$Al_2to_3gether$

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RE-EVALUATION OF SURPLUS PRODUCTION CAPACITIES

CAN INCREASE PRODUCTIVITY AND ENHANCE COMPETITIVENESS

THE QUARTERLY REPORT OF QATALUM SURPASSES

KEY QIP AND HSE TARGETS OVER 2013

FORD CHOOSES ALUMINUM OVER STEEL FOR NEXT PICKUP TRUCKS

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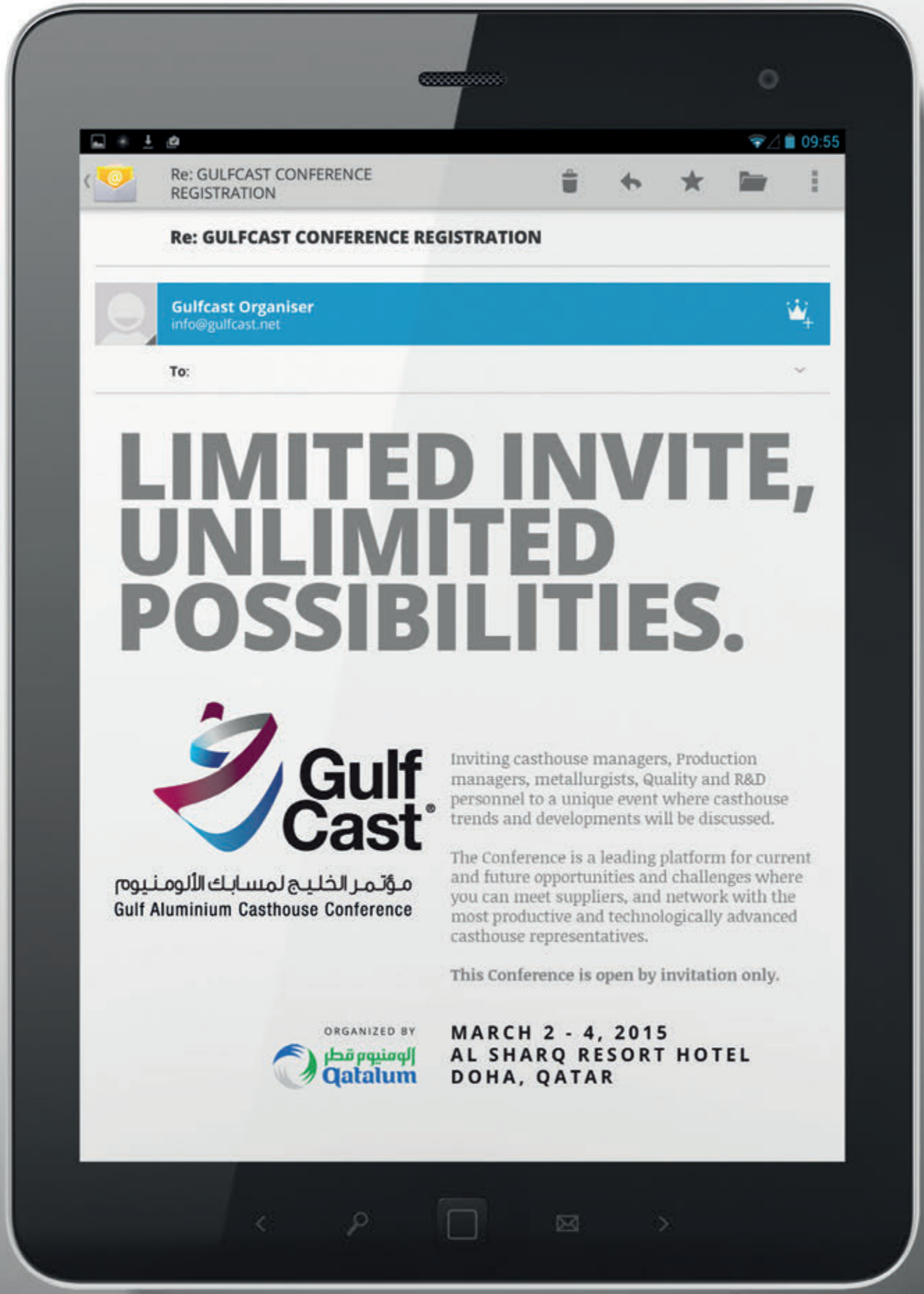
$Al_2to_3gether$

"$Al_2to_3gether$" is a name that symbolizes the work spirit of Qatalum, and reflects the Company's superiority and its ability to overcome challenges, as one team. "$Al_2to_3gether$" also helps remind employees of these great achievements on a daily basis. This magazine is a step in this direction, where team spirit is enhanced, and will provide an open forum to discuss the ideas and ambitious plans we aim to achieve, for the good of both the company and its employees. Last, but not least, the motto of our magazine is inspired by a symbol of aluminium oxide "Al_2O_3" which is the main raw material used by the aluminium industry in Qatar.



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2014 EVENT CALENDAR

11-14 NOV

Metal Expo 2014

Mosco, Russia

25-27 NOV

ARABAL International Auminium Conference

Arendal, Norway

2-4 MAR

Qatalum hosts GulfCast Conference

Doha, Qatar

5 MAR

Qatalum lead sponsor of GAC dinner 2015

Doha, Qatar

Health, **Safety** and **Environmental** issues remain at the top of our agenda.

CEO MESSAGE

It gives me enormous pride and pleasure to be part of Qatalum's extraordinary executive team, being part of a company that is leading the way in promoting, innovating and applying aluminium in Qatar, the region, and around the world.

Qatar's National Vision 2030 continues to be major part of our long-term strategic plans. We recognise not only the opportunities for Qatar that long-term planning like this can bring, but Qatalum's role in supporting the policy's pillars. We recognise that industrial diversification will be a key element of Qatar's continued economic development, alongside world class environmental protection measures and social policies that will provide the platform for a sustainable tomorrow. Investing in Qatar's youth, infrastructure, human capital and social cohesion will be crucial to this, and we at Qatalum are proud to be a part of this in many ways.

Qatalum's Zero Energy and Emission Building (ZEEB) lab, located on site at the Qatalum smelter, was officially opened in March last year. The facility, created with Hydro of Norway, is dedicated to researching and testing aluminium used in curtain wall solutions in support of creating energy, emission and carbon neutral buildings in the Middle East. Also early in 2013, the Inaugural Qatalum Chair at Qatar University's Centre for Advanced Materials (CAM) was announced. The Qatalum/ Hydro Faculty Chair in Aluminium is a three-year position developing applied research programs related to aluminium applications and their end use. They will also be required to establish and develop close collaborations with universities across the world, which are leading the way in this field of materials science.

The CAM Centre of Excellence for Aluminium Materials will grow to be an institute for the global aluminium industry, a world-recognised entity where innovations, challenges and solutions are addressed, where international best practice is critically examined and taught, and where the next generation of experts in this important industry can be nurtured.

Qatar is rapidly developing, in economic, social and environmental terms. The country is seeking various infrastructure projects underway, and the government's long-term vision means investment in the social support for its people and environmental protection measures to ensure the country remains a world leader in this regard.

Achieving this requires multi-sector buy-in, including the development of downstream aluminium industries. In our partnership with downstream companies, we are excited to be part of supporting and building this new Qatar and look for new business opportunities and social ventures that come with it.

I wish to express my profound thanks to Qatalum's management team and its staff in all departments for their dedication, focus, patience and vision. Without everyone in the Qatalum family, none of the above would be possible, and our exciting future owes everything to them.

Thank you. look forward to a fantastic 2014.

TOM PETTER JOHANSEN
Chief Executive Officer

DCEO MESSAGE

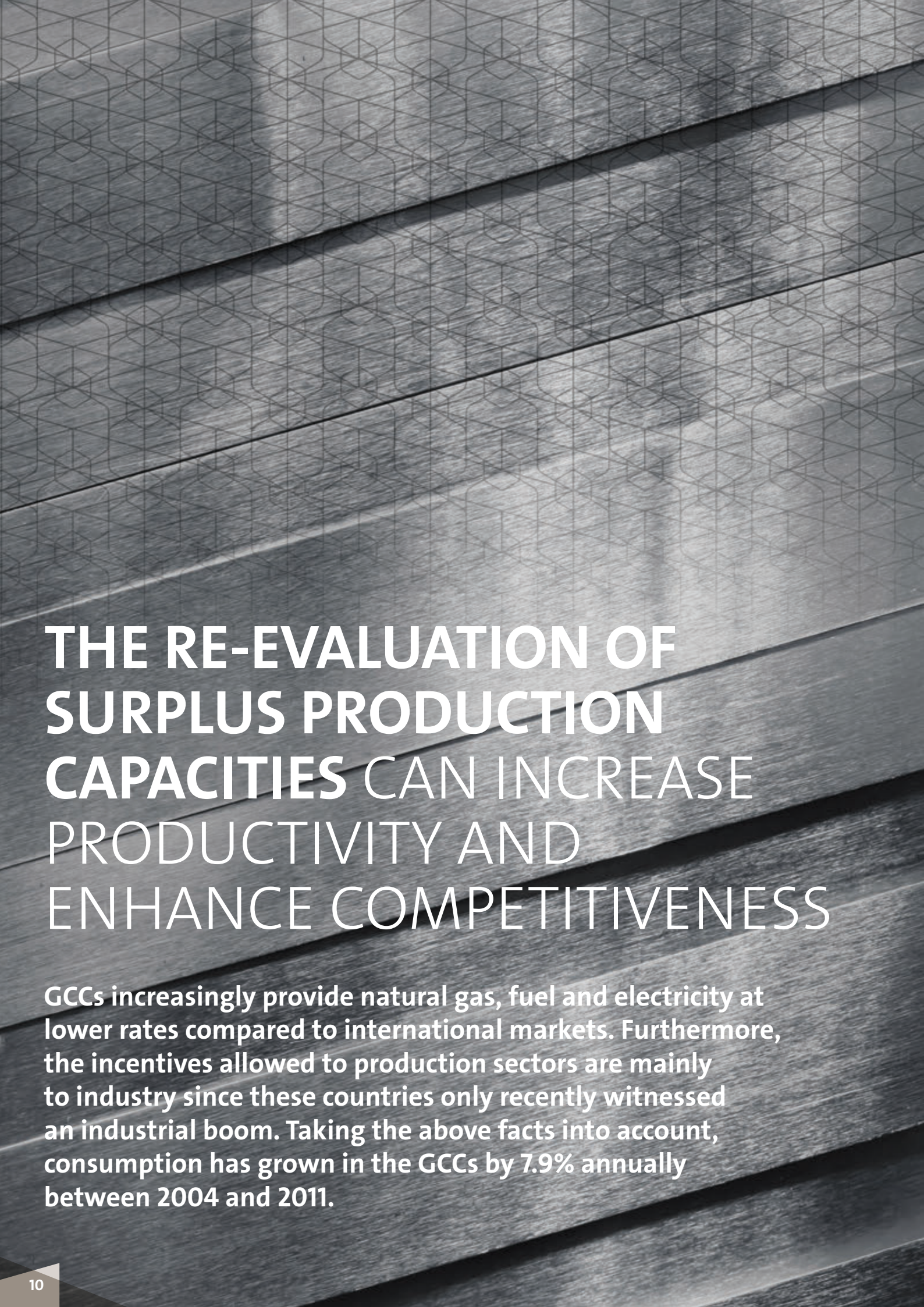
I give my personal thanks and congratulations to the Procurement and Management team.

