middle East and North Africa (MENA) demand rose by double digits (+13% YoY) backed by major infrastructure spending in Saudi Arabia (+28% YoY). Asian demand rose by 4% YoY led by slow consumption in China (+4% YoY). Europe consumption was up by 3% YoY supported by sound demand in the construction and automobile sectors while demand in North America rose by 2% YoY mainly driven by the auto and aerospace sectors.
- Global production was almost flat at 1% YoY (~64 million mt), thus leading the world market into a deficit with

China (-1.8 million mt) and in deficit w/o China (-2.2 million mt). Higher alumina and power prices drove Chinese smelters' closure translating into flat production growth, while Production in North America was down by 4% YoY due to production cuts in Canada.

- London Metal Exchange (LME) inventories stood at ~1.3 million mt in December up by (+16% YoY).

ALBA TOTAL FINISHED PRODUCTION (tonnes)



NET INCOME

BD '000'		USD '000'		
Y2018	Y2017	Y2018	Y2017	
59,755	92,457	158,923	245,896	↘35%

GROSS PROFIT

BD '000		USD '000		
Y2018	Y2017	Y2018	Y2017	
85,982	134,648	228,675	358,106	↘36%

SALES/REVENUES

BD '000		USD '000		
Y2018	Y2017	Y2018	Y2017	
911,317	857,762	2,423,715	2,281,282	↑6%

More information on Aluminium Bahrain's 2018 Financial Performance can be found at: <https://www.albasmelter.com/IR/Publications/Pages/default.aspx>



Alba Engineer at the Power Station

OUR STRATEGY CONTINUED

PLANNING FOR GROWTH PROJECT TITAN

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 essential for the sustainability of our business. It is imperative to improve Alba's ability to adapt quickly to changes in the market while 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.

Cost optimisation needs to continue as market volatility is not guaranteed. Learnings from the first three phases of Project Titan serve as an asset to maximise benefits and capture opportunities previously not visible.

Project Titan has demanded an enormous change at the employee level and structural level. A systematic approach in managing change was imperative in order to be able to embed the initiative within Alba.

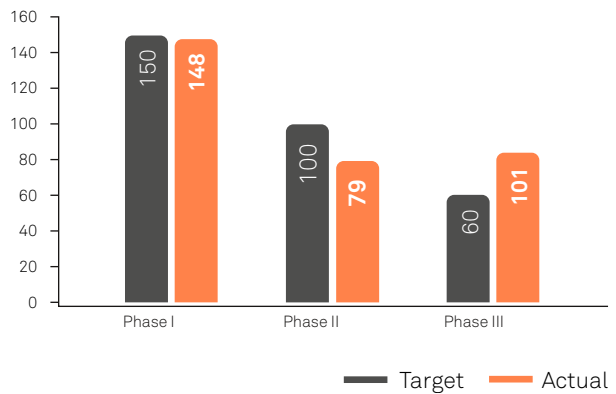
Immediately after the commitment from top level management, a clear vision in measurable and observable terms was laid out including: cascaded targets from department to shop floor level; facilitated idea generation workshops; training of employees in Lean Six Sigma, and supported by an intensive communication strategy.

To ensure lasting change, through facilitated workshops, Alba's OpEx department identified all potential projects necessary to achieve project objectives; drove projects to completion; highlighted and rewarded successful projects; removed bottlenecks and allocated resources. The progress of the change initiative was then measured by developing tracking and monitoring tools and linking it with SAP and monthly CEO review meetings.

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 the aimed targets.

A monthly review meeting is 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 speed up the process of decision making and execution of corrective actions.

PROJECT TITAN PROGRESS (\$/mt)



PROJECT TITAN PHASES

Phase I (2014-2015) Objectives

- Combat the expected rapidly declining and volatile LME prices throughout 2015 and beyond
- Set vigilant measures to sustain competitive position and enhance the reliability of operations
- Streamline cost structure

Phase II (2016-2017) Objectives

Reduce overall controllable cost, including spares and consumables, contracted services, overheads, overtime and workforce

Boost sales by finding new methods to increase the customer base while focusing on value-added products to generate more revenues

Reduce all inventory-related net working capital comprising major raw materials, non-raw materials, work in process and net finished goods

Improve raw material consumption factors of alumina, coke, pitch and aluminium fluoride

Increase efficiency of power generation processes, while ensuring that all energy consumption practices are improved to benchmark levels

Phase III (2018) Objectives

- Further reduce overall controllable cost
- Boost sales quantities
- Increase efficiency of power generation processes in order to withstand global market conditions

Phase IV (2019-2020)

Adapt quickly to changes in the market while maintaining continuous business operations

Safeguard people, assets and overall brand equity

OUR STRATEGY CONTINUED

KEY PERFORMANCE AREAS

1. Social Responsibility

Safety

Safety is intrinsic to our work culture. The emphasis on safety has prevailed since Alba's inception and safety measures are regularly updated to meet our changing needs.

Health care

Our employees are our most valuable asset. Our commitment to their wellbeing and healthcare is reflected in the provision of employee healthcare benefits and entitlements on and off site.

Environment

We take stringent measures to enforce strict guidelines that place the greatest emphasis on the way we treat and manage waste. Alba boasts one of the most environmentally responsible power plants in Bahrain.

Employee Development

Alba is one of the most preferred employers in Bahrain. This goes back to the emphasis we put on employee development through specialised training and education to providing an environment for self-growth and achievement.

2. Profitable Growth

Growth

Aluminium is Bahrain's second major export after oil. When the Company was established in 1968, Alba aimed to begin with production capacity of 56,000 tonnes per annum but this was soon increased to 120,000 metric tonnes per annum. As at 31st December, 2018, we produced a record 1,011,101 mt of the highest grade aluminium.

Sales

Our aluminium is exported to more than 25 countries. In line with Alba's long-term strategy, the marketing department focuses its efforts on value added products and reports significant success in consistently increasing their production and expanding sales.

Customer perception

We have long standing relationships with our customers. This is due to the fact that they know that we never compromise on quality while bringing value and providing flexible, customised and specialised after-sale customer and technical services.

Innovation

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.

3. Global competitiveness

Cost competitiveness

Our survival has always depended on our ability to find ways and means to maintain our competitive position in the aluminium industry. With an embedded culture of operational excellence, we are able to provide top-class products and services at the most competitive prices.

Throughput increase

We will accelerate our production capacity in the next decade. The Line 6 Expansion Project will bring our total production capacity to 1.5 million metric tonnes per year, making Alba the world's largest single-site aluminium smelter.

Quality of our products

We pride ourselves on our metal purity consistently kept above 99.86 per cent and our unrivalled flexibility in producing whatever quantities and specifications are required to meet the various needs of our customers.

GLOBAL SUSTAINABILITY DRIVERS

Alba trusts that by embracing the United Nations' Sustainable Development Goals (SDGs) into its business operations, the Company will be able to make a difference in the community it serves.

Fulfilling SDG 12 'Responsible Consumption and Production', in line with the Kingdom of Bahrain's requirement, aligns with Alba's strategic levers to build a sustainable socio-economic ecosystem for future generations to come. Being a responsible corporate citizen, we believe that social, civic and environmental initiatives are entrenched in Alba's culture and we aim to constantly find ways to serve our stakeholders through our involvement in these initiatives.

In addition, as a result of lender requirements for the Line 6 Expansion Project, Alba has reported performance against the International Finance Corporation's (IFC) Performance Standards on Environment and Society (E&S). 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 Gulf region is seeing temperatures rise faster than the global average, with temperatures expected to rise by as much as 4°C by the end of the century. Bahrain, an archipelago of low lying islands, is especially vulnerable to climate change and the associated predicted sea-level rise (UNDP, 2019).

Although Bahrain's contributions to global greenhouse gas emissions is relatively minor, the Kingdom is committed to climate change adaptation (UNFCCC, 2016). Given the impact of climate change on economic development, natural resources and poverty, adaptation within industries contributing to greenhouse gas emissions is necessary to achieve sustainable development.

The Kingdom of Bahrain became a signatory of the United Nations Framework Convention on Climate Change (UNFCCC) in June 1992 and ratified the Kyoto Protocol in January 2006. The Paris Agreement of 2016

built upon the UNFCCC, an outcome of which is the submission of Nationally Determined Contributions (NDC), by all ratified countries, including the Kingdom of Bahrain. In essence, the NDCs are national plans to scale up investments into climate resilience.

Bahrain's Joint National Committee on Climate Change has been mandated to oversee climate issues, and is chaired by the Supreme Council for Environment (SCE), the country's primary regulatory body for climate and environmental issues. The SCE is committed to United Nations Sustainable Development Goal (SDG) 13: Climate Action.

A guiding principle for Bahrain's Vision 2030 to shape the vision of government, society and the economy, is sustainability, in addition to fairness and competitiveness. Vision 2030 states "...economic growth must never come at the expense of the environment and the long-term well-being of our people: no effort will be spared to protect our environment and preserve our cultural heritage" (Bahrain.bh, 2019).

Aluminium Bahrain B.S.C. (Alba) is committed to contributing towards the global efforts of mitigating climate change, and has become a member of the Aluminium Stewardship Initiative (ASI) in the first quarter of 2019. A requirement of ASI membership is reporting to the ASI Performance Standard, which explicitly recognises the UNFCCC, and requires organisations seeking ASI Certification to commit to reducing their greenhouse emissions from a lifecycle perspective to mitigate their climate impacts.

Alba is already taking steps to reduce greenhouse gas emissions through implementing operational efficiencies.

Gaining ASI Certification, in addition to current reporting on the environmental and social impacts of the Line 6 Project Expansion and the Global Reporting Initiative (GRI) Standards, will aid Alba in establishing a strong foundation in reporting on material issues related to climate change.

OUR STRATEGY CONTINUED



Aerial View of Line 6 Expansion Project: Casthouse Area

LINE 6 EXPANSION PROJECT

Alba's Line 6 Expansion Project is one of the largest brownfield developments in the Middle East region. The project will be transformational for the Kingdom of Bahrain as it will significantly boost employment opportunities for Bahrainis at both Alba and in the local downstream market. It also presents many co-investment opportunities through local and foreign aluminium investments in the Kingdom.

Commissioned on 13 December 2018 with the First Pot Energisation, the Line 6 Expansion Project will boost Alba's per-annum production by 540,000 metric tonnes to a total production capacity of 1.5 million metric tonnes per year. The pride of the Kingdom of Bahrain, this project will make Alba the world's largest aluminium smelter.

This achievement not only marks the beginning of a new era for Alba, but also a breakthrough record as Alba brought forward the First Hot Metal milestone ahead of its scheduled date on January 01, 2019 – making it the fastest construction ever delivered in the aluminium industry.

With a CAPEX of approximately US\$ 3 billion, the Line 6 Expansion Project involves the construction of a sixth pot line using EGA's proprietary DX+ Ultra Technology, a 1,792 MW Power Station (Power Station 5) utilising the world's first H-class General Electric (GE) 9HA Gas Turbine (GT) and other industrial services.

Bechtel is the EPCM contractor for the Line 6 Expansion Project smelter. For Power Station 5 (PS 5), GE and GAMA Consortium was awarded the EPC (Engineering, Procurement & Construction) contract, while Siemens is the Power Distribution System contractor.

J.P. Morgan, Gulf International Bank (GIB) and National Bank of Bahrain (NBB) are the financial advisors for the project. In June 2015, the Alba Board approved the Line 6 Expansion Project and in November 2015, Alba secured the natural gas supply for this Project.

Alba successfully closed a US\$ 1.5 Billion syndicated term-loan facility comprising two tranches: Conventional Facility and the Islamic Facility in October 2016. The first tranche of the Export Credit Financing of c. US\$ 700 million for Euler Hermes and SERV-covered facilities was completed in July 2017 and the first part of 2nd ECA-tranche of EUR 204.5 million for Bpifrance Assurance Export (BpiAE) and Euler Hermes-covered facilities in April 2018.

At the end of 2018, the final instalment of the 2nd tranche with regards to financing of Alba's Line 6 Expansion Project was secured, consisting of c.US\$136 million and c. EUR90 million from Export Credit Agency (ECA) supported facilities. The proceeds from the ECA direct and guaranteed loans are used to finance the provision of equipment in relation to Alba's Line 6 Expansion Project.

The facilities are made-up of: c. US\$136 million Export Development Canada (EDC) supported facility with a 10-year tenor wherein the principal amount is to be repaid over a 10-year period; and c. EUR90 million Japan Bank for International Cooperation (JBIC)/Nippon Export and Investment Insurance (NEXI) supported-facilities comprising two contract loans, the first of which has a tenor of 10-year and a principal repayment period of 9.5 years, and the second contract loan having a tenor of 6 years with the principal amount to be repaid over a 5.5-year period.

The First Cold Charge of Furnace 3 in the new Casthouse 4, the largest furnace in Alba's history, was started on 26 December 2018.

As of December 31, 2018, Line 6 smelter's overall progress exceeded 80% (engineering progressed by more than 97%, while contracts and procurement advanced by 98%); Power Station 5 and Power Distribution System overall progress advanced by 83% and by 96% respectively.

PORT CAPACITY UPGRADE PROJECT

Aluminium Bahrain's smelter commenced operations in 1971, and, over time, has periodically upgraded and expanded with new units including the commissioning of the Line 6 Expansion Project (Potline 6) and ancillary power station (Power Station 5).

As a result of the projected total production capacity of 1.5 million metric tonnes per year, Alba will need to accommodate for the delivery of an increased amount of alumina and calcined petroleum coke via the existing port, which will need to be upgraded and expanded to handle the substantially increased production capacity of the smelter.

The Alba Calciner Plant and Port are located at the 'Sitra Marine Terminal', which is shared between Alba, Gulf Petrochemical Industries Company (GPIC), Bahrain National Gas (Banagas), National Oil and Gas Authority (NOGA) and the Bahrain Petroleum Company (Bapco).

Alba's facilities comprise two jetties with ship unloading equipment, conveyors, storage, road vehicle loading silos, water treatment plant, offices and a calciner for processing 'green' petroleum (pet) coke (GPC).

The upgrade will include the installation of a new ship unloader for alumina, additional facilities for offloading of calcined petroleum coke (CPC) (which is not currently possible) and new storage silos for alumina and CPC. The design will conform to the requirements of the International Organization for Standardization, European Federation of Materials Handling, British Standards and International Electrotechnical Commission standards.

As required under Supreme Council of Environment (SCE) regulations, Environmental and Social Impact Assessment (ESIA) scoping reports were submitted January and March 2018 respectively. The report identifies the environmental baseline conditions of the project area and identifies potential impacts of the project on the surrounding environment during the construction and operation phases.

ENGAGING WITH STAKEHOLDERS

Stakeholder engagement is an integral component of Alba's sustainability and growth strategy. As a pillar of the Bahrain economy, Alba recognises the positive value of engaging with its stakeholders and is committed to engaging with stakeholders through an open and culturally appropriate approach to information disclosure. Our end goal is to build a trusted relationship with the community in which Alba operates and with other interested stakeholders.

Stakeholder engagement is managed through Alba's Stakeholder Engagement Plan (SEP). The catalyst for developing the SEP was the undertaking of the Line 6 Expansion Project, which was approved in 2015. The SEP process was formally implemented in April 2018. In order to receive financing for the project, Alba was expected to design and implement a comprehensive SEP aligned with the increasingly stringent requirements by the International Finance Corporation (IFC) to demonstrate good corporate citizenship.

Subsequently, Alba's SEP was designed to encapsulate the reporting requirements of:

- Alba's Health, Safety, Emergency Management Systems (HSEMS)
- Bahrain national laws and regulations
- International Finance Corporation (IFC) Performance Standards and Equator Principles III - June 2013 (backed by the World Bank Environmental, Health and Safety Guidelines)

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; HSEMS and traffic management plans.

