



**SOHAR  
ALUMINIUM**

# **Sustainability Report 2021**

Towards A Resilient, Responsible And Reliable Future

# MILESTONES

- 2004**  
September  
Formation of  
Sohar Aluminium
- 2006**  
January  
Commencement  
of construction  
of the smelter and  
associated facilities
- 2008**  
June  
Start of first pot  
operating at 350 kA
- 2008**  
July  
First export  
shipment
- 2009**  
February  
Achieved full  
capacity for phase 1
- 2009**  
April  
Official  
inauguration
- 2009**  
December  
ISO 9001  
Certification for  
manufacturing of  
Primary Aluminium
- 2010**  
December  
Ramp-up to 375kA  
was achieved
- 2011**  
August  
Cumulative 1 million  
tonne of aluminium  
produced



- 2011**  
December  
Formation of the social  
responsibility Foundation, Jusoor  
by Sohar Aluminium, Orpic and Vale
- 2014**  
February  
Commencement  
of Amperage  
Creep Project

- 2021**  
February  
Winning His Majesty  
the Sultan's Award  
for Industrial  
Excellence 2021
- 2020**  
December  
ISO 45001  
(Occupational  
Health & Safety  
Management System)  
Certification
- 2019**  
April  
Celebrations  
commemorating the  
10<sup>th</sup> Anniversary  
since official  
Inauguration
- 2018**  
May  
Agreement signed  
with 4<sup>th</sup> downstream  
customer to reach  
the goal of supplying  
60% of hot metal  
production to  
local downstream  
customers
- 2016**  
July  
Certification of Sohar  
Industrial Training  
Institute by Ministry  
of Manpower
- 2016**  
February  
ISO 14001 and  
OHSAS 18001  
Certification



HIS MAJESTY SULTAN HAITHAM BIN TARIK



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## Towards a Resilient, Responsible and Reliable Future

We, at Sohar Aluminium (SA), are on a path of dynamism. As stakeholder expectations evolve and the world faces a socio-economic crisis, adopting sustainable business practices has become an imperative to secure our operations. The highly volatile business and world environment at large intensifies our resolve to fortify our work systems and framework.

While we work on improving business performance, we retain healthy and ever-developing resilient corporate governance and risk management practices. As part of a resource-intensive industry involving ceaseless operations, our focus on Environment, Community, and Health and Safety is of paramount importance. We understand our responsibility in addressing the environmental and social impacts of our operations and take necessary steps to minimise them. In order to ensure a safe workplace, we constantly strive to improve our health and safety performance.

Our operations are supported by strong employee-centric policies catering to the needs and requirements of our workforce, consisting of almost 1,000 employees and many contractors. In addition to this, our focus on research and development, customer satisfaction and efficient supply chain operations has contributed to us becoming a reliable organisation.

Our initiatives in the areas of environment, community stewardship, and health and safety as outlined in this report demonstrate our approach towards operating in a responsible manner. This report presents an outline of the initiatives and efforts undertaken on our path of transformation towards a resilient, responsible, and reliable future.

## ABOUT THIS REPORT

Welcome to the 13<sup>th</sup> edition of the Sustainability Report of Sohar Aluminium covering the reporting period from 1<sup>st</sup> January 2021 to 31<sup>st</sup> December, 2021. This report has been prepared in accordance with the GRI Standards: Core option. The reporting principles therein have been applied to define the content and quality of the report to align with GRI Standards. All disclosures have been reported as per GRI Standards 2016. Through this report, we provide a summary of our sustainability approach and the initiatives we have taken in the reporting period.

With the intent of tracking its contributions to global sustainability commitments, Sohar Aluminium conducted in 2019 an in-depth exercise to align its business strategy with the UN's Sustainable Development Goals (SDGs). We have continued along the same lines in this report for 2021.

### SOHAR ALUMINIUM'S APPROACH TO SUSTAINABILITY REPORTING

Sohar Aluminium believes in transparency, accuracy, and the availability of reliable self-reported information on various issues related to its operations. The report provides a detailed overview of the company's environmental, social, and economic contributions along with its performance.



The report can be accessed publicly on the company's website: [www.sohar-aluminium.com](http://www.sohar-aluminium.com). For the printed version, recycled FSC certified paper was used, using soy-based ink to minimize the footprint on the environment.

We welcome your feedback on this report and our performance through the following channel:  
Email: [SA-CorporateCommunications@Sohar-Aluminium.com](mailto:SA-CorporateCommunications@Sohar-Aluminium.com)





**AYAD ALI AL BALUSHI**  
Chairman of the Board,  
Sohar Aluminium

## Chairman's Foreword

We are proud to be one of the key contributors to realising the aspiring targets of Oman 2040 Vision in the industrial sector under the wise leadership of His Majesty Sultan Haitham bin Tarik

**WELCOME TO** Sohar Aluminium's 13<sup>th</sup> Sustainability Report.

Our company prides itself for being among the very few entities in the Sultanate of Oman that is committed to publishing its annual sustainability report ever since the first edition in 2009. We truly believe and commit to transparency, engagement, and openness with our stakeholders.

The year 2021 was yet another challenging year that the whole world faced. The challenges posed by the COVID-19 pandemic continued to impact all aspects of life including business and business continuity. Sohar Aluminium, however, maintained its successes by turning challenges into opportunities for development and growth. As the Sultanate of Oman, under the wise

leadership of His Majesty Sultan Haitham bin Tarik, continues its progress towards achieving its Vision Oman 2040, we are proud to be one of the key contributors to realising the aspiring targets of this vision in the industrial sector.

On behalf of the Board of Directors, I would like to thank all Sohar Aluminium's employees, contractors, and management team for their continuous hard work, commitment and dedication to going beyond achieving targets and realising the company's vision. They are the true force behind this successful journey. I would also like to thank all our stakeholders, and business and social partners for their support that helps the company succeed and reach new horizons.

Thank you all.





**ENG. SAID MOHAMED  
AL MASOUDI**  
Chief Executive Officer,  
Sohar Aluminium

## CEO's Message

**We have always sought to excel in our business, and this has become a deep-seated characteristic in our company's DNA. Despite the Covid-19 challenges, both our operational and non-operational performances have witnessed steadily increasing improvements.**

**IT IS A PLEASURE TO WELCOME** you to the 13<sup>th</sup> edition of Sohar Aluminium's Sustainability Report.

Our journey in 2021 saw yet another successful chapter written in our story of achievements and milestones. Attributed mainly to the efforts of our workforce, these successes prove our continuous commitment to excellence, quality, and empowerment of our employees.

In 2021, we further reiterated our commitment to Environment, Social and Governance (ESG) by becoming a "Production and Transformation" Member in the Aluminium Stewardship Initiative (ASI), joining more than 190 global producers, upstream, downstream, supporters, users, and stakeholders in the aluminium value chain. As a company, we have always sought to establish ourselves as a local and regional pioneer in ESGs through capitalising on our efforts, initiatives, and systems.

Our deep-seated values and commitment to quality and excellence continue to drive our progress as we aspire to be a leading local industrial company and to enhance Oman's position as a key player in the global aluminium industry.

Besides sustaining and improving our business and the way we operate, we have, and will always seek ways to enhance our contribution to the economy of the Sultanate of Oman through creating career and training opportunities for Omanis, nurturing and developing SMEs, increasing our involvement in In-Country Value, and fostering initiatives and projects that benefit local communities.

We would like to thank all our internal and external stakeholders for their continuous support and contributions towards our successes.



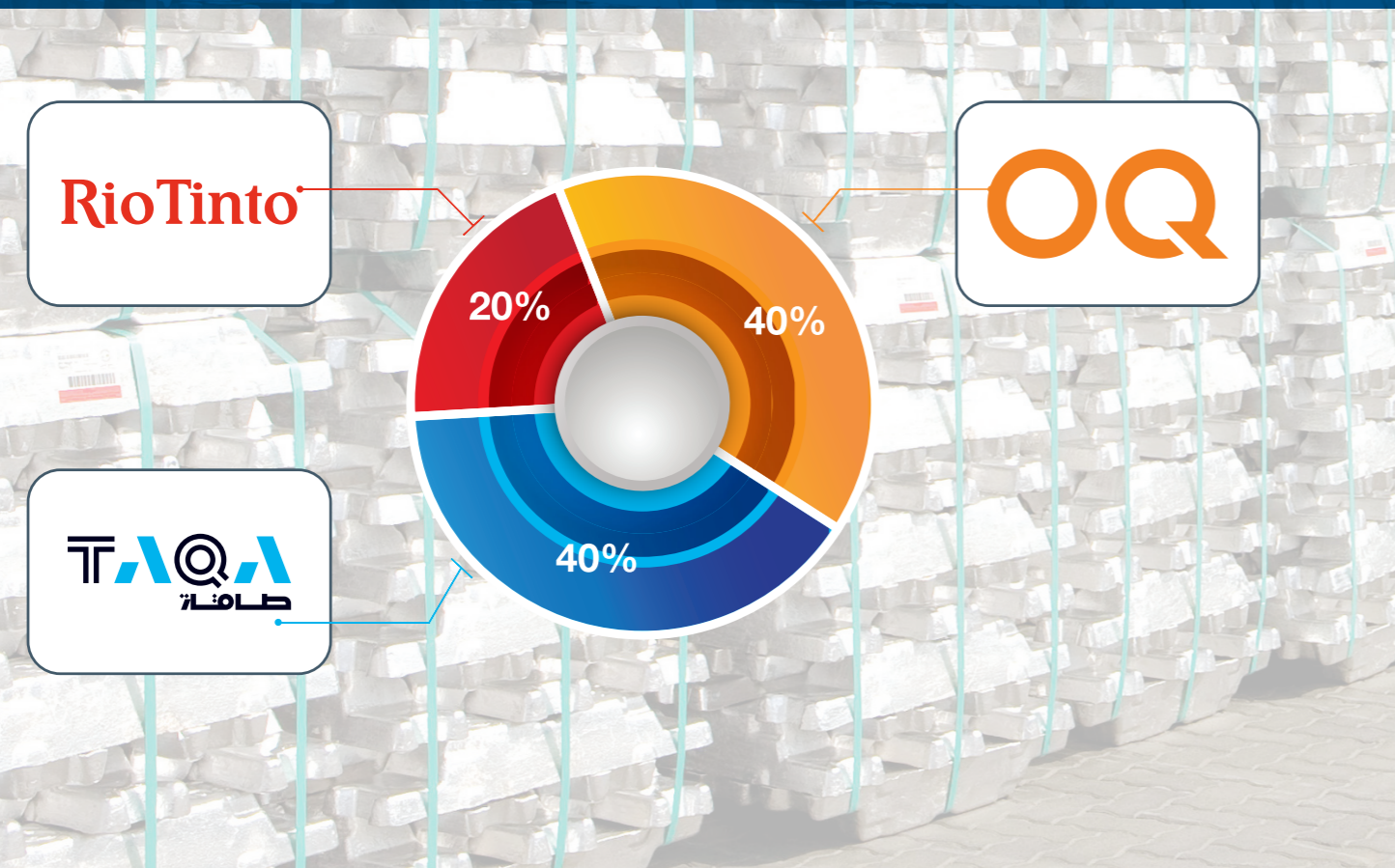
# 60%

of primary Aluminium that Sohar Aluminium produces is committed in the form of hot metal to our local downstream customers.

# Corporate Profile

## SHAREHOLDERS — A Powerful Alliance

Sohar Aluminium was created through the alliance of three formidable shareholders: OQ SAOC (40%), Abu Dhabi National Energy Company PJSC - TAQA (a subsidiary of Abu Dhabi Water And Electricity Authority) (40%) and Rio Tinto (20%).



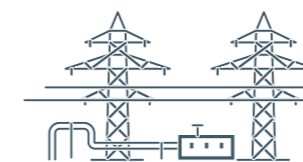
# 2004

Sohar Aluminium was founded in 2004



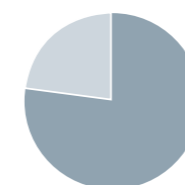
# 390,000

Annual design capacity of 390,000 tonnes of high-quality aluminium



# 1,000

1,000 MW dedicated Power Plant



# 78%

Diverse workforce, of which more than 78% is Omani

## About Us

Founded in 2004, as a landmark industrial development project and a key contributor to the Sultanate of Oman's sustainable development ambitions and long-term progression; Sohar Aluminium Company LLC is the nation's first Greenfield aluminium smelter. The company, a Joint Venture owned by OQ SAOC, Abu Dhabi National Energy Company PJSC - TAQA and Rio Tinto, has been recognized globally for its superior and environmentally friendly technology. It has an annual design capacity of 390,000 tonnes of high-quality aluminium, a 1,000 MW dedicated Power Plant, and Port facilities.