This quarter saw several key milestones. We took delivery of Qatar's first Pierce fire truck at a handover ceremony at Al Dana QAPCO Club Mesaieed, on 5th January, with representatives from Qatar Petroleum, MIC, IECO/Pierce and Qatalum senior management in attendance. Following the cooling tower fire in 2011, detailed evaluation of this and other influencing factors led Qatalum's management to change direction in its approach towards emergency response. The resulting decision amounts to improved emergency response and also ensures the optimal use of personnel, supported by world-class equipment such as the Pierce fire appliance.

In January, Qatalum's Procurement and Management team was honoured to receive a Chartered Institute of Purchasing and Supply (CIPS) Award, presented by CIPS Group CEO David Noble at the Sharq Hotel. The CIPS Certification is for "best in class" practices and processes in in procurement, and assessed on Leadership and Organisation, Strategy, People, Process and Systems (sourcing) and Performance Management. This certification award underlines the attention we give to procurement, and is recognition of Qatalum's class-leading procedures. I give my personal thanks and congratulations to the Procurement and Management team.

Finally, a major milestone was achieved this past quarter by the Carbon Plant and for Qatalum generally. On 2nd December, at 10:04am, the Paste Plant produced its 1 millionth green anode. The Past Plant has faced many challenges since it started in January 2010, taking nearly 2 months to produce its first good anode, and extensive commissioning before it reached its capacity of 60 tons per hour. After a year and a half of performance tests and fine tuning, full production was underway, and to reach this milestone of a million green anodes is a remarkable achievement. The Carbon Plant team must be congratulated on their dedication, resilience and patience in getting us to this point. We look forward to many more milestones being passed in the coming months and years.

KHALID MOHAMED LARAM
Deputy Chief Executive Officer



THE RE-EVALUATION OF SURPLUS PRODUCTION CAPACITIES CAN INCREASE PRODUCTIVITY AND ENHANCE COMPETITIVENESS

GCCs increasingly provide natural gas, fuel and electricity at lower rates compared to international markets. Furthermore, the incentives allowed to production sectors are mainly to industry since these countries only recently witnessed an industrial boom. Taking the above facts into account, consumption has grown in the GCCs by 7.9% annually between 2004 and 2011.

In light of the rapid acceleration in the production and service sectors – witnessed both in the region and worldwide – it is no longer possible to simply wait and hope for breakthroughs to make a turn over without proactively anticipating and preparing for them. Sectors which require huge and concentrated investment no longer explicitly state their immediate willingness or intentions to improve their performance in the future. Even so, these sectors have evolved to the extent they are now incorporated within sustainable development strategies in the region. Moreover, the industrial sector is prominent in the thoughts of in the area – because it is a viable and vastly growing production sector, the development of which elevates the area's production and export capacity.

The industrial sector may also improve development plans and bolster these countries' international competitiveness. Industrial evolution enables countries to influence the international economic and financial arena rather than merely responding to developments. Economic trends in this region show that its countries are increasingly heading towards affecting more improvement in the transformation industry, since it creates diversified commercial and investment opportunities. The transformation industry equally establishes a solid platform to support national economics within the short term, benefiting from the natural reservoir of raw materials available to them, their central location in this part of the world, and their intense willingness to step forward within the main production streams.

It is also reasonable to estimate that the availability of oil and gas in the Cooperation Council for Arab States of the Gulf (GCCs) is 57% of the world crude oil reservoir, while the region's natural gas reservoir – which is considered a rooted pillar pushing towards more development of transformation industry – is 28% of what is available globally. On the other hand, the vast and growing demand for power – for multiple uses – challenges these countries. With the continuous population growth and the ensuing demand for economic, industrial and infrastructure development. GCCs are soon expected to face power shortages. Within these circumstances, natural gas is emerging as the favorable fuel to support growth in all industrial and production areas. Natural gas has proved to be tremendously efficient at reducing costs, enabling GCCs to diversify their economies and develop their petrochemical, heavy industries, Aluminium and plastic sectors. Natural gas also plays a significant role in the energy generating and water desalination projects to meet the population and production demands. GCCs increasingly provide natural gas, fuel and electricity at lower rates compared to international markets. Furthermore, the incentives allowed to production sectors are mainly to industry since these countries only recently witnessed an industrial boom. Taking the above facts into account, consumption has grown in the GCCs by 7.9% annually between 2004 and 2011.

GCCs heavily depend on their natural gas exports to meet their increasing demand. Yet Qatar is an exception to this as the country enjoys huge reservoirs of natural gas, supported by a firm stand to elevate its production capacities of electricity utilizing natural gas. Other GCCs traditionally utilize oil, compensating for their deficit in natural gas to generate electricity and meet the industrial, domestic and commercial demands for energy – with the consumption rate of natural and electricity gas at 90% therein. Therefore, the countries of this region need to concentrate on efficient utilization methods and adopt more energy saving programs to be able to face the growing challenges of power security, air pollution and climate change. Another major challenge facing the GCCs is to actually enforce their efficient energy utilization programs, because the regulations available unfortunately do not foresee the application of efficient standards, for which standards guarantee the actualization of the objectives sought. The positive implications of improving the efficiency of energy in the industrial sector is not solely meant to preserve energy sources. Yet, it extends to improve industrial operations, reduce production costs and support this viable sector towards attracting more investment.

In spite of the factors pressuring the Aluminium industry worldwide, London Stock Exchange standards showed raw Aluminium prices significantly increased to USD 1,967/ton at the end of last July. Nevertheless, international markets largely encounter price fluctuations, since this ore was traded at USD 1,762/ton last January of the same year at London Stock Exchange – its lowest rate in 4 years.

In November, another decline took place to USD 1,761/ton, which continued in December, lowering to USD 1,718/ton. Fortunately, markets improved in early 2014 when Aluminium was exchanged at a new level during the first quarter of this year, at a monthly average of USD 1,746/ton.

While the Aluminium industry witnessed an increase in the amount of reservoirs, universal consumption kept increasing, supported by growth trends in Europe and North America. Except for China, the international consumption of Aluminium was estimated at only 3% in early 2014.

Market trends also show that the transportation sector will be the main driver to accelerate the universal consumption of Aluminium this year, rising to 15%. More demands are simultaneously coming from the construction sector in both emerging and advanced markets, where these sectors occupy 22% of the consumption of Aluminium. The Canning and Packing industries, on the other hand, utilize about 17% of the gross international consumption of Aluminium, allocating 16% to beverages – which indicates the momentum of diversity and progress taking place in the structure of Aluminium consumption.

Similar to other industries, the instable and stumbling Aluminium prices in the international markets pose more challenges to the investments directed to this sector. This fact equally raises questions about complex planning processes and higher uncertainty around the ability of these investments to achieve the required returns – and even to preserve the assets placed in or ultimately survive in the long run. Yet Aluminium prices have never followed a definite pattern, either upwards or downwards. At the end of August 2013, the Aluminium price remained at USD 1,821/ton and then stabilized again at USD 1,781/ton at the end of September. In November, another decline took place to USD 1,761/ton, which continued in December, lowering to USD 1,718/ton. Fortunately, markets improved in early 2014 when Aluminium was exchanged at a new level during the first quarter of this year, at a monthly average of USD 1,746/ton. Prices of the ore resumed a gradual increase to conclude the second quarter of the year at a new monthly average that had risen to USD 1,869/ton, reflecting a 14% increase between the end of 2013 and the end of July 2014.

Such improvement further reflects positive future trends for the Aluminium industry within the region and worldwide, since it implies serious investment decisions taken in this field in the mid and long terms, as well as state producers' ability to manage risks and market fluctuations.

The universal increase recorded in Aluminium prices is a result of positive data coming from China showing higher rates of economic growth, compared to descending production and reservoir rates the main producers witnessed in other parts of the world. This prediction emerged considering previous indicators that outbalanced the decrease in demand for the largest consumer of metals in the world. However, Aluminium markets are predicted to record a deficit during the remaining months of this year due to decreasing production and higher demand following high supply.

During the past lapse, the Aluminum industry followed conflicting patterns. The first pattern pushed for a decrease in production and the closure of several smelters in Europe and the USA, which correspond with market pressure, a rise in prices and efforts to minimize the negative impact of air pollution and climate change. Controversially, China and the GCCs lead the second pattern, inducing additional investments and enhancing production capabilities to satisfy increasing demand. Yet the consequences of the global financial crisis constrained the expansion of this industry in the region. Similarly, China is pushing towards limiting surplus investments to foster the conditions for a more productive economy. This was achieved by reducing the investments made in the steel, cement, Aluminum and shipbuilding industries. Moreover, by 2017, China will terminate business projects that do not abide by the standards as surplus production largely defies economic growth.

The indicators of increasing demand and low supply in the international markets appear to favor industry in the GCCs, which are vividly upturning. Strong demand in the construction, packing and transportation sectors, along with other major projects already

Local markets in Qatar, Saudi Arabia and the UAE are expected to have the biggest share of Aluminum products. The availability of natural gas in Qatar will boost industry, therein reducing production costs and providing the finance required to construct smelters and support transformation industries.

commencing, encourage the plans of the GCCs to proceed with rapid growth. Taken together, these factors will drive internal demand for Aluminium products in the GCCs for more than 10 years to come. Local markets in Qatar, Saudi Arabia and the UAE are expected to have the biggest share of Aluminum products. The availability of natural gas in Qatar will boost industry, therein reducing production costs and providing the finance required to construct smelters and support transformation industries. Likewise, the availability of Aluminium ore bauxitein in Saudi Arabia allows raw materials to be secured at a low cost. The Aluminium industry is expanding in GCCs overall, given the growing number of smelters and their rising production levels and capabilities. GCCs are also exerting more efforts to launch to new markets.