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 large 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 of Environment)
- Non-Governmental Organisations
- 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

No grievance mechanisms were received for the Line 6 Expansion Project in 2018. Due to the Alba Port Capacity Upgrade project, a new SEP will be designed with an expected completion date by the second quarter, 2019.

In addition to the stakeholder engagement activities for Line 6, day to day engagement activities with key stakeholder groups are monitored and reviewed on an annual basis to determine their needs and expectations. The External Grievance Mechanism, initially launched as part of the Line 6 SEP, has now been extended to include environmental and social grievances across all operations.

Details of stakeholder engagement for the Line 6 Expansion Project and general stakeholder engagement are available in Appendix 1 and 2.



Aerial View of Line 6 Expansion Project: Reduction Line 6

GOVERNANCE

Good corporate governance plays a vital role for the success of Alba as it ensures that a robust system of rules, practices and processes exist by which the Company is directed and controlled. Our governance processes balance the interest of Alba's many stakeholders and promote transparency in our activities.

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. Based on these codes Alba also has Board approved Corporate Governance Guidelines. Our goal is to ensure that all reporting requirements mandated by the MOICT and CBB code of conduct are adhered to.

A major change in 2018 to our existing corporate governance practices is the formation of the Corporate Governance Committee, wherein Alba's Board of Directors merged the Corporate Governance Committee with the existing Nomination & Remuneration Committee.

In line with Alba's 2018 Corporate Governance Code, effective as at 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 of this, 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>). More information on Alba's internal instruments and other relevant legislation to ensure good governance is available in Appendix 3.

ETHICS, INTEGRITY AND TRANSPARENCY

For Alba to continue on its successful journey, the Company needs to continually build and maintain the trust and confidence of its employees, customers, partners, investors, local communities and society. Trust is earned through the demonstration of a consistently high standard of ethics, integrity and professional behaviour.

Ethics and integrity are an intrinsic part of Alba's strategy and it is demonstrated through the implementation of a Code of Conduct (Code) which outlines the behavior expected of all employees working for Alba, and to ensure that the highest standards of integrity and personal conduct are always upheld.

Initially launched in 2011, the Code was benchmarked against leading global codes of conduct, and developed after extensive internal consultation. The Code preserves the basic principles of honesty, fairness, integrity and respect for people. The Code also promotes trust, openness, teamwork, and professionalism in order to ensure a safe, ethical, professional, environmentally sustainable and socially responsible business.

The Code covers all common aspects of an ethics program, with a focus on ethical business (covering Conflicts of Interest, Bribery & Corruption, Gifts & Entertainment, and Fraud). The Code is communicated to all employees, suppliers, and customers and is available in Arabic and English.

Alba follows best practices of corporate governance in the administration of various sponsorship requests and allocation of funds under the umbrella of its CSR role and responsibilities. Alba's sponsorship policy includes various checks and balances to regulate the flow of funds and eliminate chances of a conflict of interest. All approved requests are properly actioned and filed as per the Company's Level of Authority and Standard Operating Procedures.

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

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

Supplementary activities included:

- Distribution of hard copy Codes of Conduct in English or Arabic to each employee
- Quizzes
- Posters for departments for permanent display in prominent position in offices and common areas.
- 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)

Following on from the staff launch, in July 2018, communications were sent out to all 132 (100%) of Alba's active customers, and all 2137 (100%) of Alba's active suppliers, emphasising the Company's Code of Conduct; anti-corruption policies and Integrity Line, and the expectations that Alba has of its business partners.

ANTI-COMPETITIVE BEHAVIOUR AND ANTI-CORRUPTION

Alba's Code of Conduct (the Code) outlines the behavior expected of all Alba employees. The purpose of our approach is to ensure that as an organisation, Alba does not participate in anti-competitive behavior nor corruption, nor violate anti-trust regulations in any way.

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, employees dealing with customers should ensure that Alba's practices do not abuse a dominant market position and are compliant with competition laws in applicable countries. Activities involving bribery, corruption, money laundering, payment of secret commissions, and the exercise of improper influence are strictly prohibited under the Code.

Although there were no cases of corruption in 2018, the risk is inherent in the industry in which Alba operates.

A high-level risk assessment has been done of this area as part of Alba's 'Enterprise Risk Management'

Framework. The risk in the aluminium industry is 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.

Those at risk are limited to marketing, supply chain, procurement, finance and project staff (at Head office, and in regional offices in the USA, Switzerland and Hong Kong), and executive management. The risk is limited as Alba's products are global commodities, and prices charged to customers are linked to prevailing global industry indices, such as the London Metal Exchange. All (100%) of operations are considered in Alba's assessment of risk.

Other management level staff are exposed to limited risk, and the vast number of employees are not exposed to any risk in this area.

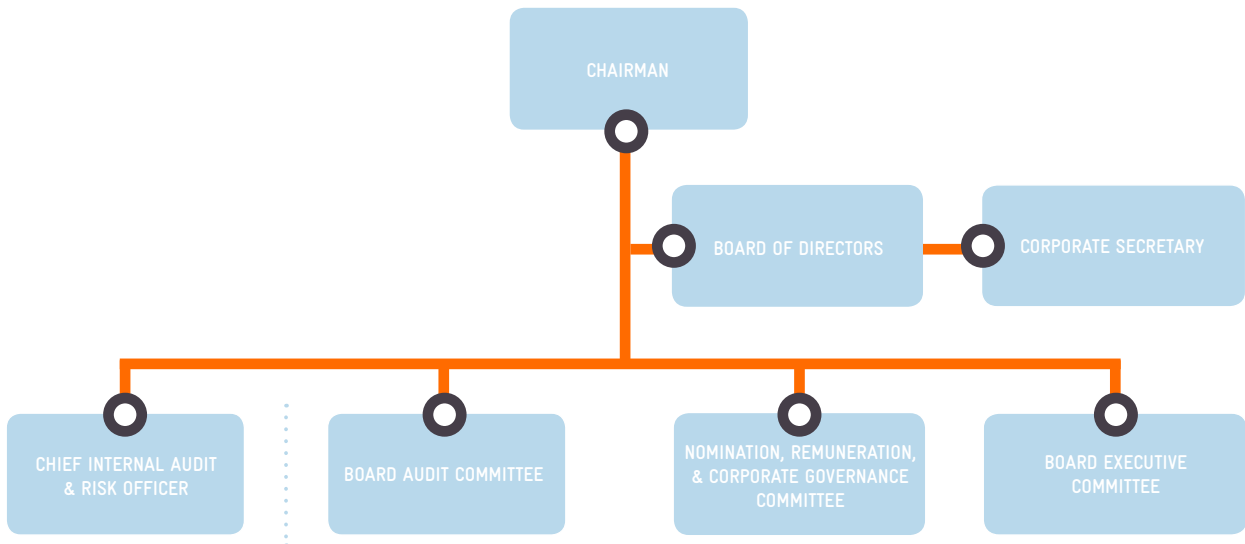
Premiums or discounts to individual customers follow a rigorous review and approval process, set out in Alba's Levels of Authority document, and in Marketing department policies and procedures, and typically require review and approval by the Board of Directors.

During the reporting year, we have improved procedures, monitoring and transparency over major raw material costs, and major contracts through the establishment of a tender board, and revised tender policy, as well as a revised Direct Materials Sourcing Policy, and revised Levels of Authority. A multi-sourcing strategy for major raw materials has been implemented to promote greater transparency and more easily highlight non-competitive transactions.

There were no legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation, nor any public legal cases of corruption where contracts with business partners were terminated, nor against Alba or its employees.

The Code of Conduct and the Code of Conduct Video featuring CEO and employees is uploaded onto the internet and intranet (<https://www.albasmelter.com/About%20Alba/Code-of-Conduct/Pages/default.aspx>).

GOVERNANCE STRUCTURE



GRIEVANCE MECHANISMS

Alba has implemented an Integrity Line through which members of Alba staff, contractors and commercial partners can report in confidence on any breaches of Alba’s Code of Conduct, such as financial irregularities, frauds and other matters that could potentially prove damaging to the Company. Owned by Alba’s Internal Audit & Risk Management Department, the Alba Integrity Line is an independently operated, confidential reporting hotline that works in multiple languages via a toll-free phone system or via the intranet 24 hours a day, 365 days per year. This service enables Alba staff and other stakeholders to raise concerns in good faith without the fear of suffering any form of retribution, and can raise them confidentially if they wish. The tool is re-launched and re-emphasised periodically together with the Code of Conduct. An Integrity Program, managed by Alba’s Integrity Task Force (ITF) – Alba’s Chief Internal Auditor, Chief Administration Officer, and Legal Manager, (overseen by the Board Audit Committee) – is also available to internal and external stakeholders and regular updates of this program are provided to the Alba Board Audit Committee.

The Alba Integrity Line was originally used for complaints solely related to potential breaches of Alba’s Code of Conduct. In 2018, the scope of the Integrity Line was extended to include affected communities’ concerns and grievances about Alba’s Environment and Social (E&S) performance related to the Line 6 Expansion Project’s construction and operation (see Appendix 4).

The External Grievance Mechanism for the Line 6 Expansion Project is in line with the Performance Standards of the International Finance Corporation (IFC) and is open to all stakeholders affected by Alba’s E&S performance. All complaints or grievances about Line 6 are submitted to the relevant Line 6 teams for further investigation and resolution.

Alba also has other employee-only grievance systems, including HR Grievance Policy and SHE related grievances. Aligned with Bahrain’s Labour Law, this Policy is prescribed by the Human Resources Department of Alba and has a separate set of internal, worker grievance procedures.

INTEGRITY LINE ACTIVITY 2018

Topic	Number of complaints	Resolution
Fair treatment and equal opportunity	5	1 x no action taken (unfounded*) 1 x under review 2 x reviewed 1 x other
Conflict of interest	3	2 x no action taken (unfounded) 1 x reviewed
Respect for the law	2	2 x reviewed
Respect and non-harassment	2	1 x unsubstantiated** 1 x reviewed
Accurate reporting	1	1 x no action taken (unfounded)
Bribery and corruption	1	1 x unsubstantiated
Community and political relations	1	1 x reprimanded
Confidential information	1	1 x under review
Protecting assets against fraud, theft and misuse	1	1 x no action taken (unfounded)
Safety, health and the environment	1	None ***
Total	18	

*No violation of the Code of Conduct was found in the raised concern/allegation

**Potential violation of the Code of Conduct, however, not enough evidence to support the allegation

***Allegation forwarded through the appropriate channel, as not part of the Integrity Line remit

STRATEGIC PARTNERSHIP STRENGTHENS WITH LOCAL SET UP OF LOGISTICS OPERATIONS

A LONG-TERM AGREEMENT WITH FLUORSID S.P.A., A LEADING PRODUCER OF FLUORO-CHEMICALS BASED IN ITALY, HAS BEEN SECURED FOR THE SUPPLY OF SMELTER GRADE ALUMINIUM FLUORIDE (AIF₃). ONE OF THE WORLD'S LARGEST PRODUCER OF ALUMINIUM FLUORIDE AND SYNTHETIC CRYOLITE, FLUORSID MEETS THE BULK OF ALBA'S YEARLY AIF₃ REQUIREMENTS FOR ITS ANNUAL METAL PRODUCTION.

DRAWING ON ITS DECADES LONG STRATEGIC PARTNERSHIP WITH THE COMPANY, FLUORSID IS ESTABLISHING ITS REGIONAL WAREHOUSE THROUGH SIMPLIS LOGISTICS IN BAHRAIN IN CLOSE PROXIMITY TO THE ALBA PLANT, SUPPORTING THE SUSTAINABLE PARTNERSHIP BETWEEN ALBA AND FLUORSID AND A STRONG SUPPLY CHAIN STRATEGY.

THE ESTABLISHMENT OF THE WAREHOUSE AND LOGISTICS OPERATIONS WILL HAVE BENEFITS FOR ALBA IN ENSURING THE UNINTERRUPTED SUPPLY OF RAW MATERIALS, AS WELL AS ECONOMIC BENEFITS FOR THE KINGDOM OF BAHRAIN. FUTURE WAREHOUSE EXPANSION PLANS WILL PROVE ADVANTAGEOUS TO ALBA IN TERMS OF MANAGING WORKING CAPITAL, INVENTORY LEVELS AND ON TIME DELIVERY SERVICE OF AIF₃.

Alba engages a large number of suppliers locally and internationally. The Company plays a pivotal role in engaging local Bahraini suppliers to support its operational activities, underlining Alba's commitment to further drive economic development of the Kingdom of Bahrain and to enhance the competitive business environment in the country as per the kingdom's Economic Vision 2030. Important aspects of a sustainable supply chain are the environmental and social impacts from the consumption of goods and services, and avoiding shifting negative impacts from one part of the supply chain to another, as goods or services flow from the place of production to the final consumer.

In 2018, Alba's commitment to purchase from local suppliers reached 60% (an increase of 4% compared to 2017), valued at over BD 100 million through official purchase orders and supply agreements. Local suppliers are considered Bahrain-based companies, including Bahrain-based subsidiaries/ extension offices for some international companies.

With existing operations and also as a result of the Line 6 Expansion Project, Alba has provided an enormous opportunity for diverse markets, including a large number of suppliers locally and internationally, creating a win-win situation for all.

Alba's expanding operations are not only encouraging local industries to venture into new business avenues internationally as well as in Bahrain, but also helping expand the supplier base. Taking geographical advantage of Alba's operations, many downstream industries and support functions for Alba are now moving or expanding in closer to industrial areas in the vicinity. Examples of this include small to medium size enterprises such as fabricators, civil, mechanical and electrical contractors, trading establishments, stockists and distributors, logistics and warehousing, and scrap merchants.

SUSTAINABLE SUPPLY CHAIN

Alba is also able to attract international businesses to form alliances with established Bahraini firms. This includes well established names from contractor, manufacturer and trading house businesses.

Local and international regulations concerning safety, health and the environment remains the highest priority and compliance with these elements is essential to the success of our business. Hence, Alba screens its existing major suppliers through pre-qualification and regular vendor audit programs.

Adherence to Bahrain's Supreme Council of Environment (SCE) regulations, and compliance with international environmental and social standards throughout our supply chain is essential to our operations and Alba screens its major contractors for their environmental (Chemicals and Waste Management Compliance Report of Industries) and social compliance along with other key criteria. Applicants not meeting the required criteria are disqualified from the tender process.

Alba effectively utilises its state of the art Enterprise Resource Planning (ERP) system to manage the supply chain process. Intensive periodic vendor development in terms of supply services, quality, safety, health and environment (SHE), sourcing of critical supplies and services and performance monitoring of defined vendor criteria, enables us to strengthen our core business function while offering a platform for prospective businesses to thrive.

Alba's supply chain process is governed by robust policies and operating procedures that are continually monitored for effectiveness. The Company's procurement, human resources and safety, health and environment (SHE) departments are heavily engaged with the monitoring of environmental and social impact and our systems are continually being upgraded to monitor and comply with local and international regulations.

The senior management team is personally committed to creating and maintaining a sustainable supply chain and is involved in the review and approval process of the supply chain process. Suppliers are scrutinised prior to their engagement and any non-compliant entities are either temporarily suspended or terminated for future dealings.

New international and local vendors are pre-qualified on to Alba's approved vendors list after scrutiny on their socio-economic performance. 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 2018, Alba rigorously screened over 2,200 applications for registration, out of which 230 (over 10%) new suppliers were pre-qualified on to Alba's approved vendors list after scrutiny on their environmental and social-economic performance, with an objective to create strong partnerships with the suppliers.