By implementing decades of industry insight in its design, specification and construction, Sohar Aluminium has been crafted to ensure efficiency, environmental protection, and the utmost safety of its workforce. The company has a diverse workforce, of which more than 78% is Omani - along with its own internationally recognised training centre. About 60% of its annual production is committed to its local downstream industry customers.

### BEAUTIFULLY VERSATILE METAL

Hailed as one of the world's fastest growing major metals, Aluminium has extremely desirable properties that make it stand apart from other metals. It is strong yet pliable, lightweight yet versatile. Aluminium made products are affirmed as a solution to the world's energy needs and a symbol of a more fuel-efficient future. Aluminium products are used but rarely fully consumed during their lifetime, which means these products are infinitely recyclable. Recycling aluminium can be done without any loss of its inherent properties while requiring up to 95% less energy than producing the primary metal - which means significantly less emissions.

At Sohar Aluminium, we create value for our shareholders, customers, suppliers, and the community where we operate. It is critical to balance the inputs and outputs to maximize the benefits and minimize the negative impacts of our processes.



# 1.2km

Sohar Aluminium has a single 1.2 km long potline and was the first smelter in the world to implement Rio Tinto Alcan's benchmark AP36 smelting technology

## Facilities

Sohar Aluminium is the only Greenfield Aluminium smelter within the Sultanate of Oman and intends to set a benchmark for similar industries worldwide while contributing to the sustainable development of Oman.

### SMELTER

Sohar Aluminium has a single 1.2 km long potline and was the first smelter in the world to implement Rio Tinto Alcan's benchmark AP36 smelting technology – one of the most energy-efficient and productive smelting technologies available commercially.

With an operating current of above 390kA, Sohar Aluminium produces around 390,000 metric tons of high-purity aluminium per annum. The Smelter has an onsite Carbon Plant producing anodes to ensure maximum efficiency to the potline.

The Casthouse has 2 ingot casting lines and 1 sow caster, with a design casting capabilities of 27mt per hour and 25mt per hour, respectively.

### POWER-PLANT

The Sohar Aluminium Power Plant is a state-of-the-art 1,000 MW combined cycle, captive power plant. The Power Plant achieves close to 50%

efficiency in converting gas energy into electricity while meeting the stringent requirements set out by the local Environment Authority (EA). Strategically positioned to maximize access to the region's plentiful natural gas reserves whilst accessing the Gulf of Oman for cooling purposes, Sohar Aluminium's Power Plant excels by achieving high levels of efficiency, reliability and availability of power whilst ensuring low emissions, operating costs, and environmental impact. In addition to the Power Plant facility, there is also a seawater pumping station for delivering cooling water for steam condensing as well as desalination facilities to supply water to the smelter and power plant sites.

### PORT

Situated within the Sohar Industrial Port Complex, Sohar Aluminium has its own dedicated port



# 75,000

Sohar Aluminium has its own dedicated port facility that supports vessels with a capacity of up to 75,000 mt for receiving raw materials and for exporting primary aluminium.

facility that supports vessels with a capacity of up to 75,000 mt for receiving raw materials and for exporting primary aluminium.

The port facility includes a bulk material ship unloader with connecting conveyors and a range of silos for storing alumina (2 x 60,000mt), petroleum coke (2 x 15,000mt) and liquid pitch (2 x 5,000mt).



## Governance Structure

### BOARD OF DIRECTORS

The Board of Directors consists of five directors representing the shareholding companies. Board members have fixed terms and compensation, as defined in the shareholders' agreement. Sohar Aluminium's Executive Committee Members attend quarterly board meetings in order to ensure excellent communication between the governance and executive teams.

In October 2021, the Board bid farewell to Mr Abdulaziz Al Obaidli, representative of TAQA, who was substituted by Mr Farid Al Awlaqi.



**AYAD ALI AL BALUSHI**  
CHAIRMAN

### EXECUTIVE COMMITTEE (EXCO)

Sohar Aluminium Executive Committee (ExCo) is responsible for the daily management of the company's operations. The Committee is composed of five members: Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO), General Manager of Human Resources and Corporate Affairs, and General Manager of Strategy and Growth. The ExCo meets on a regular basis to discuss the company's progress, giving due attention to Sohar Aluminium's Business Strategy with sustainability at its helm.



**SAID MOHAMED AL MASOUDI**  
CHIEF EXECUTIVE OFFICER



**AHMED AL AMRY**  
MEMBER



**FARID AL AWLAQI**  
MEMBER



**OMAR AL HASHMI**  
MEMBER



**ERIC MURRAY**  
MEMBER



**AGNELLO BORIM**  
Chief Operating Officer



**JERRY VAN ALPHEN**  
Chief Financial Officer



**AHMED AL KHARUSI**  
Human Resources and  
Corporate Affairs General  
Manager



**ALI AL SHAMSI**  
Strategy & Growth  
General Manager



## Committees of the Board



**The Finance, Audit, and Risk Committee (FinCo)**, represented by one member from each Shareholder, the Chief Financial Officer and the Internal Audit and Compliance Manager of Sohar Aluminium, considers and reviews all finance, risk, and audit related concerns which are to be presented to the Board for approval and indicates its support or otherwise regarding such matters. The Committee also acts as the Audit Committee of the company and meets every quarter.



**The Human Resources Committee (HRC)** is represented by one member from each Shareholder and the Chief Executive Officer, General Manager Human Resources and Corporate Affairs, Human Resources Administration Manager and Talent and Organisational Effectiveness Manager of Sohar Aluminium. In addition, the Human Resources Administration Manager serves as the Secretary to the meeting. The Committee supports and advises the Board on all human resources related matters. The HRC meets twice a year.



**The Business Review Committee (BRC)** is represented by a minimum of one member from each Shareholder, together with the SA Management team supported by ExCo. The Committee meets prior to the scheduled Board meetings, to consider and review significant capital expenditure, proposed capital planned items, technical review, and plant operational performance. As output, the Committee prepares a paper for the Board's consideration indicating its support, or otherwise, regarding such matters. The BRC meets twice a year in person and organizes two telephonic conferences in the interim.



Please visit our website to learn more: <https://www.sohar-aluminium.com/en/content/corporate-governance>



## Corporate Audits and ISO Certifications

Supplemented by independent audits, Sohar Aluminium has both structured and periodic audit ensuring that its objectives are both met and surpassed. These audits aim at certifying product, quality, and sound operational and financial performance. They are conducted on an annual and ad hoc basis, and they ensure that Sohar Aluminium maintains the effectiveness and efficiency of its operations, reliability in financial reporting and compliance with laws, regulations, and standards.

The company has a pool of trained internal auditors who conduct regular internal audits across the organization leading to thorough compliance to management systems adherence.



**ISO 9001 (Quality Management)**  
**ISO 14001 (Environment), OHSAS 18001, and ISO45001 (Occupational Health & Safety)**

Since its inception in 2009, Sohar Aluminium has been certified for ISO 9001 (Quality Management) for its finished product operations in metal casting and has been subject to periodic external audits conducted annually by certification bodies such as DNV-GL and TUV Rheinland. Zero non-conformities have been found in the ISO 9001 audit conducted during 2021 by TUV Rheinland and this has been the trend since 2012 when DNV-GL, the then certification body for ISO 9001 called the quality management systems implementation as mature.

Sohar Aluminium is also certified for ISO 14001 (Environment), OHSAS 18001, and ISO45001 (Occupational Health & Safety) management systems for the smelter, and power plant.

Since 2015, there have been no major non-conformities, with negligible non-conformities reported during the 2021 audit. This is significant considering the size and nature of the SA operations.

102-16, 102-17

102-16, 102-17



## Compliance, Ethics, and Integrity

Our Code of Conduct and Compliance programme is named "Amanah," which translated into English means fulfilling or upholding trust. Amanah highlights our shared responsibility in protecting the company and its stakeholders from potential harm caused by illegal, dubious, and unethical acts.

*Please visit our website to learn more: <https://www.soharaluminium.com/en/content/compliance-and-code-conduct>*



### Whistleblowing

The Whistleblowing Policy encourages and provides a means for employees and third parties to share their genuine concerns regarding potential code violations. It provides multiple channels to report incidents that includes 'Amanah' helpline that can be used by all stakeholders, employees, business associates and the general public.  
 Amanah reporting channels: Tel: 80026262  
 Email: [amanah@sohar-aluminium.com](mailto:amanah@sohar-aluminium.com)  
 Website: [sohar-aluminium.ethicspoint.com](http://sohar-aluminium.ethicspoint.com)



### Code of Conduct

At Sohar Aluminium, our ethical standards illustrate the way we bring integrity into our business practices. Sohar Aluminium's Code of Conduct sets clear expectations of behaviour at the workplace.

The Code of Conduct details the responsibilities that Sohar Aluminium and its employees have towards each other, to our business partners and to the wider community. The code summarises relevant policies and procedures that allow us to conduct ourselves and our business in an ethical and legal manner.

# Sustainability at Sohar Aluminium

OUR SOCIAL MEDIA FOLLOWERS INCREASED THROUGHOUT THE YEAR 2021



**SOHAR ALUMINIUM** continues to integrate sustainability into its structure and daily operations through investments in comprehensive management systems. The process serves as a continued commitment to local economic and social development with the promise of transparent and accountable governance.

### TRANSPARENCY AND REACH

Sohar Aluminium believes in transparency, accuracy, and the availability of reliable self-reported information on various issues related to its operations.



### SOHAR ALUMINIUM SOCIAL MEDIA PLATFORMS

Customers and Community members are encouraged to interact with Sohar Aluminium on social media while adhering to the company's guidelines. The success of our efforts to communicate with our stakeholders is reflected in our rising social media presence.

**Environment, Health and Safety**

- Securing a Shot Blasting material recycling service provider
- Maintaining PFC emissions intensity at 0.03 tonnes of CO<sup>2</sup> eq
- Vaccinating 100% of employees with 1<sup>st</sup> and 2<sup>nd</sup> doses of COVID-19 vaccination

**People and Community**

- Implementation of Time Management system, and Flexi timing
- Completion of the technical competency assessments
- Completion of major social projects in education and health sectors

**Customers**

- 100% fulfilment of delivery of hot metal for customers
- Maintaining a healthy level of export of solid metal

**Productivity and Incremental Improvements**

- The second highest production record in our history
- Operating Amperage 397.46
- Progress of utilisation of industry 4.0 in terms of operation data analysis

**Innovation and Growth**

- US\$ 14.6M generated through Value Creation Programme
- 10 internal trained BBs, and 3 GBs achieved full certification
- Visual Communication Training programme conducted for 60 employees

**Financial Strength**

- Highest financial performance in company's history due to high LME prices
- Major refinancing of the company's senior debt
- Lowest Controllable cost in company's history