Gulf smelters in this regard achieved a notable production level. Qatar, for example, achieved 630,000 MT in 2013; Dubai Aluminium Company (DUBAL) recorded 132,000 MT; while Emirates Aluminium Company (Emal) recorded 816,000 MT production. Aluminium Bahrain (Alba) recorded 912,700 MT and Sohar Aluminium Smelter recorded 354 MT in 2013. The aggregate production of Aluminium in the GCCs is expected to continue growing to 5 million tons in 2015. Such predictions reflects vast current and future investments, as well as the competitive advantage which Gulf Aluminium products have attained universally. The launch of new markets also signals growing production being planned.

The Aluminium industry in the area aims to remain competitive in parallel with the evolution and utilization of the industry internationally. GCCs now have to maintain their foreign market shares, preparing for the era post to completing their current local projects. Most importantly, GCCs need to stabilize their competitiveness abroad, given that the capital intensity of the Aluminium industry does not take any retreat whether in local or international demand above what is being predicted; nor can it survive under fluctuating upheavals in production cost. Given these facts, it is predicted that the Aluminium industry will globally accelerate towards more mergers and acquisitions in the coming years, improving its ability to withstand market turmoil, improve its productivity to eliminate costly surpluses, and intensify cost reduction. Demand, supply and world economic trends have to be properly considered when production raising plans are designed. In addition, a comprehensive evaluation of related global markets, competitive advantages, and economic-related factor analysis have to be performed together to achieve this purpose. Strategies properly intimated with the surrounding environment are equally significant to promote a successful industry and attract investments.

It is now positive that the Aluminium industry is well connected to improved and diversified uses of this substance. Advanced technology is another viable driver to increase demand in this field. The Aluminium industry in the gulf region heavily relies on booming technology and communication sectors to grow demand for Aluminium in the long run. Such booms play a part in raising the current prices, considering that growth in international demand for Aluminium correlates to growth in emerging economies, coexisting with vast reliance on Aluminium in the electricity and electro-mechanics industries where Aluminium replaces expensive copper.

Moreover, the increasing demand for Aluminium is evident in the manufacturing vehicle structures and heavy industries. Importantly, the Aluminium industry in the Gulf region realizes the significance of new applications and innovative products to sustain demand, as can be seen recently with the promotion of vehicle manufacturing in the area, endeavoring to utilize Aluminium supplies. With these capabilities, the Aluminium industry in the Gulf now operates with vast potential to increase the production of raw Aluminium. More investments in the future are anticipated to support the industry and achieve short and long term objectives for operators, potential investors and for the state governments.

Concluded,

Metal markets have seen considerable volatility in recent months as the fortunes of related global commercial and industrial sectors have changed rapidly. Political uncertainty has also made the markets harder to read.

Metal market performance is traditionally linked closely to economic, political and environmental factors, and uncertainty can often send metal prices spiking or tumbling. The difficulty of forecasting metal prices presents a considerable challenge to individuals and organisations concerned with its production, importation and consumption, especially those operating with an eye on the mid to long-term future.

Currently, demand for metal is high as global markets perform strongly, and prices reflect economic conditions. Metal values have performed well recently, especially when compared to prices seen during and since the onset of the global financial crisis.

Levels of supply and demand in the industrial sector, of course, have considerable impact on global metal prices. In this regard, China, as the single largest consumer of metals in the world, is able to tremendously affect prices.

Government statistics such as the US Unemployment Data figures released by the US Bureau of Labor, are often seen as underpinning metals markets in America, and have helped considerably lately to strengthen prices.

Precious metals such as gold and silver have, since the start of 2014, enjoyed safe haven status in the eyes of many investors, causing gold values, particularly, to rise.

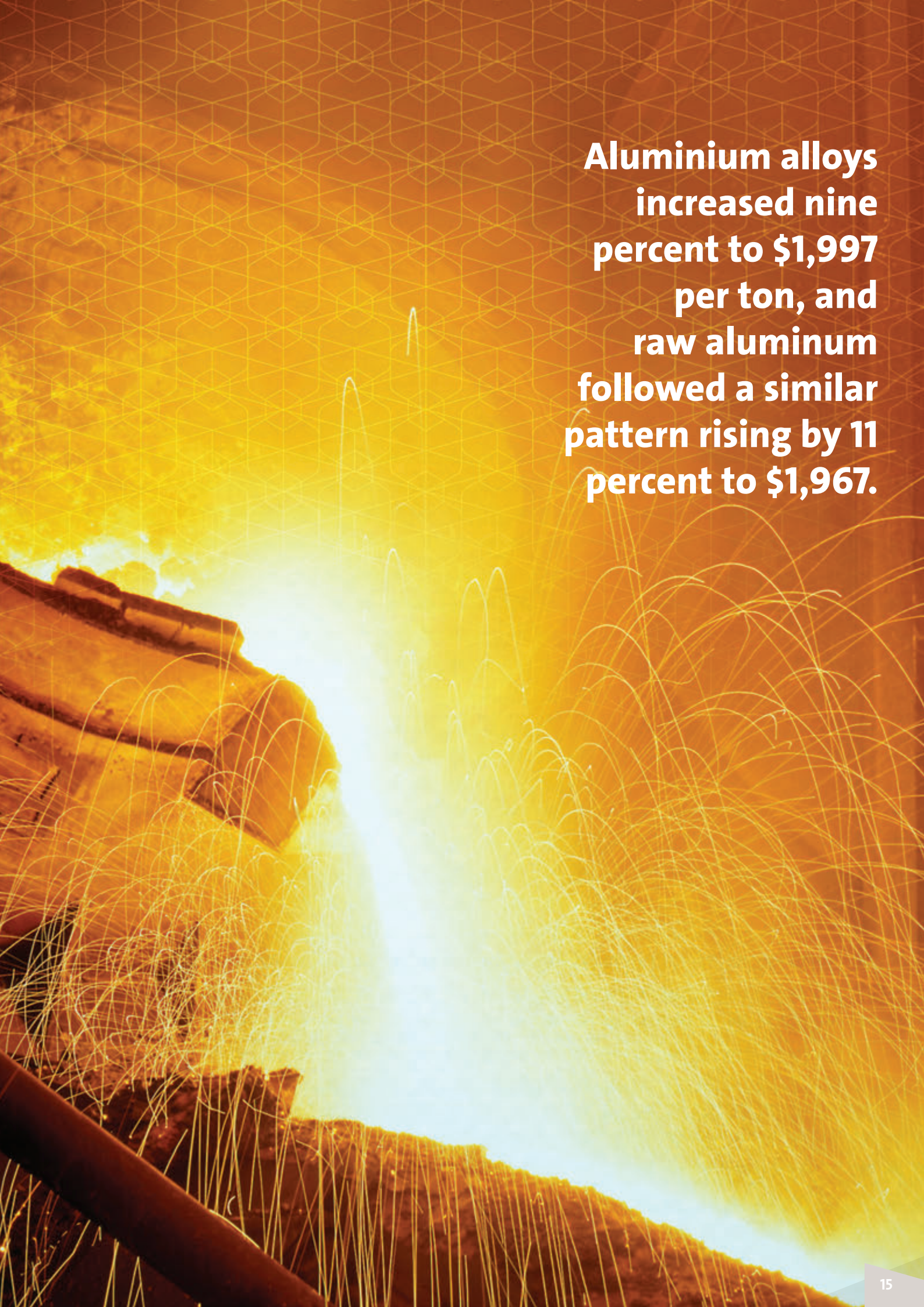
Precious metals' fortunes are often inversely proportional to prevailing economic conditions – gold, for example, traditionally performs best during recession or in periods of international political uncertainty. Since the beginning of the year, gold alloys have increased in value by some 6.5 percent.

That said, gold prices are still considerably down on the same perioud twelve months previously. Gold was valued at $1,200 per ounce in January, 2014, compared to $1,400 USD in January, 2013. Often, gold is seen as a hedge against the American dollar, performing inversely to the greenback – a factor that has perhaps underpinned recent gains. Trying to forecast gold's long-term performance is very difficult, tied as it is to so many sentiment-driven factors – uncertainty is the only certainty.

Other metals are often easier to gauge in terms of future value, but the London Metal Exchange has certainly seen much movement this year across a range of metals. Steel has increased by 21 percent since January, ending July at $424 per ton. Copper has decreased by two percent over the same period to $7,097 per ton. Zinc increased by thirteen percent to $2,310 a ton and lead by two percent to $2,211 a ton.