During the reporting year, Alba permanently ceased business with one of the handlers and recyclers of solid bath (a by-product) due to environmental non-compliance to the Supreme Council of Environment (SCE) regulations. In addition, an on-site audit by Alba of Line 6 contractor's labour living, health and safety conditions found that corrective action was required upon receiving a grievance mechanism related to labour conditions, and also that a mock drill on evacuation plans surrounding the labour camp was necessary.

Our strong vendor pre-qualification policies and procedures serve as guiding principles in the development of a strong supply chain.

ENVIRONMENT

Throughout its aluminium production manufacturing processes, Aluminium Bahrain B.S.C. (Alba) is committed to responsible practices that minimise associated upstream and downstream environmental impacts. In the manufacturing of primary aluminium, Alba's operations are responsible not only for the production of aluminium from the alumina and calcination of petroleum coke, but also water desalination, anode manufacturing, smelting, casting and captive power generation.

To ensure that this complex operational environment is managed responsibly, Alba has implemented a comprehensive Safety, Health and Environment (SHE) Management System (SHEMS) in accordance with the requirements of ISO 14001:2015 (Environmental Management System) and the Kingdom of Bahrain's Supreme Council for the Environment (SCE) to ensure effective environmental governance. A SHE policy is in place and environment is a key performance area in the Company strategic plan.

Alba's Line 6 Expansion Project has also brought into focus the International Finance Corporation (IFC) Environmental Performance Standards as a condition of lender environmental requirements which have been 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

Alba aims to achieve continuous improvement in environmental impacts and to eliminate harm through the establishment of annual targets.

The senior management team ensures the integration of the SHE management system requirements into Alba's business processes, including environmental considerations which are outlined in the internal environmental policy. A risk-based approach to life cycle thinking takes into account operational changes, including planned or new developments, new or modified activities, abnormal conditions and reasonably foreseeable emergency situations. Resources are allocated as required to improve the environmental performance based on a cost/benefit approach.

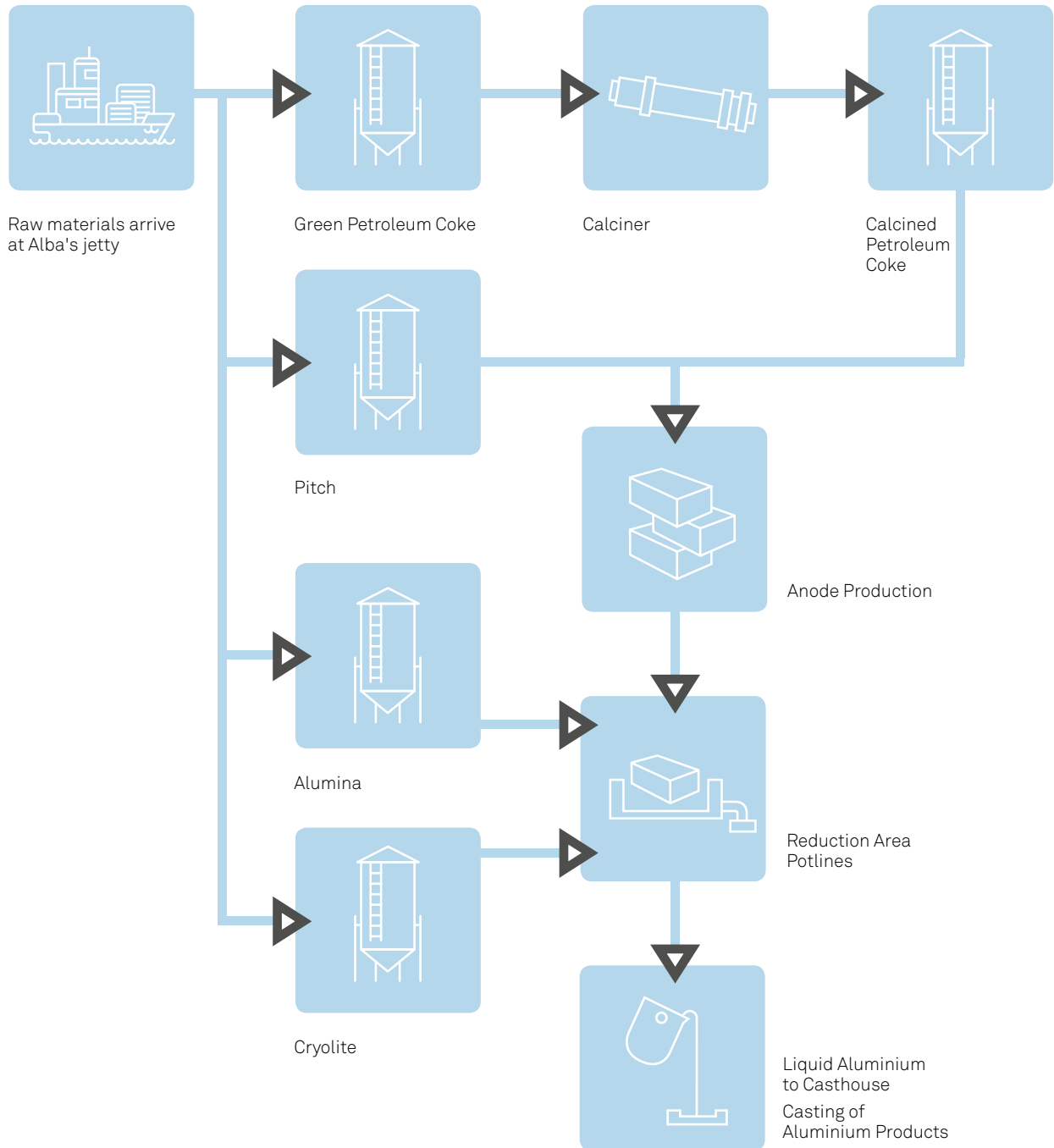
Significant environmental risks are identified using established criteria, and mitigated to acceptable levels through proper control methods. If an environmental risk is at an unacceptable level, action plans are implemented to bring the risk to an acceptable level.

Conversely, opportunities to improve environmental outcomes are identified through plant modification requests, internal audits, investigation reports and other mechanisms. Heads of department ensure that all workers, line managers at all levels of the organisation are aware of the environmental risks associated with their activities, and environment training is provided on monthly basis for Alba employees.

More information on Alba's internal instruments and other relevant legislation to ensure best environmental practice is available in Appendix 3. A comprehensive suite of Alba's Codes of Practices (ACOP) that address environmental procedures is available in Appendix 5.

There were no non-compliances with environmental laws and regulations in 2018.

ALUMINIUM SMELTING STEPS



Note that energy supply and pollution controls have been excluded from this conceptual layout

ENERGY AND EMISSIONS

Alba recognises the importance of optimising energy use, as the usage of non-renewable energy sources upon which Alba relies, such as natural gas, has the potential to increase environmental pollution and increase operational costs. Alba is targeting a healthier work place and planet through emissions reduction.

The power requirement of the smelter is primarily met by a natural gas based, captive power plant located adjacent to the smelter on the Company's premises. Gas turbines use natural gas as fuel, and steam turbines use waste heat from the gas turbines as the heat source. Alba has made great progress in recent years in reducing hazardous CO₂ and NO_x emissions by transitioning gas turbine generators used in Power Stations 4 and 5 to the world's most efficient GE MXL2 generator (Power Station 4) and GE H Class (Power Station 5). By adopting GE's cutting-edge technology, Alba is setting the benchmark for sustainable power generation in the aluminium industry. Power Station 5, once fully operational, will be one of the most efficient combined cycle power plants in the world. Significant cost optimisation will be realised as a result of this transition.

Advanced control systems and continuous monitoring are used to ensure high efficiency through optimum combustion of natural gas. High efficiency burners are used to minimise emissions which include nitrogen oxides and greenhouse gases.

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.

Monitoring emission levels is important primarily as an indicator of healthier production systems and compliance with the legal requirements. Alba implements both continuous and manual 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.

A full environmental team (head, supervisors, engineers, analysts) is employed and provided with the budget and technologies to monitor power station efficiency and hazardous chemical emissions from all departments and treatment facilities. KPIs are monitored regularly and linked to performance assessments.

Annual voluntary emissions reduction targets are set with a baseline of international emissions reduction targets and prioritised according to the severity of harm to humans and the environment. Short-term planning for emissions reduction tends to focus on mitigating emissions impact, while long-term planning undertaken is to address remediation and avoidance of negative impacts on the regional and international environment. Direct communication is employed to take corrective actions against any exceedances.

POWER STATION PERFORMANCE AND TARGETS

	2018 (actual)	2019 (target)
Power station CO ₂ e emissions	0.51 t CO ₂ e/MWh	0.45 t CO ₂ e/MWh
Alba Power Station Efficiency	41.35%	45.5%

GREENHOUSE GAS EMISSIONS REDUCTION INITIATIVES

ALBA HAS UNDERTAKEN THE FOLLOWING EMISSIONS REDUCTION INITIATIVES DURING 2018:

- **POWER STATION 4**

POWER STATION 4 (PS4) MACHINES HAVE BEEN PARTIALLY MODIFIED TO THE MXL2 TYPE, WHICH HAS REDUCED NO_x EMISSIONS TO LESS THAN 20PPM FROM 35 PPM. THE REMAINING TWO MACHINES WITHIN PS4 WILL ALSO BE MODIFIED TO THE MXL2 TYPE IN THE FUTURE, SO THAT NO_x EMISSIONS FROM ALL PS4 MACHINES WILL BE LESS THAN 20 PPM.

- **POWER STATION 5**

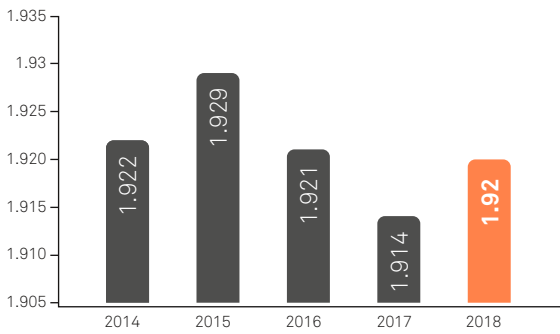
POWER STATION 5 (PS5) MACHINES, PART OF THE LINE 6 EXPANSION PROJECT ARE ALSO EXPECTED TO HAVE NO_x EMISSIONS LESS THAN 20 PPM THROUGH INBUILT EFFICIENCIES. WITH PS5 IN FULL GENERATION, ALBA'S TOTAL POWER GENERATION EFFICIENCY IS EXPECTED TO ACHIEVE 49.0% BY SEPTEMBER 2019, WHICH WILL REDUCE GAS CONSUMPTION PER MEGAWATT OF POWER GENERATION AND SUBSEQUENTLY REDUCE THE TOTAL CO₂ EMISSIONS PER MEGAWATT OF POWER GENERATION.

THE HIGH EFFICIENCY POT LINE 6 WILL SEE NET POWER CONSUMPTION PER TONNE OF ALUMINIUM ALSO DECREASE.

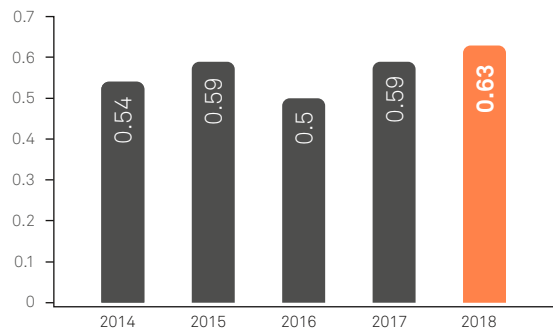
- **DECOMMISSIONING OF POWER STATIONS**
HIGH NO_x EMITTING POWER STATIONS 1 AND 2 WILL BOTH BE DECOMMISSIONED COMPLETELY IN THE FUTURE.

CONSUMPTION FACTORS

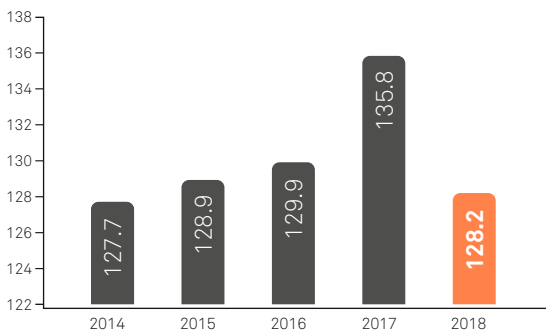
ALUMINA (t/t Al)



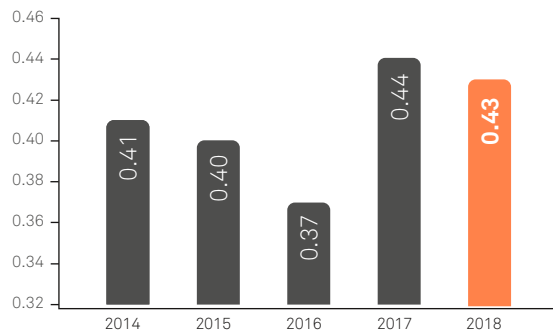
GREEN PETROLEUM COKE (t/t Al)



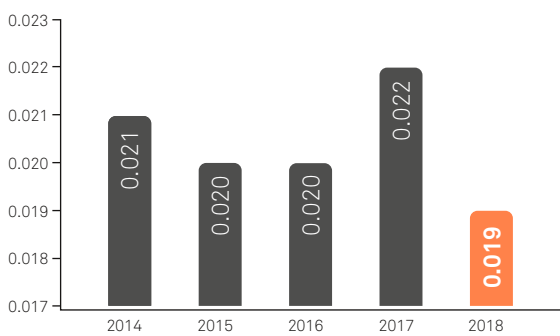
NATURAL GAS (t/t Al)



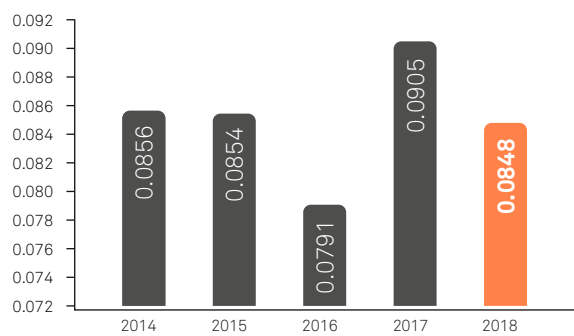
CALCINE PETROLEUM COKE (t/t Al)



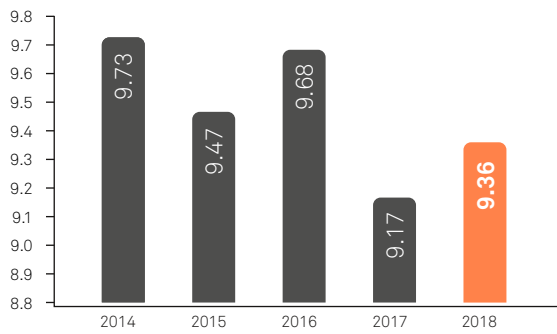
ALUMINIUM FLUORIDE AlF₃ (t/t Al)



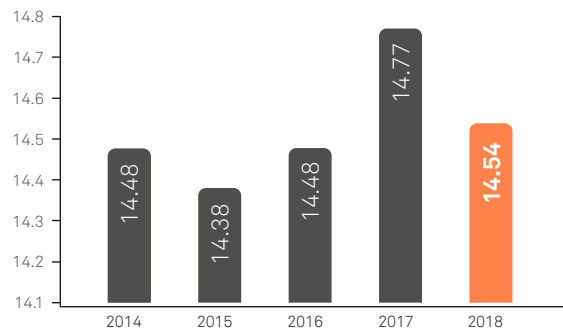
LIQUID PITCH (t/t Al)



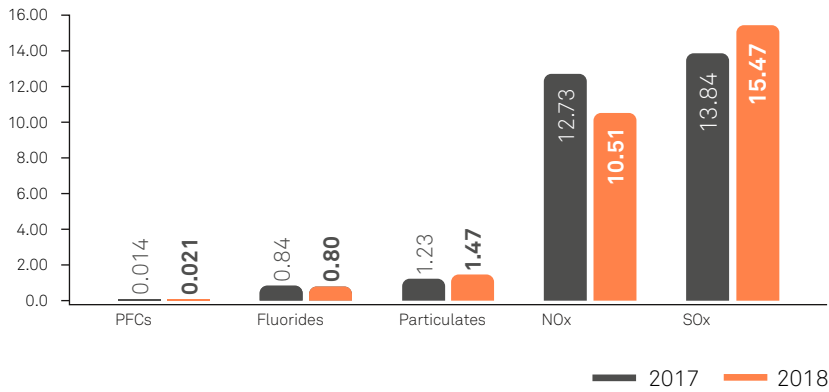
**GREENHOUSE EMISSIONS INTENSITY
(t CO₂e/t Al)**



**POWER CONSUMPTION
(MWh/t Al)**



**OTHER SIGNIFICANT EMISSIONS
(kg/t Al)**



Charts are based on the net production from the Reduction Plant and so exclude scrap returns

GHG and other emissions based on total aluminium production

Power use efficiency based on total aluminium production

A revision has needed to be made to the power use reported for the 2017 year in last year's Sustainability Report.