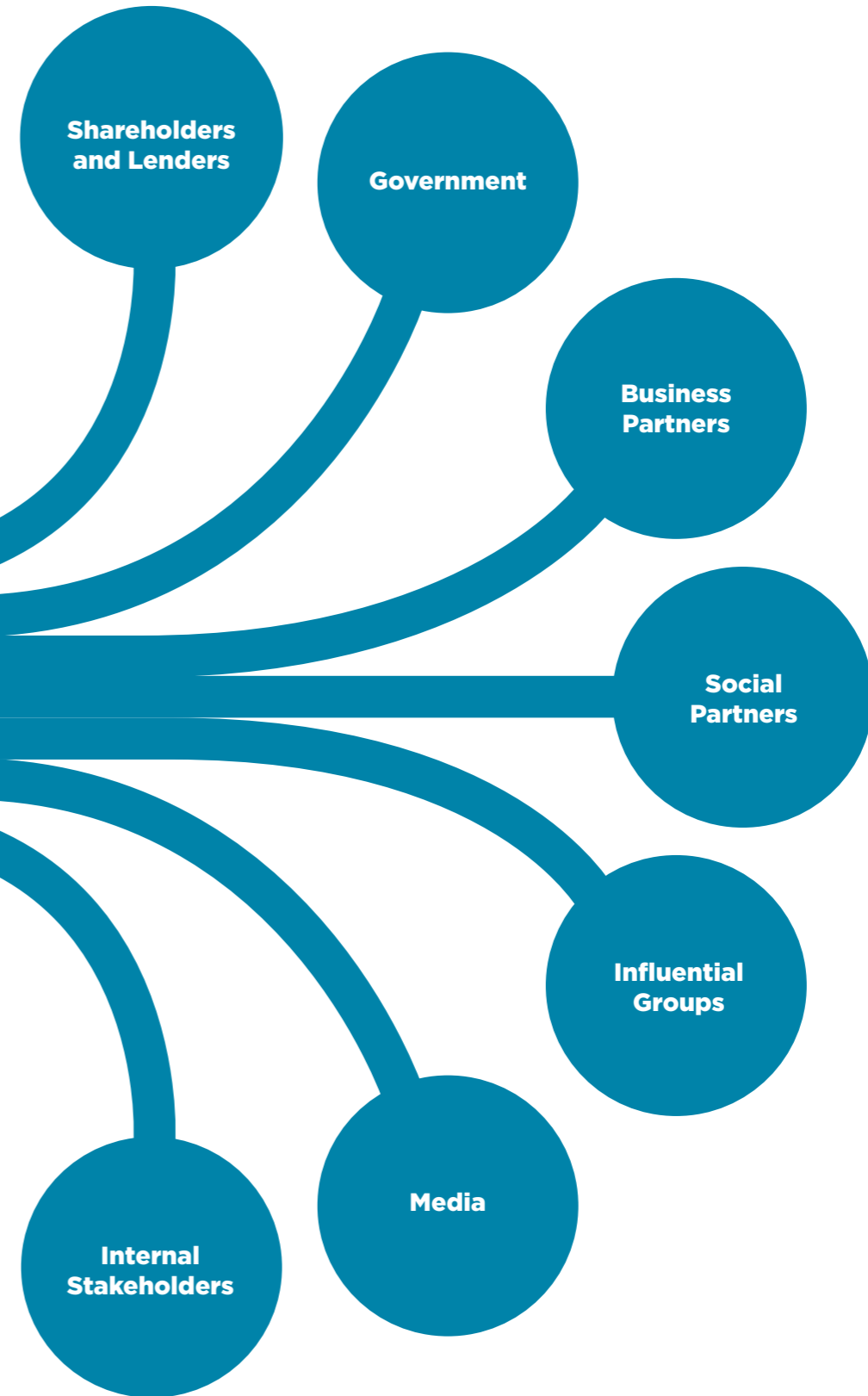
## Stakeholder, Materiality and Sustainable Development Goals

Sohar Aluminium has several stakeholders, each forming an integral part of its success and strategy. Understanding and engaging with the stakeholders is crucial to our commitment to sustainability. The relationships and partnerships the company builds with its stakeholders strengthen its business and create new opportunities to realise shared goals and priorities.

In this Sustainability Report, Sohar Aluminium refers to the material topics highlighted in the Sustainability Report 2020.



# Sohar Aluminium Stakeholders

As the business strategy was updated in 2019 and the objectives (previously referred to as Pillars) rearranged, some of the topics listed in the following table were categorized under a different area in alignment with the external boundaries. In addition, to the materiality analysis, in 2019, Sohar Aluminium conducted an internal exercise to define the alignment of its projects and sustainability initiatives with the United Nations Sustainable Development Goals. The 17 SDGs adopted by the UN in 2015 represents a set of goals for the year 2030 that cover different areas of social and environmental development and a framework to help industries around the World to align their contribution on a global level. Sohar Aluminium identified 8 main Goals towards which it is actively contributing through its core and non-core business.

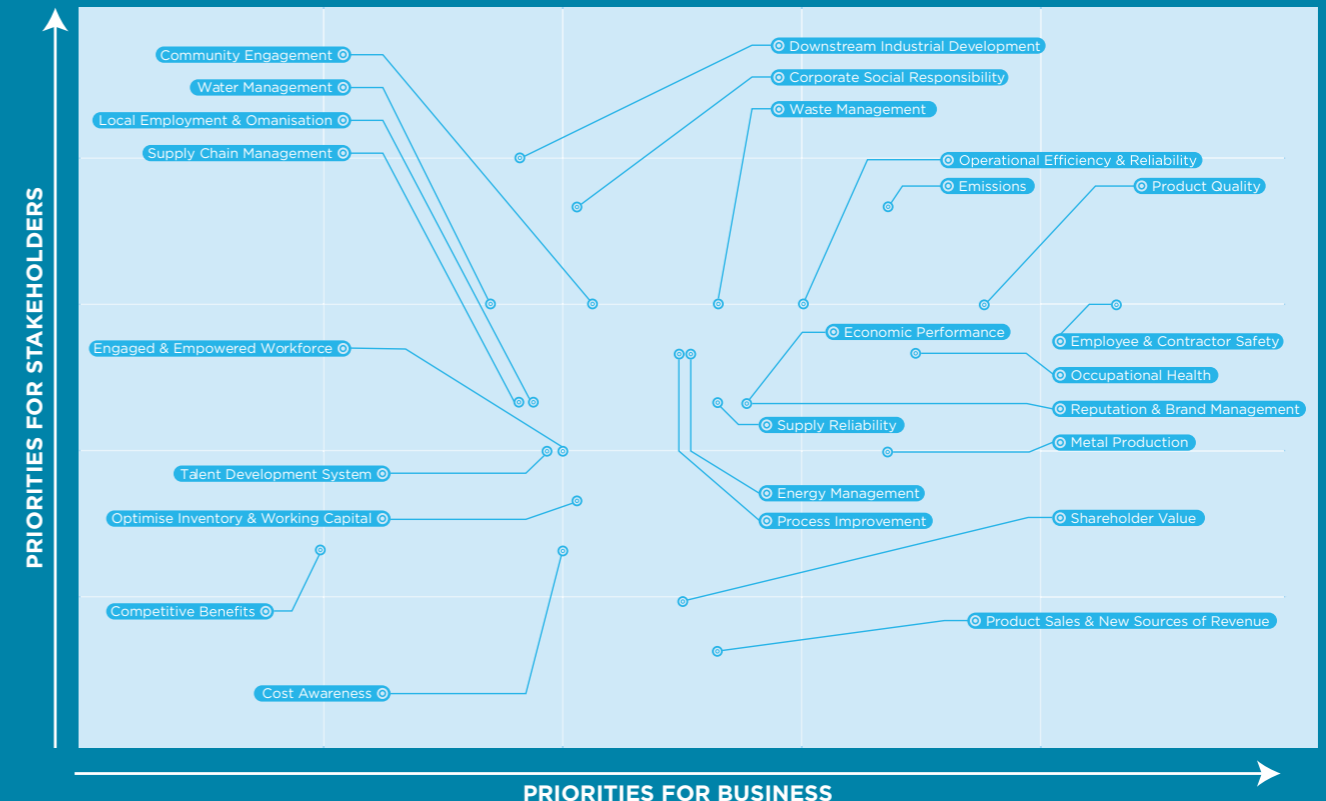


**ADDITIONALLY, SOHAR ALUMINIUM CONDUCTED AN IN-DEPTH EXERCISE TO UNDERSTAND THE PRIORITY LEVEL GIVEN BY EVERY STAKEHOLDERS' GROUP TO THE HIGHLIGHTED MATERIAL TOPICS. THE RESULTS ARE SHOWCASED IN THE BELOW MATERIALITY MATRIX.**

**UN SDGs**

Sohar Aluminium Objectives	Sustainable Development Goals	Material Issues	External Boundaries
<b>Environment, Health and Safety</b>	  	<ul style="list-style-type: none"> <li>Employee and Contractor Safety</li> <li>Occupational Health</li> <li>Energy Management</li> <li>Emissions</li> <li>Water Management</li> <li>Waste Management</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers and contractors (local)</li> <li>Neighbouring communities (local)</li> </ul>
<b>Productivity and Incremental Improvements</b>	 	<ul style="list-style-type: none"> <li>Metal Production</li> <li>Process Improvement</li> <li>Operational Efficiency &amp; Reliability</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers and contractors (international)</li> <li>Shareholders and Lenders (international)</li> </ul>
<b>People and Community</b>	    	<ul style="list-style-type: none"> <li>Local Employment and Omanisation</li> <li>Engaged &amp; Empowered Workforce</li> <li>Talent Development System</li> <li>Competitive Benefits</li> <li>Corporate Social Responsibility</li> <li>Community Engagement</li> </ul>	<ul style="list-style-type: none"> <li>Suppliers and contractors (local)</li> <li>Neighbouring Communities (local)</li> <li>Business Partners (local)</li> <li>Social Partners (local)</li> <li>Media (International)</li> </ul>
<b>Innovation and Growth</b>	 	<ul style="list-style-type: none"> <li>Downstream Industrial Development</li> <li>Reputation and Brand Management</li> </ul>	<ul style="list-style-type: none"> <li>Customers (international)</li> <li>Suppliers and contractors (international)</li> </ul>
<b>Customers</b>		<ul style="list-style-type: none"> <li>Product Quality</li> <li>Supply Reliability</li> <li>Product Sales &amp; New Sources of Revenue</li> <li>Supply Chain Management</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders (international)</li> <li>Customers (international)</li> <li>Suppliers and contractors (international)</li> </ul>
<b>Financial Strength</b>		<ul style="list-style-type: none"> <li>Economic Performance</li> <li>Optimise Inventory &amp; Working Capital</li> <li>Cost Awareness</li> <li>Shareholder Value</li> </ul>	<ul style="list-style-type: none"> <li>Shareholders (international)</li> <li>Shareholders and Lenders (international)</li> </ul>

**MATERIALITY MATRIX**



# Sohar Aluminium Commitment to



Further boosting and reiterating its unwavering commitment to Environment, Social and Governance (ESG), in 2021, Sohar Aluminium (SA) became a “Production and Transformation Member” in the Aluminium Stewardship Initiative (ASI), the global non-profit Aluminium standards setting and certification organisation. SA joins more than 190 global producers, upstream, downstream, supporters, users, and stakeholders in the aluminium value chain.

The company is now under the process of sourcing auditing firm for external audit aiming to acquire ASI’s certification by the 1st quarter of 2022.

ESGs are considered the new vital and trending standards and measures of success for corporations of various sectors, non-profit organisations and even governments. It is a general term used in capital markets and by investors to evaluate the organization’s behaviour and determine and anticipate its sustainability and future financial performance.

Factors on Environment cover environmental footprint areas such as water usage, energy efficiency and pollution minimisation as well as impact on climate change. In other words, it is the need for environmentally efficient strategies without wasting its resources. The Social factor is mainly related to working conditions, relationship with clients and suppliers, as well as human resource management.

The wellbeing of the employees and suppliers invites high performance and efficiency of workforce to achieve the desirable performance objectives. The Governance factor focuses on how corporate’s benefits are transparently and independently awarded and ensures the organisation’s fulfilment of its moral responsibilities. Compliance to such requirement keeps companies in a good position with regulators and avoids losses or fines. The incorporation of ESG framework safeguards organisations, helps sustain its operation,



  
The wellbeing of the employees and suppliers invites high performance and efficiency of workforce to achieve the desirable performance objectives.

secures its profits over time, and reduces impact on its reputation. It is basically an effective risk management tool. The company has always sought to establish partnerships with renowned and well-recognised global aluminium organisations seeking to position as a producer of primary aluminium.

Seeking to establish itself as a local pioneer in ESGs, and capitalizing on its existing efforts, initiatives, and system, in 2021, Sohar Aluminium’s teams were involved in a major task to put together a strategic plan to execute, develop, and initiate more programmes and systems that aim to enhance the culture of ESG among its workforce.





# Environment, Health & Safety



Ensure healthy lives and promote well-being for all at every age



Ensure sustainable consumption and production patterns



Take urgent action to combat climate change and its impacts



### SA STRATEGIC OBJECTIVES

Enable an effective, committed and interdependent culture of safety across the organization to proactively mitigate risks and eliminate injuries and occupational illness.

Reduce our overall environmental footprint through protection of the environment, prevention of pollution and responsible use of natural resources.

Maintaining a strong integrated Environment, Health and Safety (EHS) Management System is critical to the Sohar Aluminium success story. Our customers and other stakeholders expect us to deliver quality products with no harm done to individuals or to the environment. Therefore, we seek to fully integrate EHS into our core business, creating a culture that is recognised throughout the industry.

#### ENVIRONMENTAL MANAGEMENT

Energy is a critical resource for Sohar Aluminium's operations, particularly its energy-intensive refining and smelting processes. Sohar Aluminium recognises it has a responsibility to improve energy efficiency within its operations, to not only reduce its carbon footprint and emissions, but costs as well.