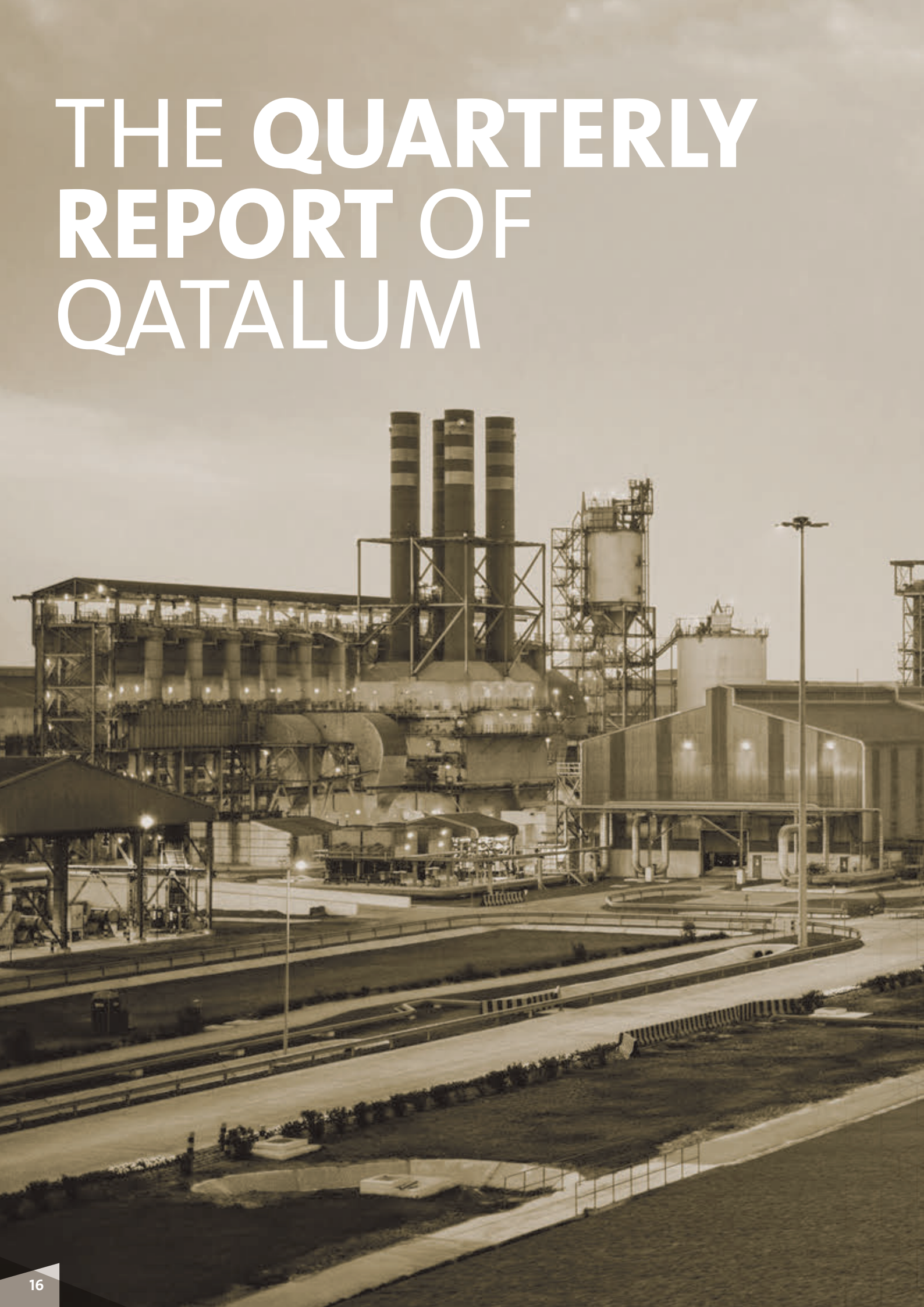
Aluminium alloys increased nine percent to $1,997 per ton, and raw aluminum followed a similar pattern rising by 11 percent to $1,967.

Silver fared badly, hitting a two month low in August, weighed down by fears of an industrial slowdown in China. Similar worries have also held copper values down, not helped by concerns over French industrial performance.



Aluminium alloys increased nine percent to $1,997 per ton, and raw aluminum followed a similar pattern rising by 11 percent to $1,967.

THE **QUARTERLY REPORT** OF QATALUM



The aluminium industry is aiming to diversify in usage purposes to correspond with the evolution of productive capacities.

The countries of this region are clearly showing their intent to develop and support downstream aluminium industries, underpinned by their belief in the importance of this sector and in keeping with the increasing desire to acquire advanced positions in the main production sectors, in order to gain access to diversification of both industrial and commercial investment opportunities. This is being done through the establishment of an industrial base that capitalises on the region's available natural resources and central geographic location and that is capable of supporting its economy for the foreseeable future.

The countries Gulf have succeeded in creating infrastructure that have played a major role in the development of downstream industries sector, thus contributing in the creation of an attractive investment environment to establish advanced downstream industries that able to motivate investment for all parties, whether local or international. In view of this, it is worth noting that the development of plans and strategies for the downstream industries sector require a comprehensive assessment related to the growth rates of the global markets and the existing competitive advantages, in addition to analysis of economic situation for countries of relevant industry. It is furthermore also vital to adopt policies suited to the specific circumstances surrounding the industry that take into account the factors that attract investment in order to ensure its success.

Investment-oriented downstream industries increased by 22% during the period between 2008 and 2012, according to statements released by Department of Industrial Information at Gulf organization for Industrial consulting, the number of downstream industry plants increased more than 5% in the Gulf countries through the same period.

Qatar's industrial sector possesses both government and private investment importance and focus and is considered as one of the most important strategic sectors for both development and sustainability, as the success of this sector has the potential to create diversified income sources and achieve additional economic values. In this context the industrial sector companies listed in DSM achieved an annual profit of QR 12.11 billion at the end of 2013 compared to the QR 11.88 billion at the end of 2012 – an increase of 1.9%, while the petrochemical sector achieved profits of 5.4 billion riyals increased 12.3% compared to its level in 2012. This comes as a result of the improvement in the operating efficiency and development of the production capabilities of the companies in light of the continuing support for expansion plans.

The downstream industries sector is a key driver of these recorded growth rates and the building and construction and facilities and services sector are expected to achieve strong growth rates during the current period as well as over the next few years, In this context the evolution in Qatar of the aluminium industry forms one of the most important supporting factor in the industrial sector, where Qatalum produces about 630 thousand metric tons of high quality aluminium annually, which enters as raw materials for many industries, particularly the automotive industry, construction and engineering industries, manufacturing consumable products and other main industries.

According to CRU, the aluminium markets are facing a range of factors both supporting and placing pressure on the world's aluminium industry. The most pressing of these in the current period is the continuing decline in the prices of up to 1714 dollars per ton at the London Stock Exchange for metals – the lowest level in the last four years, although the industry is experiencing an increase in the stock market. In contrast, the CRU believes that the continuing growth of consumption in the world with the support of the growth and recovery indicators achieved by the advanced economies in Europe and North America should bolster the aluminium industry. The growth in global consumption in 2014 is estimated to increased by 3%, if China is exclude from the equation. The market indicators show that the transport sector will be the number one developer for the growth of the global consumption of aluminium in the current year, in addition to the increase in the demand that comes from the construction sector in the emerging and developed markets. Taking into account the rising growth rates in the consumption of aluminium in the automotive industry of the American and European markets over

the next five years, CRU projections indicate a decrease of price levels during 2014, compared to the rates prevailing in 2013, projecting an average of 1877 dollars per ton.

The instability and continued volatility in the prices of metals circulated at the London Stock Exchange, is creating further pressures and challenges for the investments directed at the aluminium industry as well as other industries.

This makes the planning process complex and subject to high levels of uncertainty in the ability of these investments to generate returns and revenues on the one hand and to maintain investment asset values and to continue for extended periods of time on the other. Aluminium prices did not take a clear path in their ups and downs during 2013, with a ton of aluminium was trading at a level of 2079 dollars at the beginning of February 2013 only to fall down again and settle at 1804 dollars per ton in middle of April. The price of aluminium rose slightly in May, up to 1828 dollars per ton to be followed by a slight decline in mid-August to reach 1821 dollars per ton. In the first third of September aluminium prices stabilised at the London Stock Exchange for Metals at 1781 dollars to go down again in November to 1761 dollars. It further decrease to 1718 dollars per ton at the end of December and aluminium's journey downward continued 1674.5 dollars per ton in early March 2014.

It appears certain that the real crisis that the aluminium industry is facing on the regional and global level is directly related to the level of supply that came as a result of improved production capacity among all the producers of primary aluminium, while the supply markets didn't record any unexpected declines. In view of this it is important to take into account that China plays major role in the supply and demand indicators and the levels of production and consumption in the world. China is still the leading global consumption indicator for aluminium. China has great capabilities in production. However China's imports of aluminium decreased during the time period that producers were preparing for an increase in the Chinese demand for aluminium, which has led to higher production and thus surplus stock that led to a decline price at prevailing levels.

This means that the price of aluminium has fallen by 19.5% in a year, which reflects the extent of the challenges that the industry is facing. These challenges requires producers to focus on reducing the cost of production and to study the markets' supply and demand indicators, in addition to global economic growth indicators when they start planning to increase production capacity in the view of its importance in raising the level of the decreased prices.

In contrast, indicators of the industry among Gulf countries are moving at an active pace, as they are builiding their plans on the growing demand from the construction, packaging, transport and other main sectors, in addition to the numerous large-scale projects that are being executed which will stimulate domestic demand for aluminium products for a period that exceeds ten years. It is expected for the local markets of each of Qatar, KSA and UAE to accommodate full production, while the availability of natural gas would support Qatar's the industry through the reduction of production costs on one hand and financing required investments to build smelters and support downstream industries on the other hand. The availability of bauxite in KSA serves as a qualitative development in the supply of raw materials and lower costs.

It is worth noting here that the aluminium industry for region's countries is expanding at the level of the number of smelters and levels of production and productive capacities. These countries are making continuous efforts to open new markets for their products in foreign markets. Gulf aluminium smelters have recorded for good levels of production, with production in Qatar up to 630 thousand metric tons, 1032 thousand metric tons for DUBAL, 816 thousand metric tons for Emal Emirates, 912.7 thousand metric

tons for Alba Aluminium Bahrain, and 354 thousand metric tons for Sohar during the year 2013. The actual production for many of the smelters at the GCC have now approached the upper limit of their available productive capacities, with the productive capacities in KSA having reached 740 thousand metric tons, which this reflects the size of existing investments as well as a great ability for its products to compete in the global markets and open new markets that can accommodate the evolution of current productive capacities as well as those that are being planning in the coming years.

In order to maintain a balanced level of competition in the development of the aluminium industry, in terms of the evolution of its products and their uses at the global level, it is necessary for the Gulf countries to set aside part of their production for foreign markets in order to maintain a market share in preparation for the period that will follow the completion of the local projects. This is needed in order to maintain a high level of competitiveness in these markets and preserve their global market shares to ensure continued marketing of all levels of production.

Taking into account the fact that the capital intensity of the aluminium industry cannot afford or bear any unexpected drop in domestic and global demand for more than expected as well as their inability to withstand any unexpected increases on production costs, it is therefore likely for the aluminium industry to seek further mergers and acquisitions in the coming years on the global level, to give it greater ability to face any volatility in the market and higher efficiency for the disposal of high-cost production capacities.

It is certain that the aluminium industry and its future is closely linked to the evolution of aluminium's uses and the diversity of these uses. For this reason the technological and technical development of the aluminium industry has become a vital factor to ensure continuous demand. The aluminium industry in the Gulf depends on the technology and telecommunications sector to raise the level of demand for aluminium in the long term as this will increase the prevailing price level.