EFFLUENTS AND WASTE

Alba recognises that the generation of effluents and waste can cause significant environmental impacts to land, water and air if not managed correctly. Our commitment is to identify, assess, evaluate and control the environmental aspects associated with our activities, following the appropriate hierarchy of control. This is based on regulatory compliance based on local regulations which meet international standards.

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.

The plan objectives are to protect the environment and health of people; reduce the negative effects of waste; reduce waste disposal to landfills due to limited capacity, 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.

Supporting separate codes of practice have been implemented for the management of solid waste and waste water. These procedures define Alba's waste management systems to ensure that the quantity of different waste streams generated is minimised, and their disposal quantity is reduced, following the principles of recover, recycle, or reuse as appropriate. The procedures also provide guidance for disposal of unavoidable wastes in a responsible manner conforming to applicable compliance obligations.

Each department has its own set of goals and targets to address respective solid and effluent wastes generated in each department, and training is provided to address specific operational requirements. These goals and targets are mandatory for solids and voluntary for effluent waste. At this time, time-bound targets have currently been set for solid waste reduction, but not yet for effluents.

WASTE GENERATED AND BY-PRODUCTS

In addition to waste sent to landfill, Alba recycles its materials as much as possible by re-introducing materials back into the aluminium manufacturing process. For example, alumina used to capture fluoride in air pollution control equipment is reintroduced as an ingredient in the electrolysis pot (charge alumina).

In 2018, 128,023 mt of anode butts were recycled back into the paste plant to produce new anodes, representing approximately 25% of spent anodes. Producing anodes is part of the aluminium manufacturing process in Alba's carbon plants.

In addition, 27,204 mt of solid bath was recycled offsite.

Another key part of Alba's operation is to recover aluminium scrap from its industrial customers for use in the production of new aluminum products. As a result, Alba's products include post-industrial recycled content, which reduces the energy needed to produce the new products; an example of a sustainability strategy that is good for the environment and also reduces Alba's costs.

A total of 25,000 mt of hazardous waste was transported in 2018 to a dedicated, Class 2 fully lined hazardous waste landfill that is controlled by Bahrain's environmental regulator, the Supreme Council for Environment (SCE). No hazardous waste was transported internationally.

Liquid Wastes

Almost all liquid wastes are reused or recycled, with the exception of mixed oil/water; lime sludge and cooling water sludge. All types of liquid petroleum products waste generated are recycled in addition to many other liquid wastes such as cooling tower blowdown, which is reused as irrigation water and treated sewage which is sent to a local sewage treatment plant. 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 is sodium hexafluoro aluminate (Na_3AlF_6) and is available in nature as cryolite. As with any other smelter of prebaked electrolytic cells, this material is produced as by-product because of the reaction of sodium (Na_2O) in the primary alumina which is a major raw material for the process and aluminium fluoride (AlF_3) as an additive in the electrolysis process.

Bath from reduction pots which mainly contain cryolite and alumina is collected and crushed, some of the quantity is reprocessed again in the pot lines as cover materials and surplus is bagged and stored to be 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 and has 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.

Spent Pot Lining

Spent Pot Lining (SPL) is produced from the reduction cells when they are rebuilt at the end of their useful life which spans for approximately four to five years. The SPL is the lining material of a reduction cell which consists of insulation refractory, carbon cathodes, and steel collector bars.

Steel collector bars are recovered for recycling, and the insulation bricks as well as the carbon cathode are currently landfilled as hazardous waste. The mixed fine material is landfilled as hazardous waste.

Alba is currently exploring treatment options for SPL and is studying various proposals. Further updates will be shared in due course.

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.

General Waste

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

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.

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 projects involving the demolition of old buildings and construction of new projects including excavation waste. Recyclables such as steel, wood, and plastic are recycled by placing in the designated recyclable material skips and non-recyclable construction waste is disposed to landfill.

Tree and Grass Cuttings

Trimming of lawn, trees and clearing up of bushes and weeds from the Alba site contribute to this waste category

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.

Effluent Water

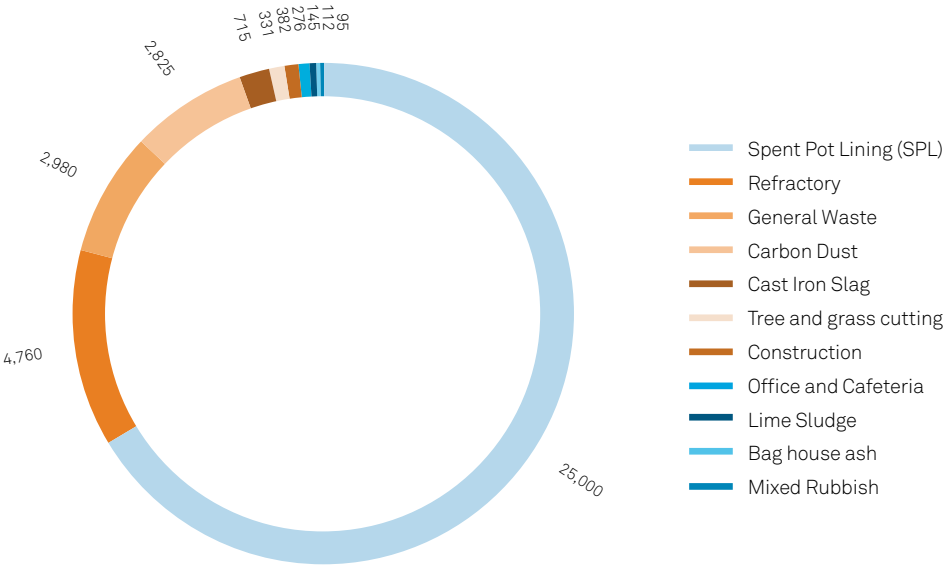
Effluent waste water usually contains brine water, some boiler blow-down water and water from the Calcining and Marine plant (mainly sea water) that have been used in the desalination plant for cooling. This water is used in steam turbines after further treatment, cast house cooling water make up and other simultaneous and domestic type usage around the plant. The discharged water is mainly reverse osmosis reject brine and is discharged to the sea after ensuring that the quality conforms with legal requirements for effluent discharge.

There were no significant spills in 2018.

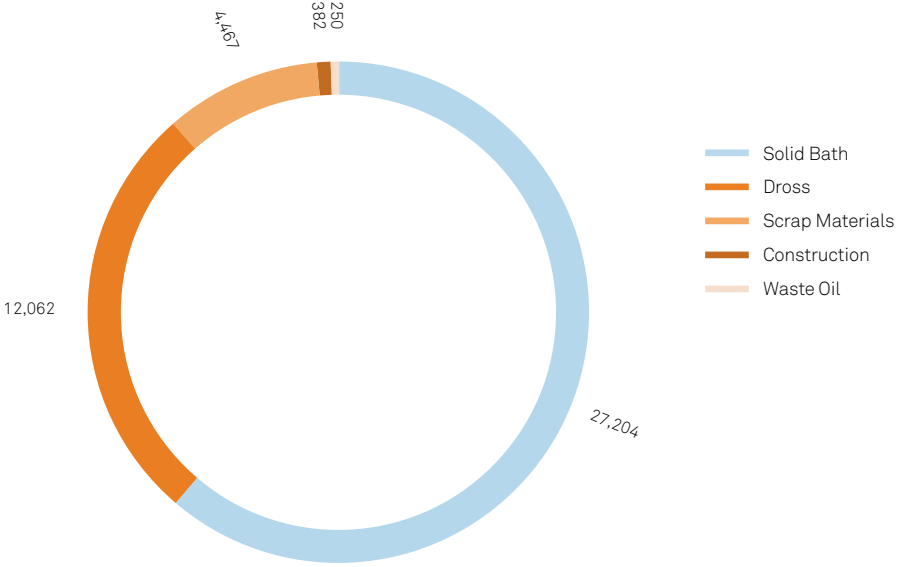
SOLID WASTE REDUCTION TARGETS

Waste Type	Baseline Measure (2016 figures)	Annual Reduction Targets to 2023	Methods to Reduce Waste
Spent Pot Lining (SPL)	12,000 tonnes	4%	Explore the possibility of recycling SPL through overseas vendors and through the local cement industry
Refractory Waste	5,000 tonnes	6%	Exporting 10% of total waste to be used as raw material for the manufacturing refractory in the form of 'grog' Use a proportion of the waste as aggregate for civil work
General Waste	3,351 tonnes	5%	Decentralisation of disposal cost to instigate ownership by the waste generator Hold awareness sessions for major general waste generators as well as contracts on waste minimisation and recycling
Carbon Dust	3,000 tonnes	5%	Decentralisation of disposal cost to instigate ownership by the waste generator Recycling of waste by local vendor Reduce or remove iron from the material which equals >30% of its weight
Cast Iron Slag	700 tonnes	5%	Decentralisation of disposal cost to instigate ownership by the waste generator Improve cast iron cleaning quality Work with local Company to clean and return as pig iron
Construction Waste	400 tonnes	5%	Segregate excavated material into rocks (send to landfill), landscape, soft sand (backfilling), trees and grass Enforcement of proper waste segregation of recyclable materials by contractors
Tree and Grass Cuttings	331 tonnes	20% (in total by 2023)	Decentralisation of disposal cost to instigate ownership by the waste generator Provide farmers with grass to use as animal feed Plant selection to include plants that do not grow fast to reduce trimmings and selection of seasonal flowers
Calciner Bag House Ash	150 tonnes	4%	Decentralisation of disposal cost to instigate ownership by the waste generator Explore methods of recycling the material for the Bahrain brick industry

LANDFILLED WASTE (TONNES)



RECYCLED WASTE (TONNES)



TOTAL WEIGHT OF HAZARDOUS WASTE

Waste	Method	Quantity (mt/yr)	2017 (mt/yr)
Spent Pot Lining (SPL)	Landfill	25,000	27955
Anode Butts	Reuse	128,840	NR* - Reuse
Medical Waste	Incineration	0.2	0.34
Waste Oil	Recycling	250	NR – Recycling (oil drums)
Sewage Sludge	Treating	175	NR

NR = Not Reported

TOTAL WEIGHT OF NON-HAZARDOUS WASTE

Waste	Method	Quantity (mt/yr)	2017 (mt/yr)
Refractory	Landfill	16,368	6,232
General Waste	Landfill	2,980	2980
Carbon Dust	Landfill	2,825	3315
Cast Iron Slag	Landfill	715	720
Tree and grass cutting	Landfill	331	325
Construction	Reuse/Landfill	382	1733
Solid Sulphur	Recycling	70	NR
Office and Cafeteria	Landfill	276	281
Mixed Rubbish	Landfill	95	100.8
Bag house ash	Landfill	112	66.5
Solid Bath	Reuse/Export	272,928	NR - Reuse
Dross	Recycling	11,250	NR
Lime Sludge	Landfill	145	NR
Scrap Materials (Steel, wood, batteries, etc.)	Recycling	4,467	Separated out in 2017

WATER

Water is a precious natural resource and forms part of the scope of Alba's environmental management system and Alba has a very low impact on water resources, as most of the Company's water requirements are generated from sea water desalination using waste heat recovery. Sea water is sourced from the Gulf Sea and underground aquifers. In fact, the Company has a net positive impact on water use in that more water is being generated than is required for operational purposes, with the surplus being supplied to the national water grid. The desalination plant conforms to the World Health Organisation (WHO) and Gulf Standards.

The desalinated water is used in steam turbines after further treatment, and cast house cooling water is used

for other simultaneous and domestic usage around the plant. Discharged water is mainly reverse osmosis reject brine and is discharged to the Gulf Sea after ensuring the quality conforms with legal requirements as per Bahrain legal limits for effluent discharge to the sea.

Alba follows all legal requirements for water extraction and effluent discharge and has included them into the Alba Code of Practices (ACOP) which are applied across the organisation. ACOPs specify an assessment of environmental impacts regarding natural resource consumption, including water. If a significant environmental impact is detected, it is addressed by setting objectives and targets to eliminate or mitigate this impact to the lowest practical level. Any ground water abstraction is coordinated with the Bahrain Agricultural Engineering and Water Resources Directorate.

Measure	Source	Volume (m ³)
Water Withdrawal	Sea Water (Calciner)	5,521,372
	Ground Water (Alba Smelter)	992,183
Water Discharge	Calciner's Brine	3,754,533
	Alba Smelter Brine	297,655
Water Consumption	NA	2,487,738

SAFETY

Aluminum Bahrain (Alba) executives and senior management are committed to continually improve the health and safety of all Alba stakeholders and strive to eliminate harm. The effective management of occupational health and safety (OHS) issues has legal, moral and financial obligations on the organisation.

The Company works with all (100%) staff and contractors (operational) to ensure that workplace safety and health standards and procedures are adhered to through its health and safety integrated management system based upon the ISO 45001:2018 Occupational Health and Safety Standards and social reporting as per the International Finance Corporation (IFC) Principles.

Alba's introduction of the health and safety management system was to ensure that managing health and safety matters does not only fulfil minimal legal requirements, but rather ensures that it meets societal expectations and to set a high safety benchmark within the regional and international smelting industry.

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.

That said, construction contractors are also commonly present on the Alba site, particularly in recent times for the construction of Line 6. These contractors are managed by the head contractors who are responsible for worker health and safety; Alba was saddened to hear of two fatalities in the construction team in the 2018 year, reinforcing Alba's resolve to make worker safety an absolute priority for all workers on and around the Company's premises.

The core principles of Alba's integrated management system are based on the Plan-Do-Check-Act methodology, where a major part of planning relates to hazard identification and risk assessment.

Due to the diversity of the organisation and processes, responsibilities related to OHS are distributed throughout the Company from CEO through to shop floor supervisor, with monthly departmental OHS KPIs generated and safety goals and targets set annually. Decentralised safety and health coordinators have been appointed, and each business unit manager has a dedicated SHE Coordinator as a direct report.

The following support sections provide integral support to the SHE department on safety matters:

- Safety Training
- SHE Statistics
- Lifting Tackle
- Industrial Hygiene
- Environment

Fire and Security

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

All governance and compliance mechanisms to ensure best practice in safety can be found in Appendix 3.

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.

The SHE committee at the executive level has the legal oversight for the adherence to regulatory requirements.