The primary form of energy consumption at Sohar Aluminium is fuel, which is the natural gas supplied through a long-term contract with the Omani government. In 2021, our total energy consumption decreased by 0.64 % compared to 2020, leading to decrease of total energy consumption intensity by 0.49% to reach 101.7Gj per tonne of aluminium produced.

Sohar Aluminium operates its own Power Plant to ensure reliable electricity supply for the smelting



**0.64%**  
In 2021, our total energy consumption decreased by 0.64% compared to 2020, leading to decrease of total energy consumption intensity by 0.49% to reach 101.7Gj per tonne of aluminium produced.

process. The Power Plant also supports the Oman National Grid as part of a cooperative electricity sharing agreement whereby electricity is imported in the winter months and exported in the summer months, which enables the grid to keep water producing plants in service during the winter period.

In addition to the international political agreements such as the signing of the 2016 Paris Agreement on Climate Change, private sector commitments are necessary to drive change. In support of this initiative, Sohar Aluminium seeks to contribute to this field by providing sustainable metal products (aluminium) while assessing and implementing possible mitigation measures to manage emissions at all operational levels. In 2021, the company took a major step in its journey to realise this target by becoming an Aluminium Stewardship Initiative (ASI) member, thereby further committing to ESGs.

#### GREENHOUSE GAS

The main sources of Sohar Aluminium's Greenhouse Gas (GHG) emissions are from fuel burned at the Power Plant and from the electrolytic reaction used to produce aluminium in the smelter.

#### ENERGY INDICATORS

Indicator	Unit	2019	2020	2021
Power Plant Natural Gas Consumption	mmbtu	37,528,634	38,348,249	38,101,665
Power Plant Fuel Oil / Diesel Usage	Litres	263,582	18,299	59,433
Total Power Generated by Power Plant	MWh	5,491,977	5,659,466	5,624,051
Smelter Operations Energy Consumption	MWh	5,142,569	5,207,565	5,201,969
Smelter Operations Energy Consumption Intensity	MWh/t Al	13.17	13.12	13.16
Total Energy Consumption	Gj	39,594,810	40,459,550	40,199,390
Total Energy Consumption Intensity	Gj/t Al	101.4	102.2	101.7

#### GHG INDICATORS

Indicator	Unit	2019	2020	2021
Total Emissions Intensity - Power Plant	t CO <sup>2</sup> eq./t Al	0.50	0.38	0.38
Perfluorocarbons (PFCs) Emissions Intensity	t CO <sup>2</sup> eq./t Al	0.03	0.03	0.03
Total Emissions Intensity - Smelter	t CO <sup>2</sup> eq./t Al	1.60	1.63	1.62
Total Emissions Intensity - Smelter, Power Plant and Port	t CO <sup>2</sup> eq./t Al	7.10	7.11	7.07
Total Hydrogen Fluoride Emissions - Gas Treatment Centre	t HF	17.85	14.81	15.2
Hydrogen Fluoride Emissions Intensity - Smelter	kg HF/t Al	0.50	0.44	0.43
Hydrogen Fluoride Emissions Intensity - Potline	kg HF/t Al	0.50	0.44	0.43

The main GHGs emitted from Sohar Aluminium's smelter is Carbon Dioxide (CO2) from the energy consumed by the anodes used in production. In addition, Perfluorocarbons (PFCs) are produced through the process disturbances from the reactions of manufacturing Aluminium. Sohar Aluminium's production also generates other air emissions in the form of gaseous Hydrogen Fluoride.

In 2021, our PFC emissions intensity remained at the same level that it was in 2020 standing at 0.03 tonnes of CO2 eq. per tonne of Aluminium produced.



**0.61%**

**The total emissions intensity from the smelter activities in 2021 decreased by 0.61% reaching 1.62 tonnes of CO2 eq. per tonne of Aluminium produced.**

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**WATER MANAGEMENT**

Water management is an increasingly important material issue, especially in countries where water resources are scarce. We realise the great need for water conservation and recycling in our operations, which is why we manage water consumption to the best of our ability and seek opportunities for improvement.

Sohar Aluminium does not use potable water as part of its



production process. Well water is extracted and treated for operational use. Seawater is used for once-through cooling in the power plant, and is returned to the sea, so net consumption is close to zero.

Demineralised water is also produced as a by-product of the power plant's steam turbines and sold to a local utilities company for use in the region.

The largest consumers of process water within our operations are the power plant and smelter. In 2021, the amount of produced process water increased by 8.6% compared to 2020 to reach 576,719 m3, while the amount of seawater used for cooling witnessed a slight decrease by 1.6% compared to the previous year.



**8.6%**

**In 2021, the amount of produced process water increased by 8.6% compared to 2020 to reach 576,719 m3, while the amount of seawater used for cooling witnessed a slight decrease by 1.6% compared to the previous year.**

As the case in previous years the percentage of treated sewage water re-used for irrigation remained at 100%.

**WASTE MANAGEMENT STRATEGY**

Sohar Aluminium is committed to minimising the amount of waste generated by its operations through reduction, reuse, and recycling before landfill disposal. We seek to use innovative solutions to improve waste management and increase recycling-to-waste ratio. The company ensures that all waste is disposed in a responsible manner and in accordance with local laws and industry standards.

**WATER MANAGEMENT INDICATORS**

Indicator	Unit	2019	2020	2021
Sea Water Use for Cooling	m3	388,217,344	396,059,540	389,418,387
Seawater Consumption in the Reverse Osmosis Plant	m3	0	0	0
Brackish Well Water Extraction	m3	2,446,153	1,393,741	1,486,045
Well water intensity	m3/t Al	6.26	3.51	3.76
Process Water Produced	m3	781,035	513,045	576,719
Brine Discharged to the Sea	m3	1,143,713	787,787	820,871
Demineralised Water Used for Heat Capture in the Heat Recovery Steam	m3	182,802	121,867	177,078
Process water (non-potable) exported to Majis Industrial Services Company	m3	302,759	116,975	5,062
Sewage Water Imported from neighbouring community for irrigation	m3	92,285	72,705	31,380
Treated Sewage Water Used for Irrigation	m3	137,415	130,657	158,415
Percentage of Treated Sewage Water Re-used for Irrigation	%	100	100	100



#### WASTE MANAGEMENT INDICATORS

Indicator	Unit	2019	2020	2021
Waste Disposal	m3	7,089	7,952	7,657
Waste Disposal Intensity	Kg/t Al	18.15	20.00	19.36
Waste Generation Intensity	kg non-recycled waste/t AL	25.24	14.50	23.90
Steel Recycled	m3	1,302	780	612
Wood Recycled	m3	5,070	2,820	5,232
Paper and Cardboard Recycled	m3	2,034	1,560	2,502
Plastic Recycled	m3	6.26	6.6	708
E-waste Recycled	tons	6	6	10
Batteries Recycled	tons	45	73	21
Total Materials Recycled	tons	8,988	17,720	14,855
Hazardous Waste-Non Recyclable	m3	3,066	1,254	7,339

#### WASTE TO WEALTH

The Spent Pot Lining (SPL) is a waste material generated from the Aluminium smelter when pots reach the end of their serviceable life. Our approach to managing SPL starts by utilising technologies to reduce pot failures and extend their lifespan, resulting in fewer pots that need to have their linings replaced.

Adding to its sustainability, Sohar Aluminium secured a viable solution for this waste to be recycled and reused within the Sultanate of Oman. The material is used by local cement companies as a raw material for special cement used in the oil and gas industry's process.



The new strategy involves waste elimination or reduction at the source and monitoring minimal generation rates by inviting continual improvement methodologies. The waste generated by this material is now transported to Heavy Machinery Viqa DMCC Company in UAE.

In 2021, a similar approach was executed for the Shot Blasting through sound industrial techniques. The new strategy involves waste elimination or reduction at the source and monitoring minimal generation rates by inviting continual improvement methodologies. The waste generated by this material is now transported to Heavy Machinery Viqa DMCC Company in UAE.

In 2021, Sohar Aluminium's waste recycling intensity increased by 36%, which was achieved through evaluation of real recycling opportunities, internally and externally.



#### HEALTH

Promotion and protection of employee health is a key factor for sustainable growth of the organisation. Sohar Aluminium Medical Team provides occupational health services, health promotion and awareness, emergency medical response and acute medical care for employees and contractors. As the health challenges posed by COVID-19 continued to face the world, and with the direct support of the internal COVID-19 Committee and the Management Team, the Medical team continued its tireless efforts to ensure the minimum impact of the pandemic on our workforce. With rigorous precautions in place, the team constantly reviews the procedures in alignment with the official statements and decisions issued by the national Supreme Committee.

In terms of health indicators, the company saw a decrease of 7% in the number of patients served by the Medical Centre in 2021 with 5,768 patients.

Despite of severe restrictions posed by Covid-19 Pandemic, the Medical Team initiated and conducted health promotional activities such as the Poly Cyclic Aromatic Hydrocarbons (PAH) Awareness Campaign for the Paste Plant workforce in collaboration with the Carbon Plant and the PAH Steering Committee. The campaign aimed to reiterate the importance of adherence to PAH control measures. It coincided with the Paste Plant maintenance shutdown in March. The Medical Team also conducted the annual seasonal flu vaccination campaign aiming to enhance immunity of our people against common flu. 384 doses were administered to employees and contractors.

#### COMBATING COVID-19

As part of the national vaccination campaign against COVID-19, SA's Medical Team conducted two campaigns to vaccinate our employees with the 1<sup>st</sup> and 2<sup>nd</sup> doses. 100% of employees were vaccinated with two doses of COVID-19 vaccination. The vaccination service was also extended to permanent contractors as well.

**HEAT STRESS**

Throughout 2021, Sohar Aluminum successfully sustained its record of zero recordable heat illness for the 9<sup>th</sup> consecutive year. Heat Stress Management Programme is supervised by the Heat Stress Management Committee with representatives from operations teams and other relevant areas. The programme receives more focus during the hot months of the summer between May and September. In 2021, Heat Management was the monthly EHS focus of April, during which, weekly elements and topics of heat stress management were promoted through various communication channels. Summer fruit supply and centralized electrolyte distributions were organized to promote nutritional status of the workforce. Also, hydration monitoring and spot awareness sessions continued to be the cornerstone of our heat stress management programme where 1055 instances of hydration monitoring were conducted in 2021.

**1055**

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**CONTRACTORS MANAGEMENT**

Contractors continue to be a key stakeholder at Sohar Aluminium as they are equally responsible for SA's achievements and successes. They comply with Sohar Aluminium's requirements to work on-site, which include operational and EHS requirements. Sohar Aluminium's Contractor Management Roadmap, which outlines objectives for contractor performance and oversight, is entrenched in the way we manage our contractors and is continuously reviewed and improved. All contractors are assessed during the evaluation process based on EHS performance and mandated to abide by Sohar Aluminium's rigorous safety standards.

**CONTRACTORS' WORKING CONDITIONS**

Sohar Aluminium is committed to recognising and protecting human rights in all its operations and throughout its supply chain. We seek to ensure our contractors respect human rights principles by carrying out contractor visits to inspect working conditions and make sure they abide by Sohar Aluminium standards.

**HEALTH & SAFETY INDICATORS**

Indicator	Unit	2019	2020	2021
Medical Treatment Frequency Rate	200,000 man-hours	0.06	0.06	0
Recordable Injury/Illness Frequency Rate	200,000 man-hours	0.17	0.06	0.12
Lost Time Injury Rate	200,000 man hours	0.06	0	0.12
Total Number of clients served by Medical Centre	Number	5,762	6,254	5,768
Walk-in Clients to Medical Centre	Number	4,709	5,027	4,563
Number of Heat Stress Monitoring Instances	Number	2,302	1,437	1,055
Recordable Heat-Induced Illness	Number	0	0	0
Number of Polyaromatic Hydrocarbons (PAH) Bio Monitoring	Persons evaluated	93	208	167

Together as a team, we continuously work on attaining the best safety results in any Aluminium Smelter across the world. We believe it is attainable, achievable, and sustainable. To reach this goal, our EHS department consistently drives leaders across the site to coach and mentor employees to become interdependent whereby we all look out for each other and as a team support each other to work safely.

**EMERGENCY RESPONSE**

To ensure the safety of its employees, plant, and the local community in which it operates, Sohar Aluminium reviews and updates its emergency response plans and processes on a regular basis. The company has its own dedicated emergency response team that is equipped with a Fire Station and a full fire team. The team is qualified and trained to respond to any emergency on site within minutes of occurrence.