This is especially important when taking into account the fact that the growth of the global consumption of aluminium is always affected by the growth rates of the emerging economies and the increasing reliance on the aluminium in the electricity transmission sector as well as in electromechanical industries, where aluminium replaces expensive and high cost copper, in addition to the higher usage of aluminium in the automotive structure industry, and finally the growth of global demand aluminium due to its usage in heavy industries. It is noticeable that the Gulf aluminium industry sector understands the importance of bringing new applications and products to ensure continuity.

Gulf investments in the coming period are clearly focused on encouraging the automotive industry in the region as well as on projects that benefit from the supply of aluminium. The Gulf aluminium industry is currently working within a system that offers great possibilities and potential to increase the production capacity of primary aluminium, which means there are more investment opportunities capable of supporting the industry and achieving the short, medium and long-term goals for existing and potential producers, investors and governments.

QATALUM SURPASSES KEY QIP AND HSE TARGETS OVER 2013

Qatalum marks milestones in path to become one of the world's top smelters.

Qatalum stepped into 2013 with the goal of becoming one of the world's top ten smelters, by surpassing a number of targets set out in the Qatalum Improvement Programme (QIP). The Programme aims to improve the cash cost of aluminium production over the next five years. Overall by the end of 2013 the company surpassed its improvement target by 50%. The increase in efficiency was done without compromising safety as part of its ongoing mission towards zero harm.

According to Deon Earle, Qatalum's HSE Manager, a Total Recordable Injury Rate (TRIR) of 0.69 per million working hours, including directly supervised contractors, was achieved for the year 2012 amounting to a considerably better performance than the year's target of 0.85. "This indicates how serious Qatalum Management is about HSE and shows their continued commitment to safety," he said. In comparison, the TRIR figures achieved by Qatalum is the best among GCC and Hydro smelters. Total recordable injuries at Qatalum are at 12.5% of the total recordable injury rate published by the International Aluminium Institute (IAI) for 2012.

In regard to the Qatalum Improvement Plan, Tom Petter Johansen, Chief Executive Officer of Qatalum, urged employees to build upon the 2013 results and set new industry-leading standards in operational excellence, innovation and sustainability. He said that over the coming year, Qatalum expects to meet 10 strategic objectives, which include meeting shareholder expectations on financial returns, further improving its costs, fulfilling its CSR obligations, providing

opportunities for Qatari employees, and enhancing the Qatalum brand.

He stressed that the Qatalum Production System is instrumental in reaching the objectives and values which represent a solid platform for leadership at Qatalum. The Qatalum Improvement Programme (QIP) initiates quarterly management meetings to evaluate and commend progress. The last meeting held in February 2014 included the Qatalum Annual Excellence Awards to recognise individuals and dedicated teams who made significant contributions to Qatalum's performance with outstanding commitment to the Qatalum Production System. The Qatalum Annual Excellence Awards covers four categories HSE, Cost improvement, Quality and Innovation.

Khalid Laram, Deputy Chief Executive Officer of Qatalum, reiterated the company's commitment to achieving its QIP targets over the next five years by increasing productivity, growing production volumes and achieving continued reductions in cash costs. Compared to 2012, Qatalum reduced its fixed costs by 11%. However, Mr Laram remained cautious about he challenges ahead related to additional production and the ensuing negative impact it will have on the LME.

Global customer service levels rose by 16% reflecting very good product quality and customer relationships in comparison with other producers. On Time Delivery (OTD) was significantly improved due to impressive efforts by the Qatalum logistics team.

Qatalum also celebrated it first year as a supplier to local industries. So far domestic consumption is marginal as the Qatari aluminium downstream industry is in its infancy. Nevertheless, Qatalum's Deputy CEO remains positive and proactive, saying, "We would like to

encourage local customers to buy our premium products regardless of quantity. Qatalum has the capability of selling liquid metal as well if required."

Beginning January 2014, Qatalum will take clean process scrap retrieved from its customer's process to reclaim a casthouse product of the same quality as a conversion service initiated by Qatalum's Marketing and Sales department. The result is to establish a long-term relationship with its customers and make Qatalum the preferred provider of casthouse value added products in the GCC.
Led by a precision culture, Qatalum's Casthouse produces more than 50% of its alloys for the automotive industry. The resulting productivity gains are world class which stand as a testament to stringent manufacturing standards and robust marketing strategies.

Qatalum's quality production process was reinforced by completion of the third periodical ISO/TS 16949 audit wherein the scope was extended to include the production of primary liquid aluminium (Potlines and Logistics) and extrusion ingots production (Casthouse). The auditors, Det Norske Veritas believe, the entire production loop within Qatalum is worthy of certification.

Mr Laram added that various management and organizational changes will take place in 2014. He emphasised that these changes will herald new opportunities, in the form of new ideas, experience, competencies, energy and speed. Amidst the low metal prices, Qatalum has chosen to boost efficiency and improve performance through the use of its employee knowledge base in order to improve its business processes and efficiency rather than resort to redundancies and cuts.

At the beginning of 2013, Qatalum signed the Mutual Aid Agreement with the Industrial Cities Directorate. This was put into practice via successful Mutual Aid Exercises held at the Carbon Paste Plant and at the Pitch Facility Area in the Port and recently at the Rectifiers.
On respective evaluations by invited independent observers, positive comments were made with progressive actions underway.

Furthermore, to improved emergency response and also ensures the optimal use of personnel, supported by world-class equipment, a state of the art and unique to Qatar, Pierce fire truck was purchased by Qatalum. DCEO Khalid Mohammed Laram added, "Here at Mesaieed, we are committed to health and safety of our workers, and we recognise the immense responsibility we have, working with potentially hazardous chemicals and procedures, in sometimes extreme conditions, in the proximity of our workforce. For this reason and following the direction from H.E. Dr Mohammed Bin Saleh Al-Sada the Minister of Energy and Industry we take the protection of people and the environment very seriously and we constantly update our safety practices and procedures to the highest possible international standards, as well as having the best possible tools. The acquisition of this fire truck is a demonstration of that and employee wellbeing remains at the forefront of Qatalum's values in maintaining a productive workforce".

An implementation of a company wide Business Resilience System has been implemented in order to manage risks effectively and secure sustainable operations at Qatalum.

To further alleviate physical stress on employees encountered within the aluminium industry, Qatalum conducted several health programs including a Heart Awareness campaign, in which blood pressure, cholesterol and blood sugar checks were conducted on 174 employees and the annual Heat Stress Awareness Campaign at the beginning of the summer. Qatalum had its first Physical Fitness Campaign, involving eight teams spanning different nationalities and departments competing in a basketball league.

Commenting on HSE improvements over the past year, Mr Laram said: "We take great pride in being a world class smelter with our current safety performance. We encourage innovative environmental approaches within our smelter and are uncompromising towards maintaining zero harm to people within our boundaries. 'Safety is the responsibility of the individual towards others and all we do at Qatalum should go a long way towards showing Qatalum as sustainable and highly modern industrial entity."

A Hand Injury Awareness Campaign was also launched by Qatalum's CEO, aiming to reduce incidences among employees and contractors alike. Additionally, Qatalum conducted the Qatalum Contractor HSE Forum, held on a quarterly basis. The forum's rollout led to a highly significant reduction in contractor injuries, contributing to the low benchmarked TRIR recorded at Qatalum in 2013.

Looking forward, HSE is working towards attaining two major certifications: ISO 14001, pertaining to environmental management, and OHSAS 18001, pertaining to health and safety.

Sustainable improvements are underway at Qatalum with the mission to raise its position on the global industry cost curve. However, no change is so small that they compromises on environment, health and safety. Qatalum is deeply committed to a sustainable approach in achieving its ambitions. Therefore, Qatalum is capitalising on its excellent organisational competence and leadership practices. World class performance requires world class people.

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FORD CHOOSES ALUMINUM OVER STEEL FOR NEXT PICKUP TRUCKS

Article by
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For the Ford Motor Company, there's no vehicle more important than its F Series pickup trucks. F Series pickups also are the best-selling vehicle of any kind in the United States. That's why competitors, suppliers, dealers and millions of consumers who drive pickups were excited and amazed when Ford announced in January that its newest generation F Series will be manufactured largely from aluminum – the first pickup in history to be so designed and built.

Ford's primary motivation was to make its pickup lighter, a decision that will reduce the pickup's weight by 700 pounds, significantly improving the model's fuel economy. The decision to move to aluminum was a bold one, considering the massive changes in tooling and processes that were required in Ford's manufacturing plants. Dealers and service providers likewise will be required to buy new equipment and train their workers to repair dents and accident damage.

The biggest risk for the automaker is whether consumers will regard the new aluminum pickups as tough and as rugged as the steel trucks they replace. Raj Nair, head of Ford's global product development, said the automaker built and tested 11 prototypes starting in 2009 to determine whether the new vehicle could withstand the rigors of use by farmers, miners, ranchers, tradesmen, utility repairmen and even off-road racers.

"We tried hard to break it," Nair said, describing three years of elaborate testing. The prototypes were equipped with Ford's 2.7-liter turbocharged engine, a new power plant. The test drivers reported that the vehicles seemed more quiet than usual.

Other automakers, notably Audi and Land Rover, have built aluminum cars before. But none have attempted a truck body or any vehicle in such great numbers, approaching 800,000 or 900,000 annually. The lead aluminum supplier is Novelis, based in Atlanta and a subsidiary of the Indian conglomerate Aditya Birla Group, based in Mumbai.

Phil Martens, a former Ford senior executive who now is the CEO of Novelis, said automakers increasingly will have to pull off a "triple play" to comply with stricter fuel efficiency regulations. "One, vehicle will have to be light; two, their engines and transmissions must be advanced and, three, they'll have to maintain the attributes that consumers expect." He said his company will supply roughly 550 pounds of the 900 pounds of aluminum that will be used in each vehicle. A Novelis plant in Oswego, New York will supply Ford.

In the U.S., automakers have been told that they must achieve a fleet average of 54.5 miles per gallon by 2025.

The momentous decision to go with aluminum was approved under the supervision of Alan Mulally, Ford's chief executive officer. Mulally came to Ford from Boeing in 2006, having amassed comprehensive experience with the metal as a key material used to build airliners. Nevertheless, Ford's move to aluminum also represents a gamble.

If the switch works as anticipated, the automaker could gain share of market from its chief rival, General Motors Co., also a major producer of pickup trucks. A success with aluminum would be a crowning achievement for Mulally, who is set to retire at the end of the year. And Ford's move well, should it prove fruitful, will be mimicked by rival manufacturers.