Alba's Safety Code of Practice (see Appendix 5) assists all employees and contractors to ensure a safe working environment and also ensures the safety of the community, stakeholders and neighbours.

Hazard identification covers both routine and non-routine activities as well as hazards due to activities and equipment provided by contractors wherever applicable. The activity is carried out at least once every three years as part of ongoing implementation and continual improvement initiatives.

The identification process covers Companywide processes and includes aspects arising, or likely to arise, as a consequence of:

- 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
6. Personal Protective Equipment (PPE) – use properly fitted where other controls are not practicable

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 their concerns.

In relation to worker protection, Alba's Code of Conduct and Integrity Line ensures that employees and contractors are protected against possible retaliation related to requesting improvement in SHE matters.

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

1. Ownership of safety is everyone's responsibility
2. Safety is a condition of employment
3. All work-related injuries and illnesses are preventable

It is firmly expected that all employees protect themselves and their colleagues at work from any foreseeable risk, and to stop and report any unsafe act or condition at work.

The process of incident investigation is governed by Alba's Code of Practice (ACOP) related to Incident Reporting and Investigation. As clearly documented in the ACOP, it is the responsibility of the CXO and departmental manager to lead the incident investigation. The incident final report with corrective actions should be generated and submitted to the centralised 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 the directors and managers. 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.

Alba's Code of Practices (ACOP) related to SHE Management System Audits and SHE Management Review ensures to close the cycle of the Plan-Do-Check-Act methodology, and continual improvement of the SHE management system.

Alba's Industrial Hygiene section provides the necessary support to ensure scoping related occupational health through anticipation, recognition, evaluation and control of workplace related stressor/hazards. In the organisational context, this includes physical, chemical, biological and ergonomic health hazards.

In relation to quality control, the Industrial Hygiene section conducts some of the required testing/surveys within the in-house laboratory which follows international best practices and standards, e.g. Occupational Safety and Health Administration (OSHA) from the United States, and American Conference of Governmental Industrial Hygienists (ACGIH). However, some of the required surveys are collected and sent for analysis to a quality certified laboratory in the United Kingdom.

SAFETY CONTINUED

Alba recognises that engaging the workforce, including contractor workers, provides huge benefits in terms of adaptation to the health and safety initiatives that the organisation strives to achieve. Overall, the management team aims to build a positive health and safety culture that is achieved by workforce involvement.

Employee engagement is mandated through the many procedures and ACOPs that address safety and health. For example, Alba's Risk Assessment Procedure makes it mandatory to engage and consult with the workforce in the risk assessment team as they are an important part of the process.

The SHE Committee Code of Practice mandates the attendance of employee representatives in the most important health and safety meetings in the organisation conducted monthly by the executive management. This meeting is formed to discuss the organisation's incident statistics, the health and safety key performance indicators status and progress, the corporate objectives and targets status and progress, and general employee health and safety issues at the executive level.

Another avenue that assists in engaging the workforce is involving the workers in planning, organising, leading and executing organisational health and safety campaigns. In 2018, all health and safety campaigns were managed by the workers themselves.

The setting of objectives and targets do not involve Alba workers only, but considers also the engagement of contractor workers. Management is keen to involve contractors by meeting contractor management every month communicating the organisation's expectation and receiving the contractors' feedback accordingly.

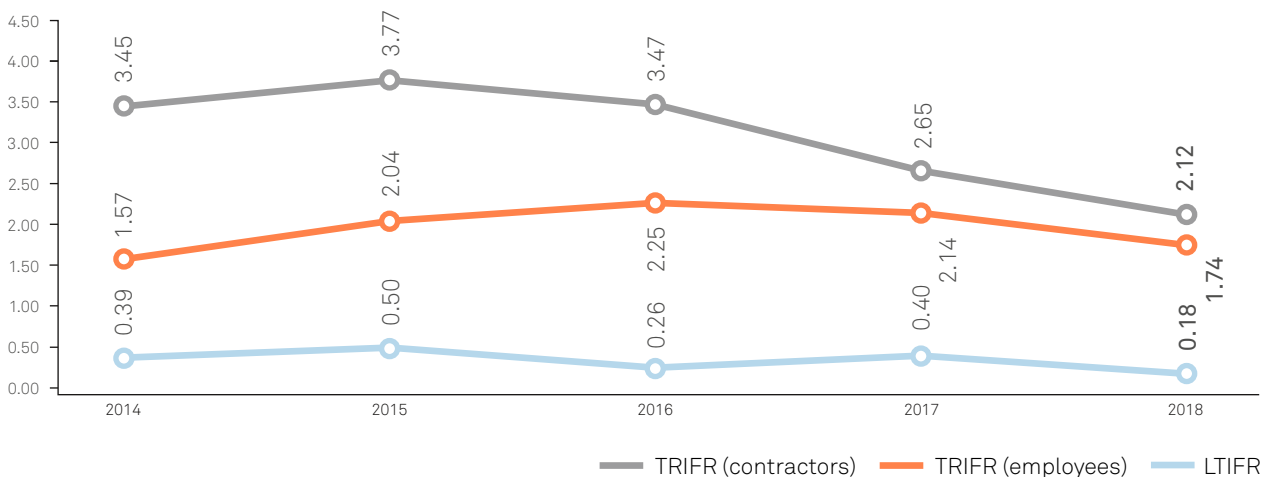
TRAINING COURSE PLAN

Alba provides a year-round intensive training program including the following modules:

- Risk Assessment
- Industrial Hygiene
- Hot Work Permit
- Basic Lifting Tackle
- Confined Space
- Fire Fighting
- Manual Handling
- Incident Investigation
- Behaviour Observation
- Excavation Permit
- Working at Heights, and
- Process Safety Management

In 2018, 15.25% of total man hours were spent on training, including SHE, first aid, and technical training.

INJURY FREQUENCY RATE



Calculation method changed between 2017 and 2018 from estimated hours per day to actual work hours

EMERGENCY PREPAREDNESS

A robust emergency preparedness plan is essential in order to save lives and aid the fast restoration and recovery of the Alba's operations and business continuity. Our commitment is to provide a safe working environment, protect human and physical assets and extend the plan beyond regulatory compliance.

Alba's Code of Practice (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 SHE Policy is the overarching policy for emergency preparedness and implementation is the responsibility of the SHE department, security, fire senior management and the CEO.

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 text message is sent via a computerised call-out system to all fire team members.

All management and non-management share the same responsibility, which is to target zero accidents and provide a safe working environment. Emergency preparedness training is provided to both internal and external parties, and ongoing planning activities are based on criticality.

LINE 6 EXPANSION PROJECT SAFETY DATA

Fatality	LTI	Recordable Injuries	TRIFR	Fire	Traffic Accident (On-Site & Off-Site)	Work-Hours w/o LTI
2*	0	25	0.15	2	22	33,613,888

*One fatality resulted from an off-site road traffic accident which involved a project contractor employee

TEMPORARY WORKERS ARE TREATED AS REGULAR ALBA EMPLOYEES IN TERMS OF RIGHTS AND OBLIGATIONS AND ARE INCLUDED IN SAFETY DATA. ALL CONTRACTORS ARE DIRECTLY SUPERVISED CONTRACTORS WHOM ARE WORKING DIRECTLY UNDER ALBA SUPERVISORS HELPING IN DAY TO DAY PRODUCTION ACTIVITIES.

ANOTHER CATEGORY OF CONTRACTORS ARE INDIRECTLY SUPERVISED CONTRACTORS WHO ARE INVOLVED IN SPECIAL PROJECTS NOT DIRECTLY RELATED TO DAY TO DAY PRODUCTION ACTIVITIES, SUCH AS BUILDING A WORKSHOP OR PLACING NEW CABLE. THESE CONTRACTORS HAVE THEIR OWN CONTRACT SUPERVISOR.

WORKERS COVERED BY OHS MANAGEMENT SYSTEM*

Alba employees	Contractors
3181	2321

*11 temporary Alba employees nor indirectly supervised contractors are not included

*There were no cases of work-related ill health in 2018

IN FOCUS: MANAGING SAFELY WITH IOSH

As Head of Compliance at Aluminium Bahrain (Alba), Hesham Alawi Abdulla is responsible for managing compliance to Alba's management systems and cultivating awareness of safety throughout the Company.

In the aluminium industry, electricity (a current of 400 kilo amps) presents the biggest hazard, alongside the heat involved in the melting process (up to 1,000°C). At Alba, the ambient heat problems of working in Bahrain's climate, which can reach 50° in the plant during summer, is another factor. In addition, most work involves high levels of human interaction and manual handling.

It was Hesham's search for a training provider with international credibility which brought him to IOSH to help Alba meet the requirements of ISO 45001, the international safety and health management standard.

Alba was already committed to taking its health and safety responsibilities seriously, however, the SHE department identified supervisors' behavioural culture as one area for improvement.

"We'd previously run campaigns and implemented programmes for supervisors but they were often limited in providing us the change that we really needed," says Mr Abdulla. "Also, supervisors were somehow reluctant to engage fully with safety because they mistakenly believed that safety is senior management responsibility."

Hesham knew something different was needed to get the message through. "Our main concern was lack of supervision in the middle layer between top management and workers. We brought in IOSH's Managing Safely training as a programme that was easy to understand, deliver and implement."

"Managing Safely includes a risk assessment for workplace ideas and we were interested to see what our supervisors would devise," he continued. "We wanted projects that would improve working conditions by doing something new and delivering change. The most effective project submitted is designed to eliminate hazards in the reduction lines (where raw ingredients are melted down in a giant cooking pot before the aluminium is siphoned off with air). It was an excellent example of a supervisor going the extra mile. It showed us the true capabilities of our supervisors and was a useful tool to measure their progress, which was done via careful assessment of the changes made in the supervisors' area to improve OSH in their workplaces after the course."

"There's still a long way to go to reach the highest levels of OSH," believes Mr Abdulla. "However, Managing Safely has meant that our supervisors are now talking about safety issues, with others keen to take the course. It's because they've heard that the training is serious and constructive with strong assessments and engaging instructors."

The delegates also reported positive feedback about the different elements of Managing Safely: assessing and controlling risks, understanding responsibilities and hazards, investigating incidents and measuring performance.

According to Mr Abdulla, some delegates have occasionally been shocked by gaps in their knowledge. "For example, module 6 ('incidents and investigations') explores the root causes of accidents - which has subsequently changed the attitude of many supervisors," he confirms.

In 2018, Alba accelerated the Managing Safely provision by training 300 management employees, achieving a target set in 2017. The Company also plans to run IOSH's Arabic language version of Managing Safely to enable non-English speakers to benefit from this key knowledge.

SAFETY CONTINUED

2018 SAFETY CAMPAIGNS

Safety Selfie

The 'Safety Selfie' campaign serves Alba's ultimate goal of 'Safety First, Safety Always'. Capitalising on using the social media platforms for direct communication means that Safety messages are boundless.

Safety Snap

This session featured displaying and discussing several safety related videos to increase vigilance towards the importance of following safety rules and procedures by demonstrating the potentially catastrophic consequences resulting from neglecting the rules and procedures.

Summer Challenge

The campaign was aimed at achieving Zero injury and Zero heat exhaustion in the hot summer months of July and August. Alba's CEO highlighted the importance of focusing on all production parameters in readiness for the start of the summer period. Lost time injuries were discussed to encourage employees to apply the knowledge learnt from MJ preparation (one of Alba training courses) in all aspects of production and safety and to participate effectively in Alba's ongoing cost optimisation programme, Project Titan.

Ramadhan Challenge

Safety awareness sessions 'Think Safety in Ramadan' were held in May 2018. Alba's CEO presented the awareness sessions to a large group of employees and highlighted the risks associated with fasting especially with the approaching summer months and how to avoid these risks. A short video on Ramadan and Summer Safety was also displayed during the sessions. In addition, Alba held regular after-Iftar visits throughout the Holy Month of Ramadan.

Season of Change -Line 6 Safe Start up

Alba's Plant-wide Safety, Health and Environment (SHE) campaign 'Season of Change' kicked off in October 2018, under the guidance of Alba's CEO. The campaign called for all employees to take extreme ownership in all aspects of the business including safety. It also urged employees to 'Think Orange, Think Line 6 Safe Start-Up' as only a few weeks remained until the First Hot Metal (FHM) was scheduled to take place on 1st January 2019. The campaign featured many safety visits and sessions by Alba's top officials.

WORKING AT ALBA

Alba has followed a three-pronged strategy over the years: (1) Maximise production (2) Minimise cost and (3) Take advantage of economies of scale through expansion. While technology does play an important role in achieving this strategy, a satisfied and competent workforce is the major element for the successful execution of this strategy. Social Responsibility is one of Alba's 'Key Result Areas', which includes ensuring a satisfied and productive workforce through good employment conditions and positive labour management relations.

Alba's Line 6 Expansion Project has also brought into focus the International Finance Corporation (IFC) Environmental Performance Standards as a condition of relevant lender social requirements:

- PS1: Assessment and Management of Environmental and Social Risks and Impacts
- PS2: Labour and Working Conditions
- PS4: Community Health, Safety and Security

Alba offers priority of employment to Bahraini nationals and will recruit expatriates only if suitably qualified and experienced Bahrainis are not available. The Company has achieved a Bahrainisation rate of 83.11% - well above the national target of 25% outlined in the Kingdom of Bahrain's Economic Vision 2030.

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 Albaskan
3. Employee Services

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. Major operational changes can take place with immediate effect or can be implemented in a planned manner, depending upon operational requirements.

Alba aims to pursue a policy of fair salaries and maintain a willing and understanding working relations between Management, Line Supervisors and all employees.

All governance and compliance mechanisms to ensure positive working conditions at Alba can be found in Appendix 3.

EMPLOYEE BENEFITS

Alba provides the following benefits for all full-time employees and the Board.

- Albaskan Housing and Loan Scheme
 - Provides financial facilities to Alba national employees to enable them to purchase or construct a residential unit
- Alba Savings Benefit Scheme
 - A social insurance scheme where employees contribute to the scheme and Alba contributes a proportion based upon membership
- Alba Scholarship for Employee Children
 - Alba sponsors outstanding children of Alba national employees for training and education courses in Bahrain or abroad.

In addition to these programs, health insurance, retirement benefits and a long service award is also provided to Alba employees and their families.

All employees across the Company are responsible and accountable for implementing HR policies in their area, and all HR related policies are reviewed every 24 months or as and when needed.

Grievance procedures are available for all employees in each department, and, depending on the grievance nature, may proceed through three stages: Department Manager, CXO, then the CEO if necessary.

HEALTH AND WELL-BEING

Alba's focus on the health and well-being of employees extends to events that aim to encourage a healthy lifestyle amongst employees and endorse interaction between different departments, including the Ramadan Sports Tournament, which is one of the most popular events in the Company's annual calendar.

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 towards various charities and diverse community projects throughout Bahrain. In 2018, the motto 'Stop Plastic Pollution' focused on awareness of pollution caused by plastic substances and its negative impact on oceanic ecosystems.

Great teamwork at the National Action Charter of Bahrain Basketball Tournament saw Alba become champions of the tournament. Alba considers participation in these events not merely as promoting the health and well-being of staff, but also to incorporate teamwork into all activities, creating the building blocks for future success.

Alba's Health Care Centre, in addition to managing primary care services, emergency services, and occupational health services, annually launches various health-related activities which are non-work related, but rather focus on the general health fitness and awareness. In 2018, these included:

- Wellness sessions, to mark breast cancer awareness month
- Blood donation awareness campaign
- Pool safety campaign
- Bleeding control pack awareness
- Health screening programmes for sleep deprivation

PARENTAL LEAVE

Female employees are entitled to maternity leave with full pay for 60 calendar days, and may choose to take an additional 15 days of leave without pay. After return to work or while coming to work, female employees are entitled to take time off for feeding the child two hours per day for two years. In 2018, three employees took and returned from parental leave, representing 100% return to work. As at December 31, all three employees had not yet completed 12 months back at work.