**Major achievements in EHS in 2021:**

- Signing a contract with Majis Industrial Services Company for Waste Management.
- Achieving Higher efficiency in generating and reducing emissions in the Power Plant.
- Recycling of the scrap yard in Power Plant.
- Recycling 100% of the accumulated Spent Pot Lining (SPL) from 1<sup>st</sup> to 3<sup>rd</sup> generation.

# Productivity and Incremental Improvements



Promote sustained, inclusive, and sustainable economic growth; full and productive employment; and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation.





**SA STRATEGIC OBJECTIVES**

Progressive and safe increase of productive capacity and technical capabilities to operate at high amperage.

Implement continuous improvements and develop internal resources to optimize process efficiency.

At Sohar Aluminium, we embody a culture of productivity effectiveness while always maintaining a quality-driven mindset. We have strived and attained the status of a benchmark smelter through consistent enhancement and optimisation of our processes to ensure we are producing quality aluminium in the most efficient and environmentally conscious way possible. The aluminium industry is part of a dynamic and ever-changing market, where new challenges constantly arise. To maintain our quality operations and competitive advantage, we use a systematic approach of lean manufacturing principles and capital improvement projects to significantly improve our productivity through waste reduction efforts, efficiency, cycle time, and material costs.

**PRODUCTION RECORD**

In 2021, our metal production slightly decreased by 0.39%, reaching 395,360 tonnes compare to 2020. Still, it is the second highest record in our history. Our production rate, however, increased compared to 2020 to reach 3,015 kg Al/Pot/day.

**SOHAR ALUMINIUM FUTURE-PROOFS ITS OPERATIONS**

Sohar Aluminium continues to look to harness the



**395,360**

Production rate increased compared to 2020 to reach 3,015 kg Al/Pot/day.

transformational potential of the Fourth Industrial Revolution (Industry 4.0) to position itself as a 'smelter of the future'. Data Analytics is yet another Industry 4.0 technology that the company adopts leading to enhancing maintenance and operational processes by improving uptime and allowing for proactive maintenance and resulting in achieving high level of operational production.

The company has made advanced technology a priority ever since its formation in 2004, implementing automation and robotics within the smelter's Casthouse's operations from the beginning in order to minimise the interaction of human operator with unsafe material and therefore reducing the risk of injury. Robotic cranes, for example, assist in the stacking of refined metal bundles and applying labels.

**CONTINUOUS EFFORT**

Sohar Aluminium continued the ongoing plant-wide awareness programme designed to ensure that its technical staff are on-board with the delivery of the project. We have embraced some elements of Industry 4.0 ever since we came on stream and we continue to evaluate and adopt new technologies and innovations as they materialise. This is a continuous journey of improvement which we don't foresee an end to. Technologies keep evolving and our responsibility is to be at the forefront of the new inventions, to enhance our productivity, cost-efficiency, and competitiveness.

**PRODUCTION INDICATORS**

Indicator	Unit	2019	2020	2021
Hot Metal Production	tonnes	390,516	396,929	395,360
Finished Good Production	tonnes	390,449	396,046	393,987
Production Rate	kg Al/Pot/day	2,979	3,008	3,015
Cost savings due to productivity gains	USD million	3.96	3.97	2.3
Specific Energy Efficiency Levels	kWhr/kg	13.18	13.19	13.197
Operating Amperage	kA	393.35	395.69	397.46
Purity Levels	ppm of Fe	558.65	593.08	625.64
Percentage of scheduled maintenance work	%	90	90.1	93.9



Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.



Ensure healthy lives and promote well-being for each individual at all ages.



End poverty in all its forms everywhere.



Protect, restore, and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss.



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.



# People and Community





**SA STRATEGIC OBJECTIVES**

**Build a competent, engaged and empowered workforce to drive technical and leadership excellence across the organization.**

**Integrate and engage our stakeholders to contribute to Oman's sustainable development and maximise positive impact in the community.**

**OUR PEOPLE**

Sohar Aluminium firmly believes that an engaged and empowered labour force is essential to maintain its focus on excellence and long-term success. We are extremely proud of our workforce, and we strive to maintain our status as an employer of choice through competitive compensation, vocational training, and social support. Through our focus on local employment, capacity building, competitive benefits, and employee engagement, we have developed a united and engaged community.

At Sohar Aluminium, Omanisation, which increased by 1% in 2021 to be 78% of the total workforce, is a major driver within the organisation. Job creation and development opportunities for young employees is a key factor in maintaining the workforce. With that in mind, the new Sohar Industrial Training Institute opens more doors for further learning and career growth for employees. Sohar Aluminium also focuses on ensuring a balance between the employee turnover and new hires in order to maintain an optimum number of skilled



**WORK FORCE INDICATORS**

Indicator	Unit	2019	2020	2021
Total Workforce	Number of employees	975	964	952
Omani Nationals	Number of employees	744	745	744
Expat	Number of employees	230	219	208
Omanisation Rate	%	77	77	78
Women	%	4.1	4	3.7
Young employees (18 to 30 years old)	%	6.6	5.4	4.3
New Employees	Number of employees	23	8	11
Turnover Rate	%	2.7	2.1	2.4
Management	Number of employees	223	189	186

employees. In 2021, 11 new employees were hired, more than 2020.

**WORK FORCE INDICATORS**

In alignment with the Continuous Improvements methodology that Sohar Aluminium has long adopted, the Human Resources Administration Department continued to improve its functions and the services it provides to the workforce. In 2021, the department embarked on a plan to automate several processes of its functions such as the Leave Utilisation System, and the STIP Notice Letter. With these self-help systems in place, employees can now acquire documents and letters of their own without the need to physically visit the department.

The department also implemented the Time Management system and the Flexi Timing which enables better control of attendance and absenteeism. The team also initiated weekly employee engagement site visits and reviewed the Housing Loan interest reimbursement Scheme for improvements.



**The Human Resources Administration Department continued to improve its functions and the services it provides to the workforce**



**LEARNING AND DEVELOPMENT**

Sohar Aluminium recognises the long-term benefits of investing in the skills development of our employees. At Sohar Aluminium, we maintain a steady focus on increasing the technical and leadership skills of our workforce and providing comprehensive mentorship. We ensure that all employees receive extensive opportunities to build leadership, communications, management, and other skills necessary to succeed and grow within our business. To ensure recruitment and retention of the most talented individuals, we invest heavily in our recruitment, training, and development efforts.

Through our significant investments in training and development of our employees, we are able to ensure that our employees are engaged effectively from recruitment to exit.



In 2021, Sohar Aluminium's Leadership Program "Qaa'ed" that is overseen by the Talent and Organisational Effectiveness Department (TOE), began its quarterly-themed programmes where each quarter focuses on a specific leadership competency.

The 4 themes were: Role of the Leader in Developing their Employees, Collaboration, Driving Change, and Building Vision. In each quarter, leaders were involved in various activities, including training courses, online learning programmes, discussion panels, and weekly messages.



404-1, 404-2

103-1, 103-2, 103-3

**40%**

The mentorship program "Qudwa" resulted in a 40% improvement in the competencies identified within staff

Also, the mentorship program "Qudwa" concluded its second batch where 12 employees from Carbon Plant, Casthouse, and Reduction Services were mentored by their senior peers for 6 months. The programme resulted in a 40% improvement in the competencies identified. The 2022 batch will focus on the Supervisors in Reduction Potline Operations.

A new cohort of fresh graduate engineers joined Sohar Aluminium, commencing their 4-year development plan in which they will be rotated between different departments in the first 2 years and then have a customized and focused development plan in the following 2 years. The 2018 batch graduated and are now full-fledged engineers in the departments of IT, Power Plant, Central Maintenance, and Business Improvement.

TOE team also completed the technical competency assessments for the remaining departments in the company. This crucial project that commenced 3 years ago in which technical competencies for each employee were assessed by 3<sup>rd</sup> party experts aims to better identify the training needs for each employee.

**CORPORATE SOCIAL RESPONSIBILITY**

Sohar Aluminium firmly believes in supporting and giving back to the local communities within which it operates. Our established CSR framework ensures we execute projects that impact various sections of the society in a positive manner.

Sohar Aluminium goodwill is our recognition that our company, has social, cultural, and environmental responsibilities to the community where we operate, as well as economic and financial ones to our shareholders. Our community activities demonstrate our commitment to integrity and transparency and indicates pride to be associated with Sohar Aluminium. Through our continuous engagement and support to our key stakeholders we hope to establish and maintain sustainability within the business for generations to come.

The company is keen on supporting Small and Medium Enterprises (SMEs) and has executed several projects to establish and sustain SMEs and their growth.

**TRAINING AND DEVELOPMENT INDICATORS**

Indicator	Unit	2019	2020	2021
Number of employees who received training	Number of employees	972	976	934
Average days of training per employee	days	10	2	2.3
Average hours of training per employee	Hours	80	15	19
Total number of training hours	Hours	77,758	14,900	17,745



We are proud to have an innate and commended commitment to our community. We fulfil our responsibilities as corporate citizens in a variety of ways, ranging from sustainable investment projects, volunteering, and sponsorships to awareness campaigns along with promoting the growth of SMEs in Oman.

SA's community initiatives are pegged on strategic sustainable ventures. It follows a community-centric approach that has established its credentials as a people's company.

**CORPORATE SOCIAL RESPONSIBILITY POLICY**

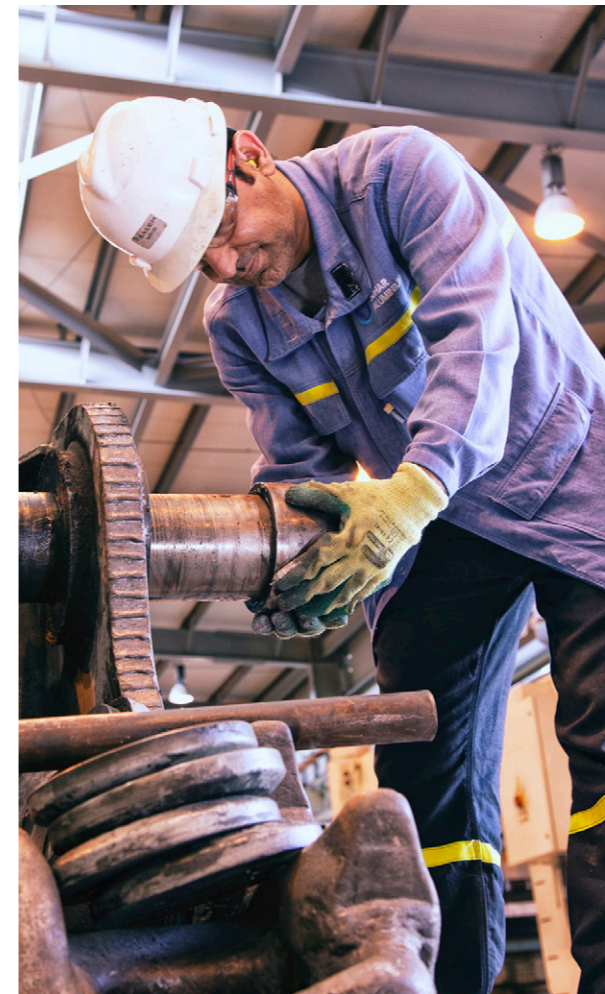
Our CSR strategy is guided by the CSR committee, which offers strategic guidance in identifying vulnerable populations, budgeting for, and organising target activities as well as mobilising community engagement. The Committee reports to the Chairman of the

**US\$ 1.8 mn**

In 2021, our total community investment was US\$ 1.8 million.

Board, and includes the Chief Executive Officer, Chief Financial Officer, HR and Corporate Affairs General Manager, Communications Manager and CSR Superintendent. The Board of Directors endeavours to allocate appropriate community investments and make a commitment to set an independent budget for CSR activities. This dedication is one of the key drivers for the high investment in Sohar Aluminium's CSR programmes. The annual budget allocated directly by the Board of Directors is equal to 1.5% of shareholders' distributions (no less than US\$ 1 million and not exceeding US\$ 3 million annually). In 2021, our total community investment was US\$ 1.8 million.

Similar to 2020, most of 2021 CSR funds were directed to supporting the national health sector in its battle against COVID-19.



**SOCIAL CONTRIBUTION & VOLUNTARY PROJECTS**

Through its social contributions and voluntary projects, Sohar Aluminium is committed to sharing its values, and best practices while fostering strong and close ties with the surrounding communities along with maximising its positive impact in community services.