QATALUM ACHIEVES WORLD-BEATING RECTIFORMER EFFICIENCY TARGETS

Zero loss results attributed to culture of excellence.

Qatar-based aluminium producer Qatalum has recorded the best rectiformer efficiency levels in the world.Rectiformers, which convert AC power into DC power, play a vital role in the aluminum smelting process. Qatalum's rectiformers have recorded zero loss in terms of kilo amps per hour in more than two years, a result achieved at no other smelter in the world. The zero values achieved in terms of kilo amp per hour leakage are unprecedented and are the lowest in the world for any smelter. Qatalum is proud of its tradition of industry leadership and our rectifier performance again sets a benchmark against which all aluminium smelters can be compared.

The outstanding levels of efficiency have been achieved through careful maintenance of our rectiformers and by effective management. Qatalum uses ten rectiformers to convert and direct high levels of current through reduction cells during aluminium smelting. Each rectiformer consists of a regulating transformer, a power factor corrector and a rectifier. Each rectiformer requires maintenance by a dedicated team of six technicians.

QATALUM CELEBRATES FIRST YEAR WITH LOCAL CLIENTS

The first year of successful local sales reinforces Qatalum's commitment to supply the local downstream market with premium aluminium.

Abdul Noor and Qatar Aluminium Extrusion signed their first permanent contract with Qatalum for our premium aluminium products in January 2013. In recognition of a successful year of exclusive sales, Qatalum celebrated the milestone by hosting a small dinner for its local clients.

"It's an honour for us to have Abdul Noor and Qatar Aluminium Extrusion as our clients. They represent the beginning of a potentially large local downstream market for Qatalum and our team in the Sales and Marketing team are doing our best to meet this requirements as the need arises"

said
SAEED AL-MARRI,
Qatalum's Marketing and Sales Manager.

QATALUM TAKES DELIVERY OF PIERCE FIRE ENGINE AT HANDOVER CEREMONY AT MESAEID

State-of-the-art equipment is part of continued improvement of in-house HSE and emergency response procedures.

Qatalum has taken delivery of its first Pierce fire truck at a handover ceremony at Al Dana QAPCO Club Mesaieed, on 5th January, with representatives from Qatar Petroleum, MIC, IECO/Pierce and Qatalum senior management in attendance.

Following the cooling tower fire in 2011, detailed evaluation of this and other influencing factors led Qatalum's management to change direction in its approach towards emergency response. The resulting decision amounts to improved emergency response and also ensures the optimal use of personnel, supported by world-class equipment, including the Pierce fire appliance.

The new vehicle is powered by a Detroit Diesel Series 60, turbocharged, inline, and straight six diesel engines. Fully laden, it weighs approximately 32 metric tonnes and is configured for 1 driver/operator, 1 crew commander and 4 fire fighters – and can carry 3,786 litres of water and 3,786 litres of foam concentrate, able to pump in excess of 11,000 litres per minute.

The Pierce product was chosen for demonstrating the best technology available within the firefighting discipline, demonstrating Qatalum's commitment to setting the standard in operational excellence without comprising on safety for its people, operational equipment and assets. It was commissioned with associated training to personnel and currently loose equipment is being fitted to ensure the appliance's operational readiness.

The Pierce truck arrived at Qatalum in late November 2013, and has been undergoing loose equipment fittings since, alongside personnel training in operational procedures.

scan here to view Qatalum's Ceremony at Mesaeid

QATALUM USES ALUEXPO 2013 TO CONTINUE PUSH INTO EUROPE

3rd Trade Fair in Turkey allows Qatalum to develop European markets.

Qatalum has taken part in ALUEXPO 2013, exhibiting and holding a gala dinner for all its European clients. The ALUEXPO 2013 event was the "3rd Aluminium Technology, Machinery and Products Trade Fair" and was held in Istanbul from 3 to 6 October. Qatalum's aluminium products are increasingly reaching many European countries through the burgeoning Turkish market, within which Qatalum already has 28 clients. This meant ALUEXPO 2013 was an unparalleled opportunity for the company to reach its existing clients and attract new ones.

As part of the four-day event, Qatalum hosted a gala dinner for all its clients in Turkey, which built upon a 'knowledge exchange', and the immense networking opportunities available through this unique tough point with the European market, from construction to automotive, packaging, defense and energy. Over the course of the Fair, Qatalum's senior management delegation took meetings with an array of people within the regional aluminium sector - from general managers to technicians, purchasers and engineers.

ALUEXPO 2013 brought together the leading companies of global aluminium sector together for the 3rd time, creating an international platform for both visitors and exhibitors from home and abroad to discover the latest quality aluminium products, exchange technical information and meet their trading demands.

The aim of ALUEXPO was to create a platform for displaying technologic developments, products and services, as well as providing business development and investment in Turkey. The exhibitors and visitors of the fair will find the opportunity to witness the industry progress, share their experiences and display their products and services.

QATALUM'S PROCUREMENT RECEIVES CIPS CERTIFICATION

The certification will allow Qatalum to enhance its competitive position by ensuring procurement operates in a highly efficient manner.

Qatalum has received its CIPS Certification Award. The CIPS (Chartered Institute of Purchasing and Supply) Award was presented to Qatalum Procurement and Management by the CIPS Group CEO David Noble, accompanied by Ms Rebecca Fox, CIPS Middle East &North Africa GM, during an official award ceremony, which took place on the 28thof January 2014 at the Sharq Hotel.

Procurement Manager of Qatalum, in line with Qatalum's mission and as part of his vision for his department, wants Qatalum's procurement function to be world-class in every area of its operations. Qatalum Procurement, therefore, undertook an improvement initiative to achieve CIPS certification, which will ensure that their procurement functions are operating in line with world best practices. Qatalum is the third Qatari organisation to achieve CIPS certification. To achieve the "best in class" practices and processes in procurement activities, the CIPS Certification is assessed on two levels: Standard and Advanced Standard. Advanced Standard is further categorised into three levels, namely Silver, Gold, and Platinum dependent on the depth of demonstration of how advanced the system in place is. For all the levels, the pillars of excellence for demonstration remain the same, namely: Leadership and Organisation, Strategy, People, Processes and Systems (Sourcing), and Performance Management. Qatalum Procurement underwent the Standard Certification assessment in the period of August to November 2013, the key objective of which was to "establish that the organisation has the fundamentals in place to operate an effective procurement and supply function".

The Certification is valid for three years from the date of being awarded and, to ensure sustained best practices, an interim post-award assessment is carried out mid-way through the three years in order to maintain the Certification.

QATALUM REAFFIRMS SUPPORT FOR ALUMINIUM SECTOR THROUGH PARTICIPATION IN "ARABAL 2013" IN ABU DHABI

Qatalum is joining in the activities of the Seventeenth Session of the Arab International Aluminium Conference and Exhibition (ARABAL), the most important trade event for the aluminium industry in the Middle East, whose activities are held in the UAE capital Abu Dhabi, from 5 – 7 November.

The participation of Qatalum in the conference came through a high-level delegation headed by Mr. Tom Peter Johansen, the Chief Executive Officer, Mr. Khalid Mohammed Laram, the Vice Executive Officer, in addition to a number of directors, various heads of departments, and specialists in the company. Qatalum also participated in the ARABAL exhibition, held on the conference sidelines, in a forum through which attendees are informed of the most important developments during the current year and before.

During the first day of the conference, Qatalum launched its specialized electronic newsletter bulletin Aluminium Review, which includes the latest news and reports within the Aluminium industry at the regional and global levels. The bulletin will be sent daily and freely via email to all participants in the Conference, professionals, and those who are interested in the aluminium industry.

The purpose of this bulletin is to provide the recipients with the most important news and developments in the aluminium sector, within the various fields of technological, environmental, marketing and other topics related to the global aluminium industry sector.

This participation is a continuation of our regular participation in the ARABAL Conference since the founding of the company, believing in the need for the effective presence in such international forums which are important and influential in the manufacturing of aluminium.

These participations also open many doors for us to exchange views, information and experiences with leaders of the industry from around the world, and promote the mechanisms of communication with all the parties involved and interested in the aluminium industry.

scan here to view
ARABAL 2013

Qatalum succeeded in organizing the last ARABAL in 2012 in Doha, registering record figures in the history of the conference since its inception in 1983, with the number of participants, speakers and exhibitors exceeding 600 participants from more than 140 countries, and more than 50 speakers from more than 45 countries, joining new players to the industry.

We have also gained experiences through direct contact with stakeholders at the global level, and witnessed new partnerships and investments in the region, particularly within the manufacturing industries associated with aluminium. These turning points benefit the GCC economies greatly.

QATALUM CELEBRATES NATIONAL SPORTS DAY WITH RANGE OF ACTIVITIES FOR EMPLOYEES

Participates in Celebration Events of the Department of Industrial Cities QP.

Qatalum marked the occasion of Qatar's National Sports Day, with a celebration that saw the participation of the employees across all of the company's departments, in addition to its participation in the celebration events of the Department of Industrial Cities Qatar Petroleum in Mesaieed Industrial City. The celebrations were held in line with the national initiative launched by His Highness Emir Sheikh Tamim bin Hamad AL Thani to support the exercise of sport activities among citizens and residents on Tuesday of the second week of February every year. Qatalum's support of National Sports Day forms part of the company's commitment to urge its staff to exercise sports in line with the general trend of the State of Qatar to encourage and support various kinds of sporting activities. The celebration activities further aimed to encourage positive interaction among workers in the greater Mesaieed Industrial City community, and foster enthusiasm, joy, and friendly competition away from the work environment.

Qatalum emphasised that Qatar has taken a leading position in the world as a vital investment and economic power, and is continuing to reach for excellence by becoming leading sporting destination with its selection as the host of the Football World Cup in2022, arguably one of the most important international sporting events. With the establishment of Qatar as host to such an important event, the state of Qataris clearly heading in the right direction and well on its way to achieve its vision for the year 2030in all arenas.

Qatalum also stressed that supporting the activities of this National Day forms part of reciprocating the Emir's favour, who clearly directs the people towards Qatar to participate in the National Sports Day, an event that highlights the awareness and interaction enjoyed by the people of Qatar and its residents. The company stated that it was honoured to be a part of this national duty, which benefits the health of our people and adds value to the reputation of the State of Qatar.

The Qatalum participation in this celebration, which was organized by the Department of Industrial Cities Qatar Petroleum included numerous favourite sporting activities such as football, basketball, volleyball, tennis and badminton, as well as a number of other events, which included competitions between families, children, and adults, that saw broad spectrum participation.