NUMBER OF EMPLOYEES

Country	Number of Employees
Bahrain	3185
Hong Kong	2
Switzerland	4
USA	1
Grand Total	3192

EMPLOYEES BY GENDER

Gender	Full Time*
Female	120
Male	3072
Grand Total	3192

*There are no part-time employees

WORKING AT ALBA CONTINUED

EMPLOYEE CONTRACT BY GENDER

Gender	Fixed Term Renewable	Fixed Term Contract (Trainees) to be converted to Permanent Post Completion of Training	Temporary	Permanent	Total
Female	18	1	5	96	120
Male	520	491	6	2055	3072
Grand Total	538	492	11	2151	3192

EMPLOYEES BY CONTRACT AND REGION

Region	Fixed Term Renewable	Fixed Term Contract (Trainees) to be converted to Permanent Post Completion of Training	Permanent	Temporary	Total
Asia	2	-	-	-	2
Europe	4	-	-	-	4
Middle East	531	492	2151	11	3185
USA	1	-	-	-	1
Grand Total	538	492	2151	11	3192

TURNOVER

Age Group	Europe		Middle East		Middle East Total	Grand Total
	Female	Europe Total	Female	Male		
<30 Years	-	-	2	35	37	37
> 50 Years	-	-	-	21	21	21
30-40 Years	1	1	1	17	18	19
40-50 Years	-	-	1	41	42	42
Grand Total	1	1	4	114	118	119

*Attrition rate was 4% for 2018

*A small portion of the Alba's activities, which consists of 'Low Skill Jobs or Less Critical jobs, is performed by a contractor which works directly under Alba's supervision. Such workers are categorised as Hire of Labour', and as at 31st December 2018, a total of 653 such workers were deployed per day

*There are no significant variations in the numbers except that new recruitments (majority of these as Trainees) have been made to meet Line 6 Expansion work force requirement.



Employees organising tools: Workshop Hydraulic Room

NEW HIRES

Age Group	Female	Male	Total
<30 Years	9	381	390
30-40 Years	2	154	156
40-50 Years	-	20	20
Grand Total	11	555	566

**All new hires in 2018 were located in the Middle East*

HINDUSTAN AGREEMENT FOR HIGHER EDUCATION

ALBA HAS ENTERED INTO AN AGREEMENT WITH HINDUSTAN UNIVERSITY, CHENNAI, INDIA TO CONDUCT A PART-TIME DIPLOMA COURSE AND ADVANCED DIPLOMA COURSE FOR ALBA EMPLOYEES. THE AGREEMENT WILL ENABLE EMPLOYEES TO STUDY TOWARDS A QUALIFICATION RELEVANT TO THEIR JOB AREA. PROFESSORS FROM THE UNIVERSITY HAVE CONDUCTED REGULAR CLASSES FOR SELECTED EMPLOYEES, FOLLOWED BY PRACTICAL TRAINING IN CHENNAI. SO FAR, TWO INTAKES HAVE COMPLETED THE ADVANCED DIPLOMA AND ONE INTAKE HAS COMPLETED THE DIPLOMA STUDIES.

WORKING AT ALBA CONTINUED

TRAINING AND EDUCATION

Alba invests heavily in the training and development of its employees and contractors, covering technical aspects, management skills, as well as safety, health and environment. Educated and trained staff will significantly contribute to Alba in terms of safety, production, the welfare of society and the social and economic progress of Bahrain.

Alba places great value on sharing its knowledge and expertise with students and young learners, and has, over four decades, played a transformational role in diversifying the economy and providing meaningful career opportunities to Bahrainis. Alba is closely involved with the 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.

Alba's primary objective in its medium and long term training and education planning 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. By developing an effective training program that covers more than operational skills, Alba places trust in employees for succession planning, including decision-making and leadership skills.

Alba's dedicated training department caters to all the 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 14 instructors and two heads of department.

Alba has a Training and Development Programme (TDP) where employees are given the opportunity to take higher 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 non-supervisory staff, and an MBA program is offered for managers and high potential employees. Alba has set a voluntary target of seeing 70 employees complete their MBAs by 2020.

In addition, training needs analysis takes place to determine appropriate training requirements. In-house job skill craft courses; vendor training courses and language training courses are also held.

The Company liaises with other academic institutions through sponsoring its employees' studies in higher education, including universities and training institutions locally and internationally to help them acquire the necessary skills and prepare them for competing in the international arena.

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

2018 Training and workshops

- Extreme Learning workshop (Executives, Directors and Managers)
- Extreme Learning workshop (Alba Line 6 Start-up, customized for Bechtel, GE-GAMA and Siemens teams)
- Thriving in VUCA (Volatile, Uncertain, Complex, Ambiguous) World workshop (Management)
- Why do I want to be a leader? workshop (Management)
- Tomorrow will be different than today workshop (Executives, Directors and Managers)
- Corporate Champion Principles workshop (Executives, Directors and Managers)

AVERAGE HOURS OF TRAINING PER GENDER AND EMPLOYEE CATEGORY

Category	Male	Female
Executives	127	-
Senior Management	176	140
Middle Management	282	69
Non-Management	347	47

IN FOCUS: TRAINING FOR LINE 6 EXPANSION PROJECT

As Chief Administration Officer, Mr. Waleed Tamimi is responsible for overseeing the process of recruiting necessary skills and capabilities to ensure the successful execution of the Line 6 Expansion Project during the construction and operational phases.

Commissioned on 13 December 2018, ahead of its scheduled date of January 01, 2019, making it the fastest construction ever delivered in the aluminium industry.

“Planning for the project was a complex task, with strict consideration of the size and volume of the plants, equipment, processes and support tasks and number of staff to man the Line 6 plants. We also needed to consider the categories of staff required, which included new staff intake comprising local, overseas, transferees (with or without experience and their qualifications), contractors, mechanical, electrical and other trades,” said Mr. Tamimi.

Intensive discussions were held on the project schedule, startup dates, pre-commissioning, cold and hot startup and dates so that trainees could be ready to begin their roles.

During the construction phase of Line 6, a large number of personnel roles were filled including the key role of Director, Line 6 Smelter Project and the following support roles:

- Manager, Engineering and Technology
- Manager, Project Control
- Manager, Construction
- Manager, Health, Safety and Environment (HSE)
- Manager, Contracts & Procurement
- Respective Area Managers for Line 6 Facilities (Reduction, Carbon and Cast House)

For the operational phase, the following roles were filled:

- Manager Line 6 Start-up
- Manager Carbon 4
- Manager Casthouse 4
- Manager Reduction Maintenance
- In total, over 500 staff were trained for their respective roles for the start up and operations of Line 6 and ancillary operations.

Training was conducted mainly for Operations (Reduction, Carbon, Casthouse, Calciner, Power), Maintenance (Mechanical, Electrical, Instrumentation, Auto/Vehicle, Pneumatics and Hydraulics), Safety and support tasks.

Over 100 courses by vendors/Original Equipment Manufacturers continue to be held on specific operation and maintenance requirements, with training methods including class room theories and onsite on-job practice during plant installation and startup.

During construction, contractor personnel received required safety and induction training. Additionally, individual contractors conducted specific training required for their staff.

The first training for Line 6 began in September 2017, and the last training module is scheduled for April 2019.

“We prepare to own the Line 6 plants and personnel for now and for future through training and education. Any such major and large training project becomes successful with clear planning, resources mobilization and alignment between agencies, which is how we have approached training for the Line 6 Expansion Project,” Mr. Tamimi said.

ABOUT THIS REPORT

This report provides a performance review of Aluminium Bahrain B.S.C.'s (Alba's) key material topics for the period 1st January 2018 to 31st December, 2018. The report is Alba's third annual sustainability report. The report is aligned with the Global Reporting Initiative (GRI) Standards and relevant GRI G4 Mining and Metals Sector Disclosures. The report has been prepared in accordance with the GRI Standards: Core Option.

The **GRI Reporting Principles for Report Content** have been incorporated as follows:

Stakeholder Inclusiveness: Key stakeholder groups have been identified. A materiality assessment was undertaken specifically to determine report content. The outcomes of extensive stakeholder engagement for the period of the Line 6 Expansion Project have been included, and details of day to day engagement are described throughout the report.

Sustainability Context: Where available, a broader linkage to sustainability has been drawn in the reporting of material topics. Impacts are clearly presented, and

internal, national and international environmental, social and governance compliance expectations are listed in Appendix 3.

Materiality: A robust materiality assessment was undertaken using the Materiality Assessment Tool (MAT) to determine the topics most material to Alba. The online tool included relevant possible topics material to Alba and the aluminium manufacturing sector. Where instances of topics were not identified as an outcome of the assessment, however, deemed to be material by the sustainability reporting consultants, these topics have been included.

Completeness: The report outlines impacts associated with identified material topics based upon available data. Where information is not available, an explanation has been provided. A trends analysis of data is made possible by the presentation of material topics data over a five-year period.

ASSURANCE PRACTICES

External assurance has not been undertaken specifically for this report, however, the following assurance and auditing practices are highlighted below:

Audit	Frequency
Financial data	Annual
ISO 45001:2018 Health and Safety Management System	Certification audit every 3 years Surveillance audit every 6 months
ISO 14001:2015 Environmental Management System	Certification audit every 3 years Surveillance audit every 6 months
Lenders' Environmental and Social (E&S) performance audit against the International Finance Corporation (IFC) Performance Standards	Every 6 months during construction of Line 6 Every 1 year during operation of Line 6
ISO 9001:2015 Quality Management System	Every 6 months (Alba Plant; Remote sites (Switzerland, Hong Kong))
IATF 16949:2016 Quality Management System	Annual (Alba Plant; Remote sites (Switzerland, Hong Kong))

GLOSSARY

Alloy

A mixture of minerals made by combining two or more metallic elements, especially to give greater strength or resistance to corrosion.

Alumina

The raw material for aluminium production which is also known as aluminium oxide.

Aluminium

The most abundant metal in the earth's crust and is obtained mainly from bauxite.

Aluminium Fluoride (AlF₃)

An inorganic compound used primarily in the production of aluminium.

Aluminium Stewardship Initiative (ASI)

A global, multi-stakeholder, non-profit standards setting and certification organisation for producers, users and stakeholders in the aluminium value chain.

Amp

Abbreviation of ampere - the electrical unit of measurement.

Anode

The positive electrode of an electrochemical cell.

Anode butt

The remainder of the used anode removed from the cell during anode changing.

Bahrain Bourse

The Bahrain Stock Exchange.

Billet

A solid block of aluminium.

Brine

A high-concentration solution of salt in water that is a waste output from the desalination plants operated by Alba.

Brownfield Development

A development that takes place on previously used land.

Calcination

To change the chemical composition of a mineral by a thermal process (heating) or to drive off a volatile fraction

Calcined Petroleum Coke

A critical ingredient in the production of aluminium created by placing high quality raw 'green' petroleum coke into rotary kilns, where it is heated to remove excess moisture, extract all remaining hydrocarbons and modify the crystalline structure of the coke, thus resulting in a denser more electrically conductive product.

Carbon Cathode

A long-life element of the pot lining in the reduction cell that works in conjunction with the carbon anode to create the electrolytic process.

Carbon Plant

A unit within Alba that is responsible for moulding calcined petroleum coke into anode blocks that are used in the reduction lines.

Casthouse

A unit within Alba that handles the hot metal and casts it into Alba's finished products.

CO₂

The chemical formula for carbon dioxide, a colourless gas formed during combustion (manufacturing).

CO₂e

Carbon dioxide equivalent is a standard unit for measuring carbon footprints.

Coke Calcining Plant (Calciner)

Alba's facility that is responsible for producing calcined petroleum coke from the raw material 'Green Petroleum Coke'.

Cryolite

A mineral that consists of a fluoride of sodium and aluminium and is added to bauxite as a flux in aluminium smelting. Also known as the inorganic compound sodium aluminium hexafluoride with the formula Na₃AlF₆.

EC Rod

Electrical conductor rods.

Electrolytic cell

A device in which electrical energy is converted to chemical energy, or vice versa. The cell typically consists of two metallic or electronic conductors (electrodes) held apart from each other and in contact with an electrolyte.

Effluent

Liquid waste discharged into receiving waters.

Equator Principles

A risk management framework adopted by financial institutions for determining, assessing and managing environmental and social risk in projects. Primarily intended to provide a minimum standard for due diligence and monitoring to support responsible risk decision-making.

Green anode

Anodes are made starting from petroleum coke, pitch and recycled butts. The green paste produced is then transferred into a press in order to produce a green anode.

Greenhouse gas

A gas that contributes to the greenhouse effect by absorbing infrared radiation, for example, carbon dioxide.

Homogeniser

The final heat treatment process before delivery and further processing of the aluminium logs or billets in an extrusion plant.

Hydrogen Fluoride (HF)

A colourless corrosive gas, HF, the anhydride of hydrofluoric acid, which is used primarily as a catalyst and in the fluorination of hydrocarbons.

Ingot

In aluminium, a block of metal typically in an oblong shape.

International Finance Corporation (IFC)

A sister organization of the World Bank and member of the World Bank Group that is the largest global development institution focused exclusively on the private sector in developing countries.

IPO

Initial Public Offering.

Iron

An element added to aluminium for improving mechanical properties. Also one of the impurities in aluminium.

kA

Kilo Ampere is a higher unit of the current.

Kyoto Protocol

An international agreement linked to the United Nations Framework Convention on Climate Change, which commits its Parties by setting internationally binding emission reduction targets. The protocol was adopted in Kyoto, Japan, on 11 December 1997 and entered into force on 16 February 2005.

Lifecycle

The consideration of environmental impacts of products, processes or services, through production, usage, and disposal.

Liquid Pitch

A thick, black, viscous liquid formed during the distillation of coal.

Magnesium

An element added to aluminium for improving mechanical properties.

Metallurgical

The scientific study of the structures and uses of metals.

MOICT Code

The Corporate Governance Code of the Kingdom of Bahrain was issued by the Ministry of Industry, Commerce and Tourism.

MT (mt,t)

Abbreviation for metric tonnes. A unit of weight equivalent to 1,000 kilograms.

MTPA (mtpa)

Abbreviation for metric tonnes per annum.

MW

Abbreviation for megawatt. A unit of power equivalent to one million watts.

MWh

Abbreviation for megawatt hour. A megawatt is equal to 1,000 Kilowatt hours.

MW ISO

It is the standard condition of power produced (megawatts) which involves three standard conditions: Ambient Temperature – 15°C, Relative Humidity – 60% and Ambient Pressure at sea level.

Nationally Determined Contributions (NDC)

The actions countries intend to take to address climate change – both in terms of adaptation and mitigation as part of the ratification of the Paris Agreement.

NO_x

The gases nitric oxide and nitrogen dioxide.

Paris Agreement

A landmark agreement reached at the Conference of the Parties 21 (COP21) to combat climate change and to accelerate and intensify the actions and investments needed for a sustainable low carbon future.

Particulate

The sum of all solid and liquid particles suspended in air many of which are hazardous.

Perfluorocarbons

Any hydrocarbon derivative in which all hydrogen atoms have been replaced with fluorine.

Reduction Line (Potline)

The production line in aluminium smelters which produces aluminium by electrolysis.

Refractory

Minerals that have high melting points.

Rodding plant

A facility where carbon blocks are fused to a steel rod with molten cast iron.

Slag

A by-product of the aluminium manufacturing process.

Sludge

A waste product of the aluminium manufacturing process.

Sodium hexafluoro aluminate

See cryolite.