The award-winning Sohar Aluminium Volunteering programme aims to promote the organisation's "Zero Harm" mindset in the local community. Employees who are interested in volunteering are continually influencing and shaping the programme to maximise its benefits and serve the society at large. In 2021, due to the COVID-19 pandemic, no volunteering activities were conducted.

**SPONSORSHIPS**

Our sponsorships reinforce our pledge to society and the company's role in maximising the positive impact of local initiatives. Below are some of the initiatives and programmes that we supported and sponsored in 2021:

- Sponsoring promotional materials for the National Museum
- Support to Luban Project as part of Oman's participation in Expo 2020, Dubai.
- Sponsoring World's 20 Cricket Cup
- Support to Oman Golf Association

**CSR INDICATORS**

Indicator	Unit	2019	2020	2021
Jusoor Projects	%	55.84	39.00	39.2
Sustainable Projects	%	2.49	8.00	7.5
Education	%	15.19	18.00	18.3
Social Contributions & Voluntary Projects	%	3.46	4.00	3.7
EHS	%	3.04	17.00	16.5
Commitments	%		14.00	11.4



### EDUCATION

Sohar Aluminium persistently builds ties and synergies with academic institutions for the development of local talents to lead into the future.

The company believes that long-term positive change begins with quality education. With this mindset, we are dedicated to contribution towards promotion of knowledge and education in our community to ensure that every child can grow confident about their success in life and has the potential to change the world for the better.

### SUPPORTING NATIONAL INTEGRATED LEARNING EFFORTS

Sohar Aluminium's funded project to provide technical aids to teaching in schools in North Al Batinah and Al Buraimi, progressed steadily through its phases. The project aims to enhance the quality of education, contribute to building technical capabilities and encourage E-Learning in governmental schools.

### SOCIALLY ADDED VALUE

Sohar Aluminium is determined to help lead Oman and the Al Batinah region to a better future through its focus on long-term sustainable projects that will continue to have a positive impact in decades to come. These projects reinforce Sohar Aluminium's obligation to the

community and extending its continuous support to impactful projects and good causes.

2021 saw an unprecedented disaster hit North Al Batinah Governorate in the form of Shaheen Cyclone. Hundreds of thousands of people were severely impacted by the cyclone. As a pioneer in social responsibility, Sohar Aluminium rose to the occasion and was among the first organisations to announce financial and non-financial aids to the impacted. The company donated OMR 386,000 (USD 1,000,000) to the families channelled through Oman Charitable Organisation. A special funds raising was also run to donate money to the employees of the company who were impacted by the cyclone. Non-financial aids were also provided by the company to these employees.

**OMR  
386,000**

The company donated OMR 386,000 (USD 1,000,000) to the families channelled through Oman Charitable Organisation



### JUSOOR 2021 PROJECTS

#### Physiotherapy and Rehabilitation Centre

The Foundation signed an agreement with the Directorate General of Health Services, North Al Batinah, to establish a Physiotherapy and Rehabilitation Centre. The 187.86 sqm Centre aims at enhancing the quality and efficacy of health services and will focus on accommodating patients with physiotherapy and rehabilitation needs and provide the elderly, handicapped and patients with fractures, burns and accidents appropriate and timely treatment.

Location: Shinas Health Center  
Funding: SA, OQ, Vale  
Partners: DG of Health Services in North Al Batinah

#### Digital Educational Studio

Jusoor signed an MoU to establish a Digital Educational Studio. The project aims to provide a platform to produce high quality digital educational content for schools' students and teachers of North Al Batinah, develop their visual skills, and enhance their knowledge of digital Audiovisuals. The project facilities will include a digital photography studio.

Location: Sohar  
Funding: SA, OQ, Vale  
Partners: DG of Education, North Al Batinah



Wilayats of North Batinah, leading to increasing the early-diagnosed cases and consequently reduce the mortality rate caused by breast cancer.

Location: Wilayats of North Al Batinah  
 Funding: SA, OQ, Vale  
 Partners: Oman Cancer Association

**Support programme for Public Majlises:**

The Foundation continued its efforts to provide support to the community through the completion of the provision of partial support to several public Majlises. These Majlises play a significant role in local communities in Oman as they serve to host social events and discussion sessions. It contributes to the formation of a cohesive society based on shared values and conventions, as well as the preservation of a society's history passed down through the generations.

Location: Liwa, Sohar, Saham, Al Khabourah, Suwaiq  
 Funding: SA, OQ, Vale  
 Partners: Walis' Offices

**Mobile Mammography Unit**

An MoU was signed by the Foundation to fund a Mobile Mammography Unit that aims to promote awareness in the community about breast cancer. The unit will help in sharing knowledge about the importance of early mammogram detection through periodic examinations across various

**550 Students**  
 ABIS has paved the way for supporting quality education in the region allowing for the expansion of its capacity to 550 students with additional land to expand to accommodate 1200 students when required.



**AL BATINAH INTERNATIONAL SCHOOL (ABIS)**

ABIS was proudly established by Sohar Aluminium and is now jointly supported by OQ Refineries. The school offers world class international programs to both expatriate and Omani students from K1 to Grade 12 which prepares them for the wider world. The campus is designed using cutting-edge research to create an environment focused on students and their learning. It includes innovative learning spaces, extensive sports facilities, purpose built play areas and a farm that links Omani heritage.

This joint venture project has paved the way for supporting quality education in the region allowing for the expansion of ABIS capacity to 550 students with additional land to expand to accommodate 1200 students when required. In addition to the International Community Section, a Global Section opened to provide the high quality international education that ABIS is known for.

The Global Section provided for young Omani students increased the emphasis on English, Arabic, Social Studies and Islamic studies with the aim of helping children grow into the Sultanate of Oman's leaders of tomorrow.

Due to its early adoption of technology where students from Grade 3 onwards learn in class using I-pads, ABIS was well placed when education switched to online learning. This ensured that learning continued even from a distance thereby lessening the impact of being unable to attend classes in-person at the school. As the year progressed, ABIS was at the forefront to implement preventive precautions and measures to receive students and was one of the first schools in North Al Batinah to be given the go-ahead to resume physical classes towards the end of 2020.

 **For more information about the school, visit: [www.abisoman.com](http://www.abisoman.com)**

# Innovation and Growth



Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation.

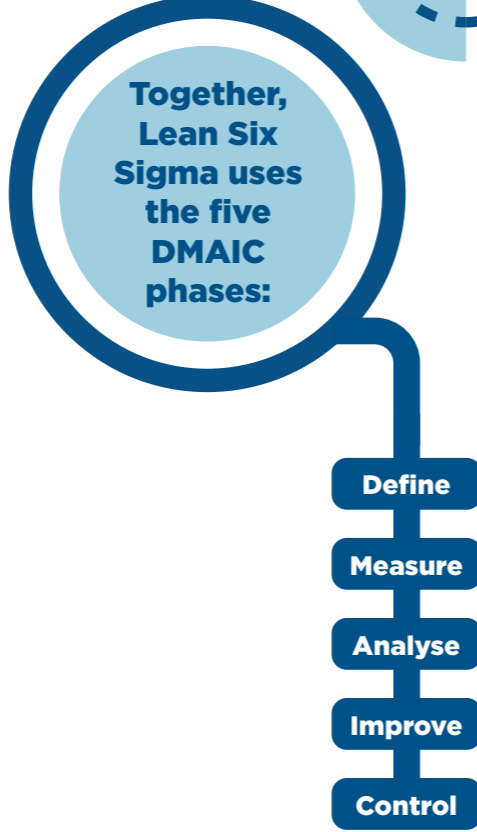
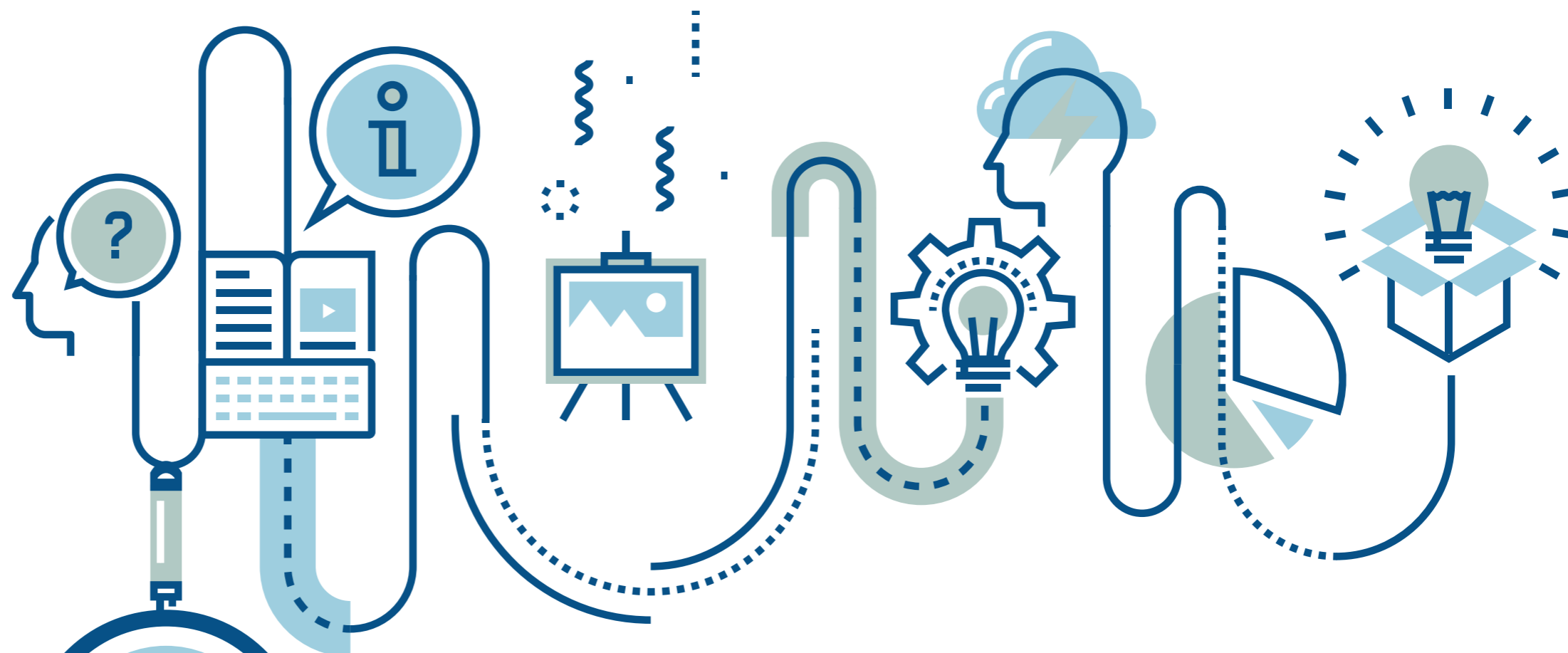




**SA STRATEGIC OBJECTIVES**

To be a state-of-the-art mega smelter producing over 1M tons of green aluminium annually.

Lead development of breakthrough innovations and growth in aluminium smelting and power generation aiming for long-term sustainability.



Innovation and Growth is a new strategic objective that has aligned into SA's Business Strategy. Built around manifesting growth and new opportunities for us to become a market leader, it focuses on pursuing innovative opportunities that will help the company develop and sustain its business and operations.

**LEAN SIX SIGMA**

Lean Six Sigma is a synergized managerial concept of Lean and Six Sigma. Lean traditionally focuses on the elimination of the eight kinds of waste classified as defects, over-production, waiting, non-utilized talent, transportation, inventory, motion, and extra-processing. Six Sigma seeks to improve the quality of process outputs by identifying and removing the causes of defects (errors) and minimizing variability in (manufacturing and business) processes. The different levels of certifications are divided into belt colours, like Judo. The highest level of certification is a Black Belt, signifying a deep knowledge of Lean Six Sigma principles. Below

**INNOVATION AND GROWTH INDICATORS**

Indicator	Unit	2019	2020	2021
Green Belt Projects Completed	Number	15	25	9
Black Belt Projects Completed	Number	4	5	12
KAIZEN events Conducted	Number	5	17	41
Theory Certified Black Belts	Number	13	12	10
Theory Certified Green Belts	Number	64	0	16
Certified Kaizen facilitator	Number	0	2	2
Certified Yellow Belts	Number	720	32	4
Value Creation (delivered)	USD million	16.2	15.1	14.6



the Black Belt are the Green and Yellow Belts. For each of these belts, skill sets are available that describe which of the overall Lean Six Sigma tools are expected to be part at a certain Belt level. These skill sets provide a detailed description of the learning elements that a participant will have acquired after completing a training programme.