PRESENTED ITS ACHIEVEMENTS IN 2013 QATALUM CELEBRATES QATAR NATIONAL DAY

Qatalum celebrated Qatar National Day on 18th December, as part of nationwide celebrations marking this very special national occasion to the hearts of citizens and residents.

Held at the company's headquarters in Mesaieed Industrial City, the celebrations were attended by the CEO, Deputy CEO, all directors of departments and divisions and employees. Every year Qatalum marks the day on which the late Sheikh Jassim bin Mohammed Al Thani, the founder of modern Qatar, took power in 1878 and laid the foundations for the modern state.

The ceremony included a number of celebratory programs and entertaining activities specially designed for the occasion. Employees expressed their pride in Qatar, its Emir and its people. The company premises were decorated with national flags, patriotic songs were played, and a number of speeches were delivered on the occasion. Management cut a celebratory cake during a special luncheon attended by a number of VIPs and guests alongside company employees. They expressed their joy of this very special anniversary of the country.

Qatalum marks the National Day with more successes and achievements in 2013. The company has unveiled Hydro's newly established facility dedicated to researching and testing Aluminium used in curtain wall solutions in support of creating energy, emission and carbon neutral buildings in the Middle East. Qatalum has also signed an agreement with Qatar University's Center for Advanced Materials (CAM) to create a faculty chair position, in what was considered a further boost to the already strong bilateral ties between the CAM and Norwegian University of Science and Technology (NTNU). Qatalum is exerting tremendous effort to implement Qatarization policy, putting the necessary plans and strategies in place to support the objectives and aspirations of Qatarization, opening the door for Qatari talents and providing them with jobs and career development opportunities.

Qatalum was the first Qatari company to obtain the ISO/TS 16949 Quality Certificate, granted by Det Norske Veritas International for ISO certification for Aluminium products related to the automotive industry. Qatalum is striving to encourage the local Aluminium downstream industry in Qatar and to stimulate the entire local industry based on the country's strong economic fundamentals. To this end, the company has signed two supply deals with ALNOOR and Qatar Aluminium Extrusion for the sale of 10,000 tonnes of premium Aluminium in 2013.

Qatalum recently released its second annual Sustainability Report. Entitled "Harnessing the Sustainable Potential of Aluminium", it builds on actual field data collected at Qatalum, detailing the company's approach, perspective and progress following international standards of sustainability indicators. The company's development program has been a resounding success and included extensive efforts to improve smelting efficiency and upgrade business practices.

QATALUM COMPLETES GROUNDBREAKING SEMI-AUTOMATIC POT HANDLING COVER INSTALLATION

Covers to reduce emissions and increase safety are a world first

Qatar-based aluminium producer Qatalum has completed a groundbreaking project to install semi-automatic cover handling units on all smelter pots to lower harmful emissions and to increase safety.

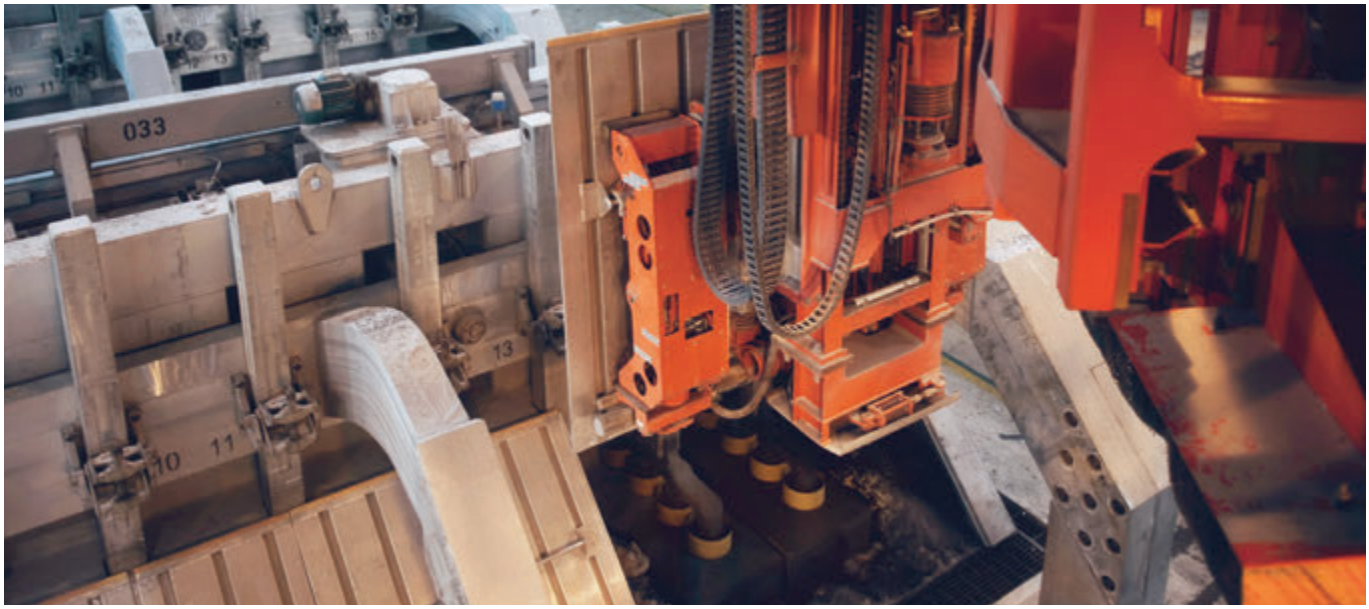
The ultra-modern new pot cover units result in shorter periods of atmospheric exposure during smelting process anode changes than traditional mechanised covering methods.

Qatalum is the only smelter in the world practising semi-automatic cover handling. Qatalum takes its commitment to the environment and to our staff very seriously. Safety is at the heart of everything we do and we expect the installation of the semi-automatic cover handling units to dramatically reduce workplace risk and harmful emissions.

At Qatalum, we take pride in our track record of international industry leadership in efforts to embrace technology and to raise standards of quality. Today, we are the only smelter in the world to use semi-automatic cover handling units and we expect other smelters to follow our lead over the coming years. Minimising human interaction with pots during the smelting process in this way is an important and game-changing step for the industry.

Covering of pots during the smelting process is done to reduce emissions. Traditional methods of pot cover removal, to facilitate anode changes, have seen workers exposed to harmful gases at plants all over the world.

From today, pot cover removal at Qatalum's plant will be done remotely, from a safe distance. Emissions from Qatalum's plant are recorded at 0.15kg of fluoride per ton of aluminium produced, the lowest in the world.



GULF SMELTERS DISCUSS MUTUAL CSR INITIATIVE

A joint approach to CSR activities in the region would have far reaching benefits both for society and the establishment of the region as an international aluminium hub.

Members representing the Corporate Social Responsibility (CSR) committee of the Gulf smelters met in Qatar on the 4th of March 2014.

The first meeting of its kind on CSR was hosted by Qatalum's Communication Manager, Ibrahim Fakhri and was attended by representatives from Ma'aden, Alba, Sohar and Emirates Global Aluminium (EGA). The meeting was chaired by the elected chairperson for the smelter CSR initiative, Mohammad Yahya from EGA.

On the agenda was the establishment of a mission, vision and guidelines for the Gulf smelter association (GAC) CSR Committee that would enable its joint future business direction. The deadline set was the 20th of March 2014.

Some of the key values for the Gulf smelter – CSR guidelines were that they followed international norms and pay attention to local requirements with respect to the large export markets for GAC alloy products.

In particular, it was decided to suggest that the GAC smelters begin the practice of dedicating a percentage of profits to CSR activities as is the norm in for many global companies.

Qatalum's Communication Manager believes that a combined effort towards CSR in this growing region will allow for the rest of the world to recognising the sustainable efforts placed by smelters in the Gulf to become globally competitive in all aspects of their business.

This sentiment was echoed by the committee as they discussed issues on marketing a joint CSR strategy by the GAC. The need for a collective effort in branding, marketing and advertising would furthering the efforts done by individual companies in the region.

Both the GAC and ARABAL, along with exhibitions, conferences and day to day communications activities would play a part as vehicles for GAC - CSR. Final notes were made on the dedicated budget to be approved by the GAC board by the next meeting in May 2014.

QATALUM CASTHOUSE WINS HYDRO PRIMARY METAL HSE AWARD

The award was a Casthouse line managed venture supported by HSE. Already chosen as the winning project in its category, at the internal QIP awards held in February, Hydro saw outstanding performance in the initiative.

Qatalum has been awarded the Hydro Primary Metal HSE Award. The HSE Award is awarded to a Primary Metal site that can demonstrate outstanding improvements in HSE performance and/or a site showing special achievements within the area of HSE. The winning team comprised of Sarel Greyling Head of HSE, Richard Appiah Casthouse Safety Delegate, Rajakumar Veetil Head of HSE and Rajkumar Walsalam, Designer of the gate.
The criteria for awarding this price was based on:

1. Plant with outstanding results and improvements in HSE performance according to Hydro Presidents HSE award criteria for 2013
2. Plant with special achievements within the HSE area according to Hydro Presidents HSE award criteria for 2013

A prerequisite for qualification for the award is that the nominated plant is in compliance with Hydro's

HSE requirements and that there have been no major accident during the year. As of March 2014, Qatalum's TRIR has been 0.54. In comparison, it is the best figure amongst Hydro and Gulf smelters and stands at 12.5% of the rate published by the IAI for 2012. The winning initiative at the Casthouse stemmed from the vehicular danger to pedestrians in the Casthouse and therefore the requirement to segregate the two. The Casthouse started the year with a high TRIFR of 5.83 and made a strict commitment to reduce this.

At Qatalum's two section Casthouse, there is an average 22,000 vehicle movements every month and including logisitics operations, this number is significantly higher. In relationship to this, each casthouse operations shift crew comprises approximately 35 employees, with the addition of maintenance and service activities, representing a significant potential for pedestrian/vehicle interaction. Thus, a great deal of studies were undertaken to throughly investigate the risk picture related to Casthouse operations and maintenance activities.

These activities resulted in a revised Traffic Management Plan, including revision of the Casthouse walkway pattern. Actions taken involved all walkways to be marked and painted, critical walkways were identified to have barricades installed.

A self closing gate was designed inhouse by calculating weight of the gate and the inertia. Product simulation was done using simulation software and detailed design was finalized for the gates to be manufactured and installed. Self closing maintenance free gates were developed and installed. The resulting benchmark determining the succes of the initiative was measured by the reduced TRIFR of 2.85 against a BP of 3.