Sulphur dioxide

The chemical compound with the formula SO₂ produced as a result of smelting of metal.

Supreme Council of Environment (SCE)

The Bahraini government entity in charge of the development of Bahrain's future strategy for the environment and sustainable development.

Sustainable Development Goals (SDGs)

A set of 17 goals and 169 target agreed to by countries at the United Nations Sustainable Development Summit in 2015. The goals address a broad range of sustainable development issues.

Tranche

One part or division of a larger unit, as of an asset pool or investment.

United Nations Framework Convention on Climate Change (UNFCCC)

An international environmental treaty adopted on 9 May 1992 and opened for signature at the Earth Summit in Rio de Janeiro from 3 to 14 June 1992. It then entered into force on 21 March 1994.

Vision 2030

The Bahrain economic strategy launched in 2008 that focuses on shaping the vision of the government, society and the economy, based around three guiding principles; sustainability, fairness and competitiveness.

Volatile Organic Compound (VOC)

Any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates and ammonium carbonate, which participates in atmospheric photochemical reactions.

REFERENCES

Bahrain.bh. (2019). Available at: <https://www.bahrain.bh> [Accessed 7 Feb. 2019].

IFC (2018). IFC's Contribution to the Sustainable Development Goals [online] Available at: https://www.ifc.org/wps/wcm/connect/7e98435a-861b-4e36-b452-f3e808a6d320/201803_IFCs-contribution-to-the-SDGs_v1.pdf?MOD=AJPERES [Accessed 7 Feb. 2019].

UNDP in Bahrain. (2019). Goal 13: Climate action. [online] Available at: <http://www.bh.undp.org/content/bahrain/en/home/sustainable-development-goals/goal-13-climate-action.html> [Accessed 7 Feb. 2019].

UNFCCC (2016). Bahrain First NDC. [online] Available at: https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/Bahrain%20First/INDC_Kingdom_of_Bahrain.pdf [Accessed 7 Feb. 2019].



Carbon 3 & Rodding: Employee wearing full PPE while performing a task at the Carbon Rodding Section

APPENDIX

APPENDIX 1: LINE 6 STAKEHOLDER ENGAGEMENT

Reporting Mechanism	Engagement Objective	Stakeholder Group	Engagement Method	Frequency of Engagement	Stakeholder Feedback
Regulatory reporting	To meet the requirements derived from Bahrain National laws and regulations that apply to stakeholder engagement for the Line 6 project	Government of Bahrain and various authorities	<ul style="list-style-type: none"> Regular meetings Periodic reports Site visits Periodic audits Permits and approvals contracts Official correspondence 	Regularly as required	
Sustainability reporting	<ul style="list-style-type: none"> To report and assess the impacts of a wide range of environmental and social impacts caused by everyday activities 	General public and stakeholders; Shareholders	Sustainability Report	Annual	
	<ul style="list-style-type: none"> To present Alba's values and governance model 	Alba employees	Surveys (Materiality Assessment Tool) Correspondence by email and telephone	As required	
Lender reporting	<ul style="list-style-type: none"> To report on the planning and construction phases of Line 6 To provide updates on Alba, contractors, and sub-contractor compliance and/or other environmental and social reporting requirements 	Lenders and Export Credit Agencies (ECA)	Periodic audits and reports	Every six months during the construction phase and once a year during the operational phase	
			Periodic site visits	As required	
Financial reporting	To provide information about Alba's activities and financial performance	General public, shareholders and general stakeholders	Annual report	Annual	
		Media	Press releases, media interviews; newspaper articles; website	As required	
Supplementary ESIA	To engage with potential affected stakeholders to assess potential impacts, proposed mitigation measures and continuous monitoring efforts	General public and all stakeholders	Stakeholder Exhibitions Meeting*	Once-off event	SCE: Would like Alba to develop a Waste Management Plan; interest in how Alba plans to reduce/ recycle Spent Pot Lining (SPL) waste; air quality management
					Central Planning Office: Traffic movements associated with construction; potential flooding of land opposite Alba; ensuring relevant permits are in place; interaction with East Sitra Link Road; land reclamation off-port

Reporting Mechanism	Engagement Objective	Stakeholder Group	Engagement Method	Frequency of Engagement	Stakeholder Feedback
					Ministry of Transportation and Telecommunications: How the Port and Maritime Authority (PMA) and Alba can work together to improve logistics
					Other government organisations: Interested in project progress
					Alba contractors: Interested in project progress; sub-contracting opportunities
					SAIE: Interested in project progress; supplier opportunities
					General public: Recruitment at Alba
		Relevant government agencies	Formal meetings; periodic audits; permits and approvals	Regularly as required	
		NGOs	Reports	As required	
		Media	Press releases; media interviews; site visit; newspaper articles; Alba website	As required	
		Contractors	Progress reports; contracts; formal meetings	Regularly as required	
Supplementary ESIA disclosure	Disclosure of any supplementary environmental and social impacts	General public	Alba website	Upon approval by the Supreme Council for the Environment (SCE)	
Grievance mechanism	To create awareness about Alba's external grievance mechanism and how to use it	General public	Press releases; Stakeholder Exhibitions Meeting; social media; Alba website	Once-off awareness campaign, then as required	
		Alba contractors	Formal meetings; audits; workshop	Regularly and as required	
		Local communities	Press releases; Stakeholder Exhibitions Meeting; social media; flyers	Once-off awareness campaign, then as required	
Traffic management	Effectively manage Alba traffic; prevent and/or mitigate any related impacts, and ensure that stakeholders were aware of their roles and responsibilities	Local communities	Stakeholder Exhibitions Meeting; information boards; formal meetings	Regularly, and as required	
		Relevant government agency: General Directorate of Traffic and Ministry of Interior	Contracts and formal meeting		
		Contractors	Progress reports		

*Public relations for the Stakeholder Exhibitions Meeting held in May, 2018, included a bi-lingual (English and Arabic) press release, advertisement and invitations. Attendees comprised 62 representatives primarily of various Bahrain Ministries, and the South Alba Industrial Estate (SAIE). A smaller number of attendees represented community, NGOs and contractors.

APPENDIX CONTINUED

APPENDIX 2: GENERAL STAKEHOLDER ENGAGEMENT

Stakeholder Group	Engagement Methods	Needs and Expectations
Customers	Customer feedback forms Customer complaints mechanism	Timely execution of activities Management of customer issues Zero Safe, Health and Environment (SHE) incidents No violations to applicable SHE laws
Alba Management and Shareholders	Management Review Meetings Internal audits and inspections Performance reporting	Effective environmental management system Cost saving through SHE implementation SHE continuous improvement and sustainable development Profitability
Regulators, Government and Ministries	Permits and licences Periodic reporting	Compliance with business, safety, health and environmental laws and regulations
Supply Chain Management: Vendors, Suppliers and Subcontractors	Formalised 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)	Environmentally responsible workplace Supplier availability, capacity and capability Super level of technology and customer requirements Correct and timely information orders Timely payments
Employees	Meetings and awareness sessions Workshops for implementation of operational procedures	A good working environment Professional development Training and career growth Clearly defined duties, responsibilities, accountability and authority Timely payments
Certification and Training Bodies	Certificates Audits	Auditing Training and support Implementation assistance with ISO Standards
Competitors	Meetings	Adoption of best practices Ethical business practices Provision of support in raw materials supply

APPENDIX 3: GOVERNANCE AND COMPLIANCE MECHANISMS

ECONOMIC AND GOVERNANCE

Alba Instrument	Last Reviewed
Code of Conduct	May, 2018
Other Instrument	
Corporate Governance Code 2018 (the MOICT Code): Kingdom of Bahrain	
Central Bank of Bahrain Corporate Governance Module published under the Capital Markets section of the CBB Rulebook	

SAFETY AND ENVIRONMENTAL

Alba Instrument	Last Reviewed
Code of Conduct	May, 2018
Safety, Health and Environment (SHE) Management System	December, 2018
Safety, Health and Environment Policy	December, 2017
Waste Management Strategic Plan	December, 2018
Other Instrument	
Bahrain National laws and regulations: <ul style="list-style-type: none">• Labor law for private sector No. 36 for 2012, specifically Ministerial Order number 8 for 2013• Agricultural Engineering & Water Resources Directorate (Water)	
International Finance Corporation (IFC) Performance Standards and Equator Principles III - June 2013	
ISO 14001:2015 (Environment)	
ISO 45001:2018 (Safety)	

APPENDIX CONTINUED

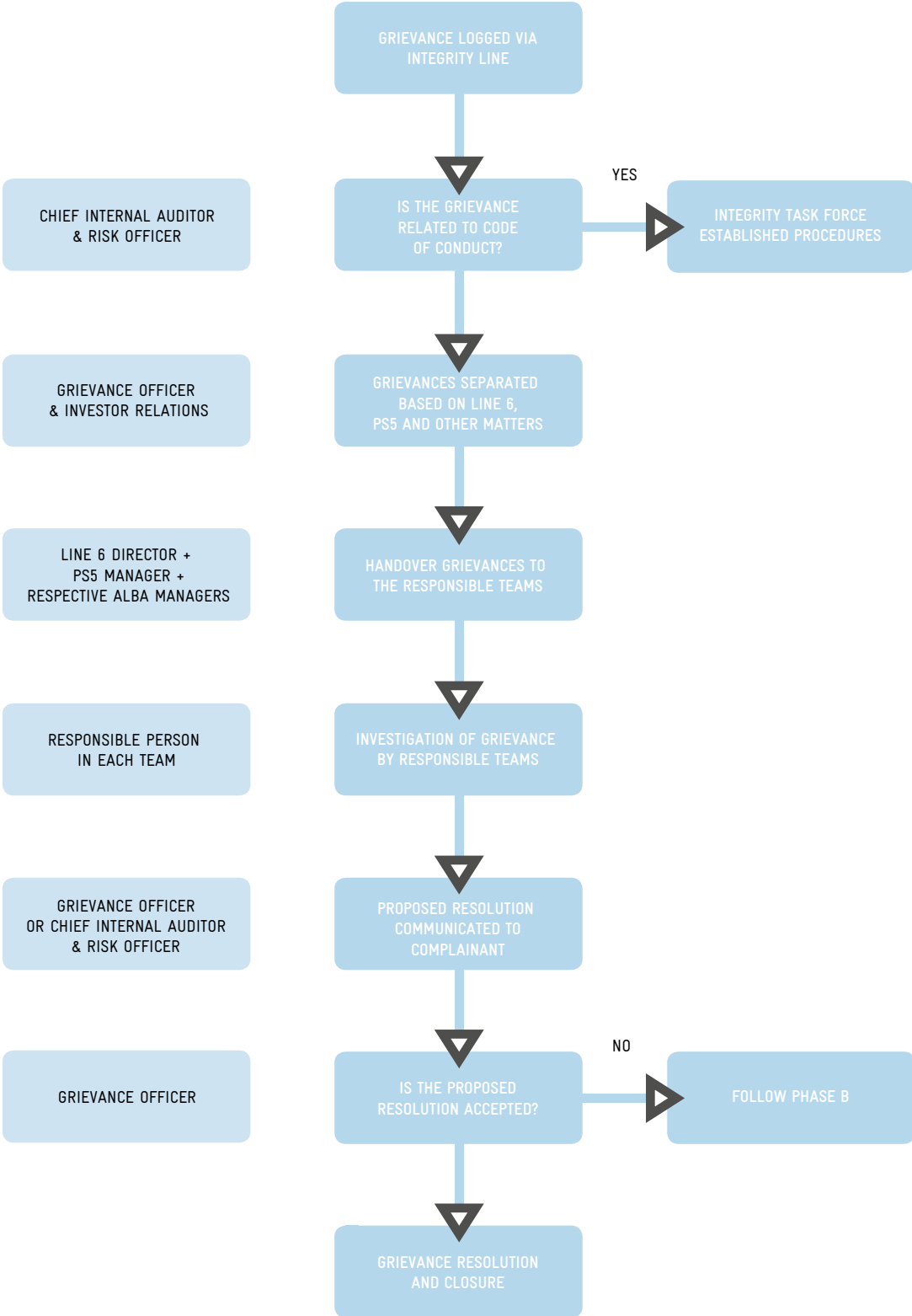
APPENDIX 3: GOVERNANCE AND COMPLIANCE MECHANISMS

SOCIAL

ALBA POLICIES RELEVANT TO MATERIAL TOPICS:

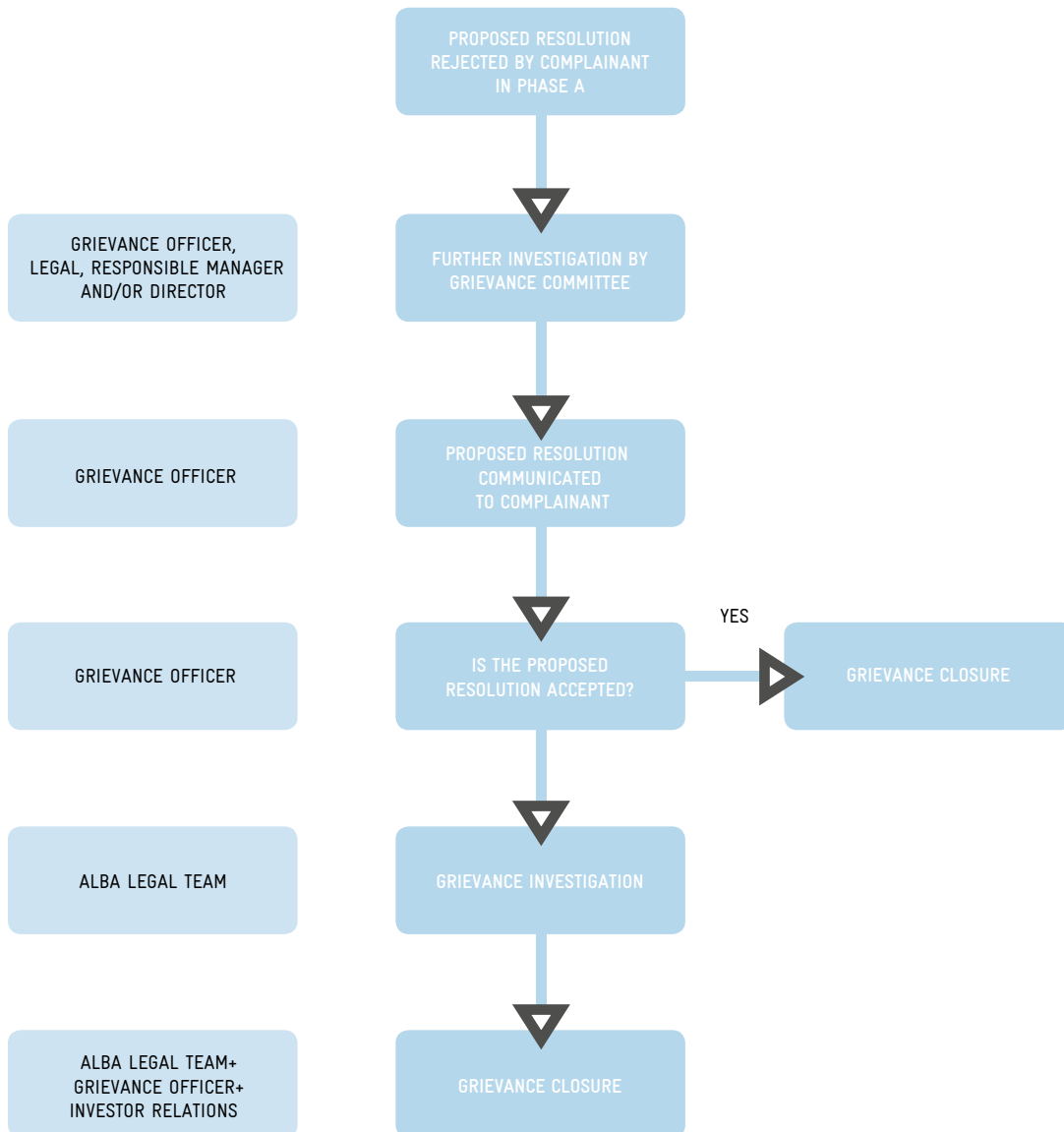
Alba Policy*	Last Reviewed
Code of Conduct	May, 2018
General Human Resources	December, 2014
Working Hours and Overtime	September, 2017
Leave	September, 2015
Accidents, Sickness and Medical Care	January, 2013
Disciplinary Procedure	January, 2013
Grievance Procedure	October, 2014
Internal Recruitment, Promotion and Employment	May, 2017
Training and Development Program	August, 2008
Job Description Writing Job Evaluation and Titles	January 2007
Albaskan Housing and Loan Scheme	May, 2017
Alba Savings & Benefit Scheme	June, 2002
Alba Scholarship for Employee Children	September, 2017
Higher Education	25th May, 2017
Local Courses or Industrial Training Assignments	July, 2013
Overseas Courses or Industrial Training Assignments	July, 2013
Work Timings and Sponsorship of Alba Sponsored and Self-Sponsored Employees Studying at Local Institutes, Universities and Long Time Training Overseas Courses	December, 2014
<i>*Human Resource policies are reviewed as and when required based on prevailing competitive market conditions; due to changes in Labour Law; initiative by the Board Nomination and Remuneration Committee; Recommendation of Alba's CEO or on instructions of the Alba Board</i>	
Other Instrument	
Bahrain National laws and regulations	
International Finance Corporation (IFC) Performance Standards and Equator Principles III - June 2013	