In 2021, and due to difficulties and challenges inflicted by COVID-19, the deployment of the Lean Six Sigma methodology and trainings decreased compared to 2020. In 2021, 12 Black Belt projects were completed by our employees. On the other hand, 9 projects were completed in the Green Belt Level. KAIZEN events saw a major increase with 41 conducted compared to 17 that were conducted in 2020.

## 2021 Innovation Achievements:

- Strategy Review Process Initiated with consideration of three potential scenarios: incremental growth proposals and substantial growth opportunity.
- Efforts to strengthen the relationship with the academia and research hubs continued. In line with these efforts, an MoU was signed with the International Maritime College Oman. We also received several proposals for waste management solution from the local universities.
- Achieving the stretch target of 70 BB/GB/KAIZEN in 2021.
- Visual Communication delivered by an external expert for 60 employees.
- US\$ 14.5M were achieved through the Value Creation Program.



# Customers





**SA STRATEGIC OBJECTIVES**

Meet the highest customer expectations through quality products, supply reliability and responsive employees.

Maximize revenue growth opportunities, support downstream industry development, and expand company's operations through a diverse product portfolio.



As we continue to grow to become a leader in the global aluminium industry, our contribution to the local, regional and global economic development through revenue generation, shareholder returns and the provision of aluminium is now fully embedded in our business model.

**GROWTH OF NETWORK OF CUSTOMERS**

In 2021, SA commenced providing metal to the latest addition of its network of customers, Synergies Casting Oman Company (SCO). The metal was used for the commissioning of SCO's OMR 42 million setup plant. The company specialises in manufacturing high-end aluminium alloy wheels for the global automotive industry. With this step, and by the time SCO's plant reaches full capacity, SA's cumulative supply commitment to local customers would ramp up to 60% of the total metal produced; a target that has been sought ever since the establishment

of the company. The company is committed to contribute significantly to Oman's burgeoning downstream metals industry, both through the direct supply of metals to local manufacturers and strong participation in local markets for the procurement of goods and services.

ZERO Incidents of Non-Compliance with Environmental, Social and Economic Law and Regulation were recorded in 2021.

Sohar Aluminium is committed to delivering a comprehensive, and quality-based management for successful customer relationships and product sales. In order to maintain product quality and reliability, Sohar Aluminium uses a quality policy which designates specifications for technical aspects of our products. Sohar Aluminium Casthouse has been certified under the updated ISO 9001:2015 Quality Management Systems

**SALES INDICATORS**

Indicator	Unit	2019	2020	2021
Liquid Metal Sales (OAPIL)	Tonnes per annum hot metal	54,157	53,234	53,951
Liquid Metal Sales (OARC)	Tonnes per annum hot metal	101,794	86,767	119,467
Liquid Metal Sales (OAC)	Tonnes per annum hot metal	1,729	1,925	3,706
Liquid Metal Sales (Synergies Castings)	Tonnes per annum hot metal	0	0	48
Total liquid metal sold to existing downstream customers	Tonnes per annum hot metal	157,680	141,926	177,172

and continues to deliver quality metal to our customers better than expected. We endeavour to meet customer expectations while maximising shareholder value. Our demonstrated ability to provide reliable delivery of quality products as well as our responsible and effective supply chain management have made us a partner of choice. Our supply chain and customer relationships amplify the value of our products and put our business in a better position as a leader in our markets and a creator of significant value for our customers and business partners.

We believe in building long-term supply relationships with our customers, and for that reason, we ensure our lasting arrangements are based on quality and reliability. Looking forward, maintaining and building strong relationships with our customers will continue to create value for Sohar Aluminium.

**CUSTOMER SATISFACTION**

To ensure we meet the expectations of our customers and continue to deliver excellent customer experiences, we disseminate an annual satisfaction survey to our customers. This survey, conducted twice a year, serves as one of the direct communication channels for our customers to address any concerns or inquiries to us.

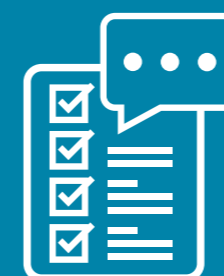
These results clearly attest to our excellent partnership-driven mindset, which can be seen from the very start of our partnership. The results from our surveys confirm the confidence our partners have in our efforts and continued success, as well as our ability to immediately address areas of improvement.

**SUSTAINABLE SUPPLY CHAIN MANAGEMENT**

Sustainable supply chain management focuses on minimising risks, optimising price, and eliminating production disruptions through timely and reliable delivery and critical item contingency planning. It presents an opportunity for Sohar Aluminium to reduce costs through warehouse and stock management as well as sound supplier negotiation and contingency planning.

**RESPONSIBLE SUPPLIERS**

Since its inception, Sohar Aluminium has remained compliant with applicable laws, regulations, and international conventions.



**Customer Satisfaction**

To ensure we meet the expectations of our customers and continue to deliver excellent customer experiences, we disseminate an annual satisfaction survey to our customers. This survey, conducted twice a year, serves as one of the many direct communication channels for our customers to address any concerns or inquiries to us.

The Company also requires that its partners comply with these laws and guidelines and respect its Code of Conduct. Sohar Aluminium works closely with local vendors and suppliers

to improve their technical skills so they can meet our requirements and, in the process, improve our collaborative efforts. Upon partnering with vendors, we use a Vendor Assessment System in which we conduct inspections of our partners to ensure they fulfil essential requirements.

**LOCAL PROCUREMENT**

Sohar Aluminium works steadfastly to develop partnerships with local Omani suppliers as a means of improving our supply chain and contributing to local economic development and progression. Although several products, such as machinery, primary raw material, and alumina, are sourced internationally, Sohar Aluminium continues to grow its partnerships with local manufacturing companies as it focuses on identifying items and services that can be procured locally. Through our continued efforts to build our local supply chain, we have developed a strong network of nationally based suppliers who provide a variety of goods and services, from administrative items to specialised manpower.

**PROCUREMENT INDICATORS**

Local suppliers represent a significant opportunity to enhance the Omani metals and manufacturing sector while reducing costs and product delivery timelines.

We have also established a link with the online Business Portal of the Oman Chamber of Commerce and Industry while making our tenders available on the SA website. This provides increased opportunities for local vendors to view available SA tenders and apply for them.

**PROCUREMENT INDICATORS**

Indicator	2019	2020	2021
Foreign Suppliers (%)	44	41	51
Local Suppliers (%)	56	59	49
Amount Spent on Local Suppliers (USD)	41,598,138	36,997,286	39,902,488

# Financial Strength





## SA STRATEGIC OBJECTIVES

Retain a strong position in the 1<sup>st</sup> quartile on the cost curve in aluminium and power generation through safeguarding return on investment and cost management.

Maximise the shareholders' economic welfare and support the company's future growth.

Resource efficiency, waste elimination and sustainability in the supply chain of raw materials.

Sohar Aluminium operates in a financially responsible manner with a significant contribution to the economic development of Oman. The stakeholders are at the core of our financial strengths, and in recognising their priorities and expectations, we ensure the business's success. Contribution to the economic progress of the nation is one of our key priorities, which includes having a positive impact on the Sultanate of Oman's Gross Domestic Product (GDP) and job creation, as well as cultivating broader social development.

Our shareholders not only provide the necessary funding to support the company's operations and capital development, but they also provide support, technology, and key commercial arrangements.



### COST AWARENESS

The aluminium industry is part of a dynamic and ever-changing market, where new challenges constantly arise. The sales prices of our products are set on international commodity markets, which means we must always maintain a competitive advantage in our industry.

In order to persist as one of the best aluminium smelters in the world, we are unfailingly enhancing and improving our processes to fortify our results and retain our position in the industry cost curve. Consequently, we have come to develop a culture of productivity effectiveness, while always maintaining our quality-driven mindset. Currently, Sohar Aluminium is considered one of the best smelters in the world in terms of production cost. Our cost management approach focuses on constant communication with all employees to stress the importance of cost awareness, the economics of our business and the impact each decision can have on our cost management, and the volatility of aluminium prices in the international market. We use a process of value creation in which projects with a positive impact on income or cash are implemented and tracked – many of these ideas are generated directly by our workforce, and we ensure to give them full credit where it is due.

Central to our mission is minimising waste while maximising the quality of our operations, which leads to lower costs and improved competitiveness. As a consequence, we apply basic lean manufacturing principles to our operations. This process creates more value for our products while using fewer resources – specifically waste, the non-value-added component – using powerful methodologies and tools. By applying these principles to our manufacturing operations, we have been able to significantly improve our waste reduction efforts, efficiency, cycle time, productivity, and material costs.

Sohar Aluminium also focuses heavily on working capital. Supply chain management implements continuous improvements on our inventory management by reducing money tied up in the company working capital through better raw



materials prices negotiations, frequent review on consumables and spares inventory balances.

Along with its three shareholders, Sohar Aluminium has been financed by a consortium of international lending banks, each of which has been serviced as prescribed in agreements. Sohar Aluminium has consistently met the requirements of all lenders, and we continue to provide satisfactory financial returns. While doing so, we ensure that the needs and expectations of our diverse group of stakeholders – economic or otherwise – are respected.

### SUPPORTING THE DEVELOPMENT OF OMAN

Sohar Aluminium is considered one of the leading effective projects in diversifying the Omani economy. It differs from most other industries as it is not petrochemical based, although it relies on natural gas to generate the necessary power for its smelting operations.

The company invests heavily in improving the local and national economy and promoting In-Country Value (ICV) creation. As a result, Sohar

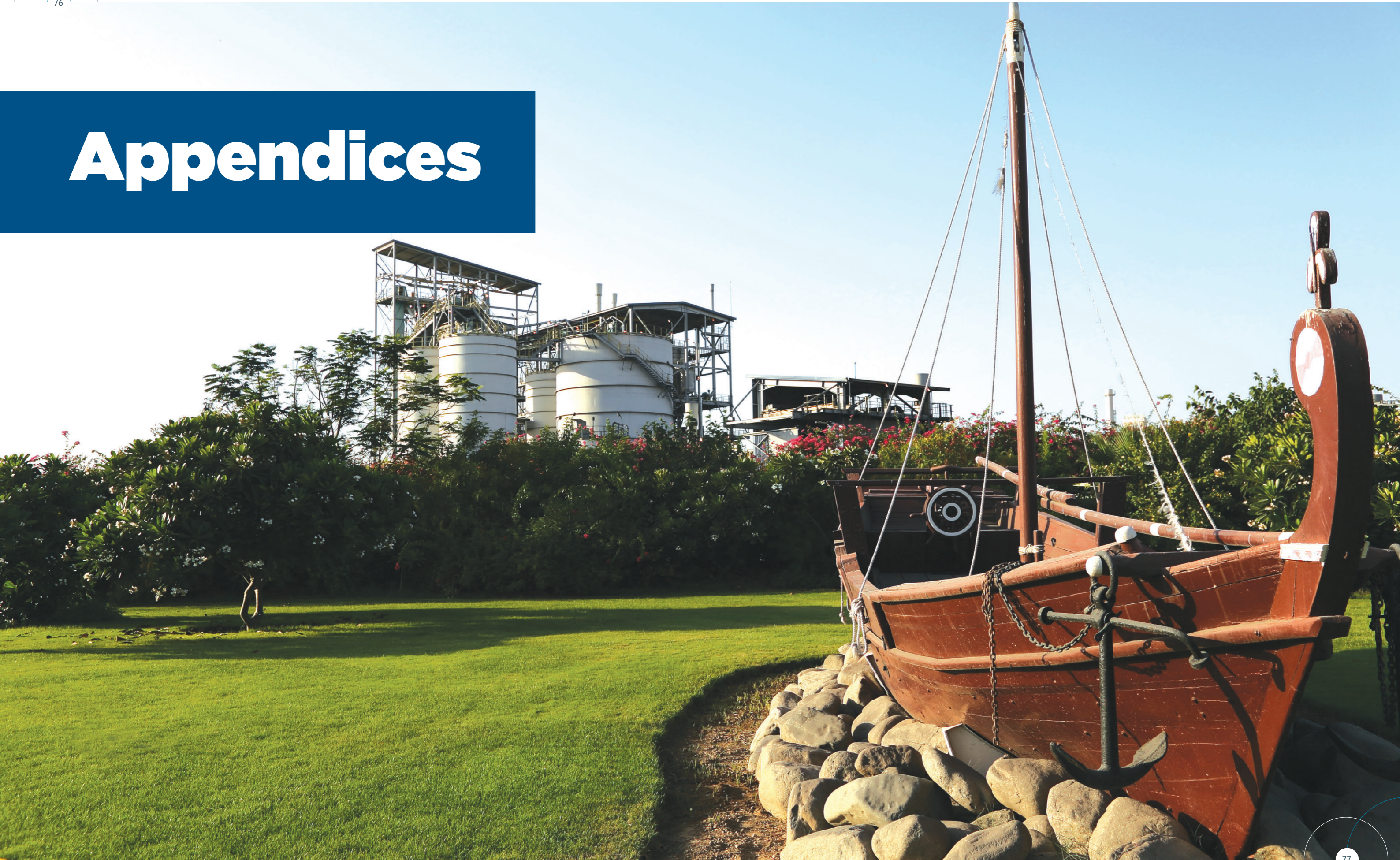
## 2021 Major Financial Achievements

- Supported by high aluminium prices in the metal market and strong cost performance, the company scored the highest financial performance in its history in 2021.
- Controllable cost was at its lowest levels in 2021, supported by lower activities due to the global pandemic and an increase in value creation projects and wise spending across all departments.
- 2021 witnessed a major refinancing of the company's senior debt. Also, the VAT implementation project was completed successfully before the effective date.