APPENDIX 4: EXTERNAL GRIEVANCE MECHANISM FOR ENVIRONMENT & SOCIAL ISSUES – PHASE A



APPENDIX CONTINUED

APPENDIX 4: EXTERNAL GRIEVANCE MECHANISM FOR ENVIRONMENT & SOCIAL ISSUES – PHASE B



APPENDIX 5: LIST OF ALBA'S CODES OF OPERATING PRACTICES (ACOP) – SAFETY, HEALTH AND ENVIRONMENT

ACOP-001-Pressurized Vessel Boilers	ACOP-035-Heat Stress Management
ACOP-002-Personal Protective Equipment Management	ACOP-036-Scaffolding and Safe Access
ACOP-003-Safety, Health and Environment Committee	ACOP-037-Management of Change (MOC)
ACOP-004-Notices Signs Demarcations and Colour Coding	ACOP-039-Control of Personal Exposure to Hydrogen Fluoride
ACOP-005-Grinding Machine Management	ACOP-040-Alba Training and Performance
ACOP-006-HSE Reference Library	ACOP-041-Working at Height
ACOP-007-Portable Electrical Equipment	ACOP-042A-Hazard Identification Risk Assessment and Risk Control
ACOP-008-Permit to Work	ACOP-042B-Identification and Assessment of Environmental Aspects
ACOP-009-Lifting Gears Equipment	ACOP-044-Identification and Assessment of Legal and Other Requirements
ACOP-010-Machine Guarding	ACOP-046-SHE Objectives Targets and Management Action
ACOP-011-Safety Suggestion Scheme	ACOP-047-SHE Management System Audits
ACOP-012-Workplace Inspection and Housekeeping-Rev 04	ACOP-048-SHE Management Review
ACOP-013-Portable Ladders, Stairs, Walkways and Platforms	ACOP-049-SHE Communication
ACOP-014-Job Safe Practise and Observation	ACOP-050-Department Procedures Management and Reviews
ACOP-015-Temporary Site Facilities	ACOP-052-Performance Measurement and Monitoring
ACOP-016-First Aid and Facilities-Rev 04	ACOP-054-Incident Reporting and Investigation
ACOP-017-Storage of Flammable Materials	ACOP-055-Emergency Preparedness and Response Plan
ACOP-018-Welding Cutting and Brazing	ACOP-056-Environmental Monitoring-Rev09
ACOP-019-Earth Leakages RealyS	ACOP-057-Calibration of Environmental Sensitive Instrument
ACOP-020-General Electrical Installation	ACOP-058-DC Hazard Training-Rev01
ACOP-021-Radioactive Materials	ACOP-059-Waste Management System
ACOP-022-Fire Fighting Equipment	ACOP-060-Wastewater Disposal
ACOP-023-Noise Control and Hearing Protection-Rev03	ACOP-061-Operational Control
ACOP-024-Audiometry	ACOP-062-Traffic Management and Control Procedure-Rev01
ACOP-025-Contractors Safety Health and Environment Management	ACOP-063-SHE Management Programme
ACOP-026-Security System and Visitors Control-Rev 07 (09 Jan 2018)	ACOP-064-Reporting of System Non-conformity and Corrective Action-Rev 05
ACOP-027- Lock Off and Tag procedure	ACOP-065-Environment Emergency Response
ACOP-028-Safety Schemes and Statistics	ACOP-066-SHE Legal Register for Plant Operations
ACOP-029-Excavation Permit-Rev 03	ACOP-067-Register of Alba SHE Standards for Plant Operation
ACOP-030-Hot Work Permit	ACOP-068-Environmental Assessment of Projects
ACOP-031-SHE Representatives	ACOP-070-Chemicals and Hazardous Materials Management Procedure
ACOP-032-Behavioural Observations	
ACOP-033-Control and Safety of Visitors	
ACOP-034-Confined Space Permit	

GRI CONTENT INDEX

The Management Approach for each material topic contains the following information*:

- 103-1: Explanation of the material topic and its Boundary
- 103-2: The management approach and its components
- 103-3: Evaluation of the management approach

*an exception to this rule is the Management Approach for the updated standards: GRI 303: Water and Effluents 2018 and GRI 403: Occupational Health and Safety 2018, which include additional disclosures to address Alba's management approach on these topics.

GRI Standard	Disclosure	Internal/ External Boundary I (I/E)	Page/Reference/ More information
GRI 101: Foundation 2016			
General Disclosures			
Stakeholder Engagement	102-1: Name of the organisation	N/A	Front page
	102-2: Activities, brands, products and services	N/A	pp.6, 8
	102-3: Location of headquarters	N/A	p.6
	102-4: Location of operations	N/A	p.6
	102-5: Ownership and legal form	N/A	p.6
	102-6: Markets served	N/A	p.6
	102-7: Scale of the organisation	N/A	pp.6, 9, 14, 49
	102-8: Information on employees and other workers	N/A	pp.49, 50 The base data for all employees is collected using HR Salary Survey Report and PTR report, available in SAP-HR Module.
	102-9: Supply Chain	N/A	pp.6, 28, 29, 31
	102-10: Significant changes to the organisation and its supply chain	N/A	pp. 20, 21 There were no changes in the share capital structure or other capital formation
	102-11: Precautionary Principle or approach	N/A	p.19
	102-12: External initiatives	N/A	pp.19, 22
	102-13: Membership of associations	N/A	p.10
STRATEGY			
102-14: Statement from senior decision-maker	N/A	pp.4, 5	
ETHICS AND INTEGRITY			
102-16: Values, principles, standards and norms of	N/A	pp.24, 25	
GOVERNANCE			
102-18: Governance structure	N/A	p.26	
102-40: List of stakeholder groups	N/A	pp.22, 60-62	
102-41: Collective bargaining agreements	N/A	p.48	
102-42: Identifying and selecting stakeholders	N/A	p.22	
102-43: Approach to stakeholder engagement	N/A	pp.22, 60-62	
102-44: Key topics and concerns raised	N/A	pp.22, 60-62	

GRI Standard	Disclosure	Internal/ External Boundary I (I/E)	Page/Reference/ More information
(cont) Stakeholder Engagement	REPORTING PRACTICE		
	102-45: Entities included in the consolidated financial statements	N/A	Entities included in the consolidate financial statements are Aluminium Bahrain B.S.C., and its Aluminium Bahrain US, Inc. and Alba Club S.P.C. Representative sales branch offices in Zurich, Switzerland and Hong Kong are also included.
	102-46: Defining report content and topic boundaries	N/A	p.55
	102-47: List of material topics	N/A	p.13
	102-48: Restatements of information	N/A	pp.35, 44
	102-49: Changes in reporting	N/A	There were no significant changes in material topics or boundaries between the 2017 and 2018 reporting years
	102-50: Reporting period	N/A	p.55
	102-51: Date of most recent report	N/A	Published 2018
	102-52: Reporting cycle	N/A	Annual
	102-53: Contact point for questions regarding the report	N/A	p.72
	102-54: Claims of reporting in accordance with the GRI Standards	N/A	p.5
	102-55: GRI Content Index	N/A	pp.68-71
	102-56: External assurance	N/A	p.55
Specific Disclosures: Material Topics GRI 201: Economic Performance 2016			
GRI 200: ECONOMIC			
GRI 201: Economic Performance 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.16, 17
	201-2: Financial implications and other risks and opportunities due to climate change	I/E	p.19
GRI 204: Procurement Practices 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.28, 29
	204-1: Proportion of spending on local suppliers	I	p.28
GRI 205: Anti-corruption 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	p.25
	205-1: Operations assessed for risks related to corruption	I	p.25
	205-2: Communications and training about anti-corruption policies and procedure	I	pp.24, 25
GRI 206: Anti-competitive Behaviour	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	p.25
	206-1: Legal actions for anti-competitive behaviour, anti-trust and monopoly practices	I	p.25
GRI 300: ENVIRONMENTAL			
GRI 301: Materials 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	N/A	pp.30, 63, 67
	301-1: Materials used by weight or volume	I	pp.34, 35
	301-2: Recycled input materials used	I/E	p.36
GRI 302: Energy 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3		pp.30, 32, 63, 67
	302-1: Energy consumption within the organisation	I	pp.32, 35 Direct measurement allows for import and export of power from Power Stations
	302-3: Energy intensity	I	p.35 Power station is fueled by externally supplied natural gas
	302-4: Reduction of energy consumption	I	pp.32, 33 Power savings are measured based on comparison of energy intensity between 2017 and 2018

GRI Standard	Disclosure	Internal/ External Boundary I (I/E)	Page/Reference/ More information
GRI 303: Water and Effluents 2018	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.30, 41, 63, 67
	303-1: Interactions with water as a shared resource	I	p.41
	303-2: Management of water discharge related impacts	I	p.41
	303-3: Water withdrawal	I	p.41 Figures are based on direct measurement of water withdrawal and brine discharges Seawater withdrawal methodology: Water receipt to smelter from Calciner Plant = A; Recover = (30%=0.3); Seawater withdrawal = A/0.3. Individual flow meters are available for sea water withdrawal at calciner plant. Groundwater withdrawal methodology: Potable water production from RO Plants = X; Average recovery for all RO plants = 70% (0.7); Ground water withdrawal Y = X/0.7. Four flow meters exist at the RO plants for groundwater withdrawal measurement.
	303-4: Water discharge	I	p.41
GRI 305: Emissions 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.30, 63, 67
	305-1: Direct (Scope 1) GHG emissions	I	p.35 Material GHG emissions types are: CO ₂ , CH ₄ , N ₂ O & PFC GWP: Natural Gas:56tCO ₂ /TJ; VOC:0.24t CO ₂ /t VOC; Green Coke: 0.34t CO ₂ /t GC; PFC:6.8t CO ₂ /kg PFC Standards: stack measurements
	305-4: GHG emissions intensity	I	p.35 Material GHG emissions types are: CO ₂ , CH ₄ , N ₂ O & PFC
	305-5: Reduction of GHG emissions	I	pp.32, 33 GHG reductions are measured based on comparison in GHG intensity between 2017 and 2018 Material GHG emissions types are: CO ₂ , CH ₄ , N ₂ O & PFC Standards: stack measurements
	305-7: Nitrogen oxides (NOx), sulphur oxides (Sox) and other significant air emissions	I	p.35 Factors: Revised 1996 IPCC Guidelines for National Greenhouse Gas Inventories WRI/WBCSD GHG Protocol 2006 Standards: stack measurements
GRI 306: Effluents and Waste 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.30, 36-38, 63, 67
	306-2: Waste by type and disposal method (and G4-EN23 Additional Guidance)	I	pp.36-39 Information provided by contractor
	306-3: Significant spills	I	p.37
	306-4: Transport of hazardous waste	I	p.36 Information provided by contractor
GRI 307: Environmental Compliance 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.30, 63, 67
	307-1: Non-compliance with environmental laws and regulations	I	p.30
GRI 308: Supplier Environmental Assessment 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I/E	pp.28, 29, 63
	308-1: New suppliers that were screened using environmental criteria	I/E	p.29
	308-2: Negative environmental impacts in the supply chain and actions taken criteria	I/E	p.29
GRI 400: SOCIAL			
GRI 401: Employment 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I/E	pp.48, 63, 64
	401-1: New employee hires and employee turnover	I	pp.50, 51
	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	I	p.48
	401-3: Parental leave	I	p.49
GRI 402: Labour and Management Relations 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.48, 63, 64
	402-1: Minimum notice periods regarding operational changes	I	Operational changes can take place with immediate effect or can be implemented in a planned manner, depending upon the need of the organisation.

GRI Standard	Disclosure	Internal/ External/ Boundary I (I/E)	Page/Reference/ More information	
GRI 403: Occupational Health and Safety 2018	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I/E	pp.42-44, 63, 67	
	403-1: Occupational health and safety management system	I/E	pp.42-44	
	403-2: Hazard identification, risk assessment, and incident investigation	I/E	pp.42-44	
	403-3: Occupational health services	I/E	pp.42, 49	
	403-4: Worker participation, consultation and communication on occupational health and safety	I/E	p.43	
	403-5: Worker training on occupational health and safety	I/E	p.44	
	403-6: Promotion of worker health	I/E	pp.42, 48, 49	
	403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	I/E	p.44	
	GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2018 (DISCLOSURES)			
	403-8: Workers covered by an occupational health and safety management system	I/E	p.45	
403-9: Work-related injuries	I/E	p.44 Basis: 1,000,000 hours; actual hours worked		
403-10: Work-related ill health	I/E	p.45		
GRI 404: Training and Education 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.52, 53, 64	
	404-1: Average hours of training per year per employee	I	p.53	
	404-2: Programs for upgrading employee skills and transition assistance programs	I	pp.52, 53	
	404-3: Percentage of employees receiving regular performance and career development reviews	I	p.53	
GRI 414: Supplier Social Assessment 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I/E	pp.28, 29, 63	
	414-1: New suppliers that were screened using social criteria	I/E	p.29	
	414-2: Negative social impacts in the supply chain and actions taken	I/E	p.29	
GRI 419: Socioeconomic Compliance 2016	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.24, 25, 63	
	419-1: Non-compliance with laws and regulations in the social and economic area	I	There were no sanctions (administrative and/or judicial) reported against Alba in 2018 for the failure to comply with laws and/or regulations in the social and economic area	
GRI G4 MINING AND METALS SECTOR DISCLOSURE				
Emergency Preparedness (Management Approach)	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I/E	pp.45, 63	
Materials Stewardship (Management Approach)	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.19, 30, 63	
ADDITIONAL MATERIAL TOPICS				
Ethics and Integrity	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.24, 25, 63	
Governance	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.24, 25, 63	
Transparent Business	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.22, 24, 25, 60-63	
Stakeholder Engagement	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.22, 24, 25, 60-63	
Environmental Governance	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.24, 63	
Availability of Grievance Mechanisms	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.26, 27, 63, 65, 66	
Climate Change	GRI 103: Management Approach 2016: 103-1; 103-2; 103-3	I	pp.19, 63	

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