Aluminium effectively augments its positive impact on national GDP. It supports potential future investment opportunities in aluminium downstream companies, further contributing to the Sultanate of Oman's long-term vision for a diversified economy.

Sohar Aluminium's efforts are centred around investing and building human capital in Oman. Wherever possible, we procure locally and support small and medium-sized enterprises (SMEs). This has had a significant effect on the economic development of the surrounding region by increasing commercial activities through our efforts to boost the local suppliers' base and support aluminium downstream factories by supplying hot metal required for their processes.

# Appendices



# GRI Content Index



For the Materiality Disclosures Service, GRI Services reviewed that the GRI content index is clearly presented and the references for Disclosures 102-40 to 102-49 align with appropriate sections in the body of the report. The service was performed on the English version of the report.

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>GRI 101: Foundation 2016</b>		
<b>General Disclosures</b>		
<b>Organizational Profile</b>		
<b>GRI 102: General Disclosures 2016</b>	102-1 Name of the organization	Sohar Aluminium
	102-2 Activities, brands, products, and services	13, 14, 15
	102-3 Location of headquarters	Sohar Industrial Estate, Sohar, Sultanate of Oman
	102-4 Location of operations	Sohar Industrial Estate, Sohar, Sultanate of Oman
	102-5 Ownership and legal form	12
	102-6 Markets served	72
	102-7 Scale of the organization	12
	102-8 Information on employees and other workers	48-49
	102-9 Supply chain	68
	102-10 Significant changes to the organization and its supply chain	No significant changes happened in the reporting period
	102-11 Precautionary Principle or approach	26
	102-12 External initiatives	26
	102-13 Membership of associations	<ul style="list-style-type: none"> <li>• Oman Chamber of Commerce and Industry</li> <li>• Gulf Aluminium Council</li> <li>• International Aluminium Institute</li> </ul>
<b>Strategy</b>		
<b>GRI 102: General Disclosures 2016</b>	102-14 Statement from senior decision-maker	8-10
	102-15 Key impacts, risks, and opportunities	24-25
<b>Ethics and integrity</b>		
<b>GRI 102: General Disclosures 2016</b>	102-16 Values, principles, standards, and norms of behavior	20-21
	102-17 Mechanisms for advice and concerns about ethics	20-21

## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>General Disclosures</b>		
<b>Governance</b>		
<b>GRI 102: General Disclosures 2016</b>	102-18 Governance structure	16-19
<b>Stakeholder Engagement</b>		
<b>GRI 102: General Disclosures 2016</b>	102-40 List of stakeholder groups	28
	102-41 Collective bargaining agreements	30% of Sohar Aluminium employees are members of the Trade Union
	102-42 Identifying and selecting stakeholders	26
	102-43 Approach to stakeholder engagement	28
	102-44 Key topics and concerns raised	28
<b>Stakeholder Engagement</b>		
<b>GRI 102: General Disclosures 2016</b>	102-45 Entities included in the consolidated financial statements	Sohar Aluminium
	102-46 Defining report content and topic Boundaries	28
	102-47 List of material topics	28
	102-48 Restatements of information	No restatements of information were deemed necessary.
	102-49 Changes in reporting	No changes.
	102-50 Reporting period	01/1/2021 - 31/12/2021
	102-51 Date of most recent report	2020
	102-52 Reporting cycle	Annual
	102-53 Contact point for questions regarding the report	7
	102-54 Claims of reporting in accordance with the GRI Standards	7
	102-55 GRI content index	78
	102-56 External assurance	This report is not externally assured



## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>Material Topics</b>		
<b>GRI 200 Economic Standard Series</b>		
<b>Economic Performance</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	72
	103-2 The management approach and its components	72
	103-3 Evaluation of the management approach	72
<b>GRI 201: Economic Performance 2016</b>	201-1 Direct economic value generated and distributed	74
<b>Indirect Economic Impacts</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	72
	103-2 The management approach and its components	72
	103-3 Evaluation of the management approach	72
<b>GRI 203: Indirect Economic Impacts 2016</b>	203-2 Significant indirect economic impacts	74
<b>Procurement Practices</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	66
	103-2 The management approach and its components	66
	103-3 Evaluation of the management approach	66
<b>GRI 204: Procurement Practices 2016</b>	204-1 Proportion of spending on local suppliers	69

## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>Material Topics</b>		
<b>GRI 300 Environmental Standard Series</b>		
<b>Energy</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	34
	103-2 The management approach and its components	34
	103-3 Evaluation of the management approach	34
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organization	34
	302-3 Energy intensity	34
	302-4 Reduction of energy consumption	34
<b>Water and Effluents</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	36-37
	103-2 The management approach and its components	36-37
	103-3 Evaluation of the management approach	36-37
<b>GRI 303: Water and Effluents 2018</b>	303-1 Interactions with water as a shared resource	36-37
	303-2 Management of water discharge-related impacts	36-37
	303-3 Water withdrawal	36
	303-4 Water discharge	36
	303-5 Water consumption	36

## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>Emissions</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	34
	103-2 The management approach and its components	34
	103-3 Evaluation of the management approach	34
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	35
	305-2 Energy indirect (Scope 2) GHG emissions	35
	305-4 GHG emissions intensity	35
	305-5 Reduction of GHG emissions	35
	305-6 Emissions of ozone-depleting substances (ODS)	35
<b>Waste</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	37-38
	103-2 The management approach and its components	37-38
	103-3 Evaluation of the management approach	37-38
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	37-39
	306-2 Management of significant waste-related impacts	37-39
	306-3 Waste generated	37-39
	306-4 Waste diverted from disposal	37-39
<b>Material Topics</b>		
<b>GRI 400 Social Standard Series</b>		
<b>Employment</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	48
	103-2 The management approach and its components	48
	103-3 Evaluation of the management approach	48
<b>GRI 401: Employment 2016</b>	401-1 New employee hires and employee turnover	48

## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>Material Topics</b>		
<b>GRI 400 Social Standard Series</b>		
<b>Occupational Health and Safety</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	39
	103-2 The management approach and its components	39
	103-3 Evaluation of the management approach	39
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	39
	403-2 Hazard identification, risk assessment, and incident investigation	39
	403-3 Occupational health services	39
	403-4 Worker participation, consultation, and communication on occupational health and safety	39
	403-5 Worker training on occupational health and safety	39
	403-6 Promotion of worker health	39
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	39
	403-8 Workers covered by an occupational health and safety management system	100%
	403-9 Work-related injuries	39
	403-10 Work-related ill health	39
<b>Training and Education</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	49
	103-2 The management approach and its components	49
	103-3 Evaluation of the management approach	49
<b>GRI 404: Training and Education 2016</b>	404-1 Average hours of training per year per employee	50
	404-2 Programs for upgrading employee skills and transition assistance programs	50

## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>Material Topics</b>		
<b>GRI 400 Social Standard Series</b>		
<b>Diversity and Equal Opportunity</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	52
	103-2 The management approach and its components	52
	103-3 Evaluation of the management approach	52
<b>Non-discrimination</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-2 The management approach and its components	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-3 Evaluation of the management approach	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
<b>GRI 406: Non-discrimination 2016</b>	406-1 Incidents of discrimination and corrective actions taken	None
<b>Child Labor</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-2 The management approach and its components	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-3 Evaluation of the management approach	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
<b>GRI 408: Child Labor 2016</b>	408-1 Operations and suppliers at significant risk for incidents of child labor	None
<b>Forced or Compulsory Labor</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-2 The management approach and its components	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-3 Evaluation of the management approach	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
<b>GRI 409: Forced or Compulsory Labor 2016</b>	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	None

## GRI Content Index

GRI Standard	Disclosure	Page number(s), URL(s) and/or direct answers
<b>Material Topics</b>		
<b>GRI 400 Social Standard Series</b>		
<b>Security Practices</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-2 The management approach and its components	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
	103-3 Evaluation of the management approach	<a href="https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct">https://www.sohar-aluminium.com/en/content/compliance-and-code-conduct</a>
<b>GRI 410: Security Practices 2016</b>	410-1 Security personnel trained in human rights policies or procedures	100%
<b>Local Communities</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	59
	103-2 The management approach and its components	59
	103-3 Evaluation of the management approach	59
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	59
<b>Customer Health and Safety</b>		
<b>GRI 103: Management Approach 2016</b>	103-1 Explanation of the material topic and its Boundary	74
	103-2 The management approach and its components	74
	103-3 Evaluation of the management approach	74
<b>GRI 416: Customer Health and Safety 2016</b>	416-1 Assessment of the health and safety impacts of product and service categories	100%
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	None

# Appendices

## Appendix A - Acronyms

ABIS	Al Batinah International School	MESAL	Manufacturing Execution System for Aluminium
Al	Aluminium	MENA	Middle East and North Africa
ALPSYS	Aluminium Pot Control System	MFT	Multi-Function Technicians
ARABAL	Arab International Aluminium Conference	MOMP	Ministry of Manpower
BI	Business Improvement	MT	Metric Tonnes
BRC	Business Review Committee	MW	Megawatt
CEO	Chief Executive Officer	LSS	Lean Six Sigma
CFO	Chief Finance Officer	OEM	Original Equipment Manufacturers
CO2	Carbon Dioxide	OH	Occupational Health
COO	Chief Operations (or Operating) Officer	OMIFCO	Oman India Fertiliser Company
CRM	Critical Risk Management	OMR	Omani Rials
CSR	Corporate Social Responsibility	OOC	Oman Oil Company
EHS	Environment, Health and Safety	PAH	Polycyclic Aromatic Hydrocarbons
ExCo	Executive Committee	PFC	Perfluorocarbons
FinCo	Finance Audit and Risk Committee	PLC	Programmable Logic Control
FTAC	Factory Talk Asset Centre	PSTA	Pre-Start Task Analysis
GAC	Gulf Aluminium Council	PTA	Pot Tending Assembly
GCC	Gulf Cooperative Council	RT	Rio Tinto
GDP	Gross Domestic Product	ROP	Royal Oman Police
GFOTU	General Federation of Oman Trade Unions	SAMY	Sohar Aluminium Metal Yard
GJ	Giga Joules	SAPP	Sohar Aluminium Power Plant
GRI	Global Reporting Initiative	SMC	Salalah Methanol Company
GTC	Gas Treatment Centre	SME	Small and Medium-Sized Enterprise
GCS	Gas Cooling System	SOP	Standard Operating Procedures
HB	Hydrocarbon-Fluoride	SPL	Spent Pot Lining
HRA	Human Resources Administration	SQUH	Sultan Qaboos University Hospital
HRC	Human Resources Committee	t	Tonnes
HRD	Human Resource Development	TAQA	Abu Dhabi National Energy Company
ICV	In-Country Value	TOE	Talent and Organisation Effectiveness
IB	International Baccalaureate	USD	United States Dollars
IDP	Individual Development Plan	VDI	Video Desktop Infrastructure
IT	Information Technology	WPP	Work Performance Plan
Kg	Kilograms	WPR	Work Performance Review
KPI	Key Performance Indicator		
MECA	Ministry of Environment and Climate Affairs		



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