Interaction and knowledge sharing followed the initiative with other groups in Qatalum invited to do observations on pedestrian/vehicle segregation within the Casthouse. A HSE management leadership tour was done and COO was impressed and requested this be done site wide. Currently more evaluation is planned for 2014 to have similiar gates and barriers installed in other areas for Phase 2. These improvements are sustainable as operating gates are maintenance free and self closing.

In the future the Casthouse will strive to achieve a TRIFR of 0 by end 2014. This can be done by commitment from all involved.

IIEE-SQC VISIT QATALUM

Members from the IIEE-SQC were very impressed by the engineering excellence they witnessed at Qatalum and appreciated the knowledge gained about the production of premium aluminium products.

On March 28, 2014 a group of Engineers from the Institute of Integrated Electrical Engineers of the Philippines visited Qatalum. Led by Christopher Pino, Project Engineer, Technical, the group toured the different groups within Qatalum, Carbon, Reduction and Casthouse.

The IIEE-SQC chapter (Institute of Integrated Electrical Engineers State of Qatar chapter) is a non-stock, non-profit and non-religious organization duly recognized and accredited by the Philippine Embassy in the State of Qatar.

In addition to certified engineers, the IIEE-SQC also allow membership to licensed electrical engineers and master electricians who are employed at different industries here in Qatar including consultancy, contracting, operations and maintenance.

The purpose of the visit was in line with the 2014 IIEE national mission "Continuously Enhancing Practitioners Competitiveness Towards Global Excellence" and the IIEE-SQC wanted to witness and experience Qatalum practices within the engineering field.
They were keen to see how Qatalum operates and how aluminum is created and marketed.

The take home message from the visitors was that they were very impressed by the operational excellence within the Plant and were informed, for the first time, on how aluminium is produced from liquid to solid premium casthouse products.

QATAR UNIVERSITY STUDENT VISIT QATALUM

The purpose of the visit was a field trip introducing new students from Qatar University to Qatalum and also to participate in Qatar Science & Technology Park (QSTP) project work.

A common date was agreed between Operations and Qatar University to be the 9th April 2014. The main requirement was that students wanted to see as much of the aluminium production process as possible, and also understand the scope of work that would be involved in the QSTP Environmental project. Based on their requirement a plan was prepared accordingly.

The students were welcomed by Sharat Kumar T&D Supervisor, Qatalum. Introduction was carried out by Hans Petter Lange, Reduction Manager with Amir Farah Acting Q&D Manager presenting associated material to the students about the Qatalum Summer Internship Programme. Hans Petter Lange also, spoke about the research projects being conducted at the University's Centre for Advanced Metals spearheaded by the Professors sponsored by Qatalum through QSTP.

The plant tour consisted of Carbon, Reduction and Casting. Present at the tour were 13 students from Chemical Engineering and Environmental Studies, and 2 facility members from the University Including, Geir Martin Haarberg one of the Qatalum sponsored University Chair Professors and 2 members of Hydro QSTP, Chris Devadas and Elin Legland.

Hydro QSTP Admin Manager & Project Coordinator, Elin was pleased with the tour and commented on the positive interest shown by the students during the presentations and tour of the plant.

Through such tours, Qatalum would hope to inspire students enough so that they may enrol in the summer intern programme. This batch was all eager to complete their assignments and projects within Qatalum.

QATALUM TAKING PART AGAIN IN ANNUAL QP ENVIRONMENTAL FAIR

Company promoting water conservation solutions innovations in aluminium industry to broad audience

Qatalum is taking part in the Qatar Petroleum Environmental Fair to deliver the message to visitors that aluminium is a genuinely sustainable metal that can lead to a more sustainable world. The slogan of the exhibition is “God created from water every living thing”.

The company’s theme for the Fair, which starts today and runs to 26th April shows that aluminium helps to preserve water and Aluminium production is a water-conscious production process. Aluminium, Qatalum is keen to emphasise, helps to improve environmental performance due to its water conservation innovation efficiency. Qatalum will be able to show technologies for treating water pollution, the use of water in the smelting process, and how water recycling and conservation is at the forefront of Qatalum’s environmental agenda.

At Qatalum, Seawater is used for wet scrubbing and for the cooling tower. Once used, it is treated to meet Ministry of Environment specifications for quality and temperature and then returned to the sea. But in fact, both fresh and salt water are used in the aluminium process; and in doing so, Qatalum implements a number of known techniques and guidelines that allow for efficient water consumption, practices as regular treatment and re-use of water on-site.

The QP Environmental Fair has been organized since 2004, and this year will be the 8th edition of the event. QPEF 2014 will be held for the first time for four days to effectively promote environmental awareness among students, the employees of QP and its joint ventures and subsidiaries, and the general public. There will also be theatre and games activities for children, with an educational message to increase awareness of water conservation and usage.

scan here to view Qatalum’s at the Annual Environmental Fair

Qatalum is deeply committed to sustainability, both within the company and the industry at large. We want to emphasise to a young generation the importance of environmental responsibility, of recycling, of efficient water usage. The Oil and Gas industry and the aluminium industry have much to share on energy efficiency, water waste minimisation and recycling. Taking part in events such as this helps to bring to a new audience the sustainability argument for aluminium, and encourage 'buy-in' among a younger generation to these important concepts.

Qatalum is a founding member of the Qatar Green Building Council and its Deputy CEO Khalid Mohammed Laram is a board member of the Council. Last year a Zero Emissions Lab was opened at the Qatalum Plant, a newly established facility dedicated to researching and testing aluminium used in curtain wall solutions in support of creating energy, emission and carbon neutral buildings in the Middle East.

One example of Qatalum's innovation is how Qatalum has found a sustainable method of reusing waste from the pot relining process with minimal environmental impact. Spent pot lining (SPL) is made up of three distinctive materials that require disposal. The lining of the cell walls are made up of silicone carbide blocks. Carbon makes up the cathode in the bottom of the cell, and below which are layers of insulation and refractory bricks made up of a combination of silicone and alumina. As the pots end their fifth to sixth year productive cycle at Qatalum, they need to be relined at a purpose built facility. Once relined the pot is returned to its position in the Potroom to restart liquid aluminium production. In the process of relining the 3 waste materials are actively removed separately and sorted and the carbon rich and iron rich by-products from Qatalum is used by Qatar Steel.

"Sustainable improvements are underway at Qatalum within our mission to raise our position on the global industry cost curve – but everything is done with environmental impact and innovation at its core. Qatalum is deeply committed to a sustainable approach in achieving its ambitions, and we're pleased to be here at the Fair once again, to exchange ideas, educate, and be an honest broker for the sustainability of the aluminium industry".

QATALUM'S AERATED DISTRIBUTION SYSTEM IS INDUSTRY LEADING

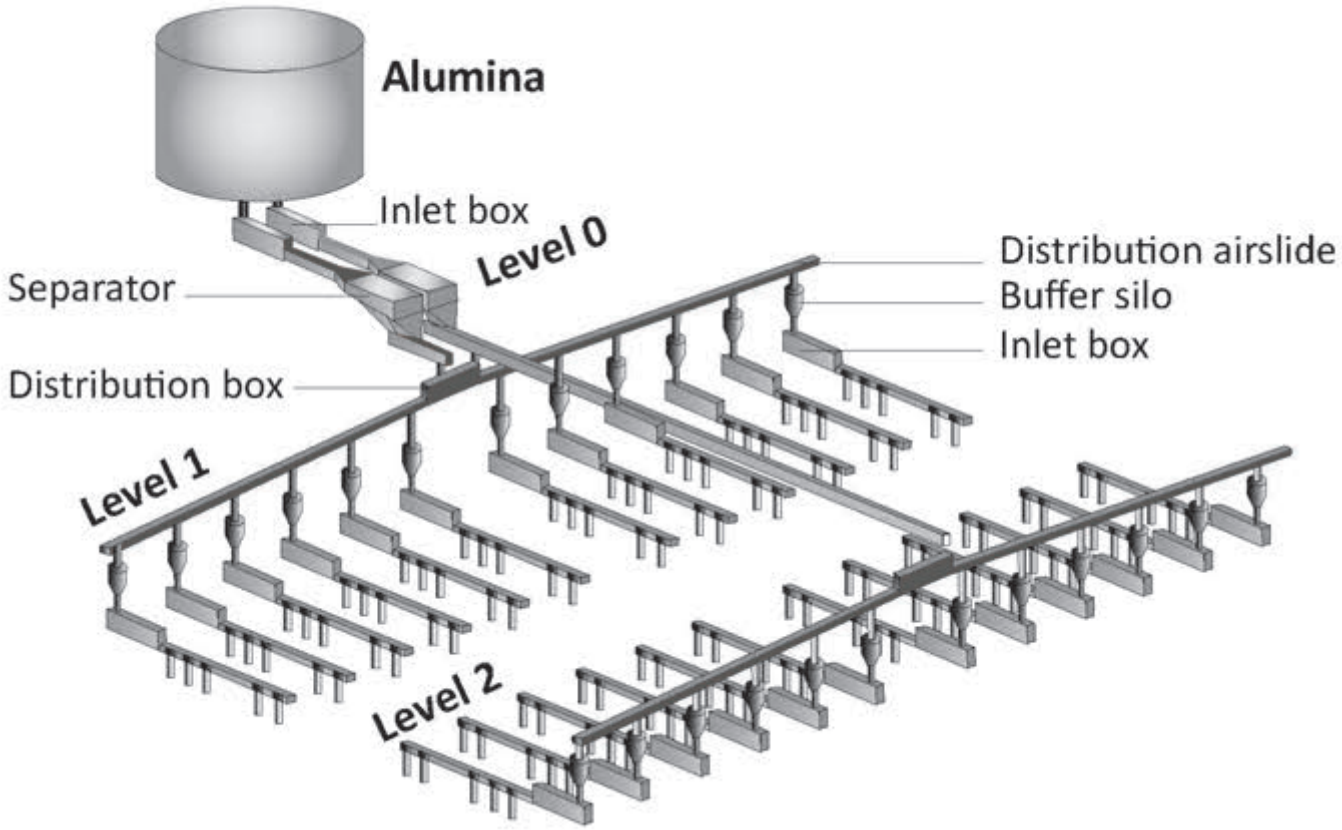
ADS wows annual Minerals, Metals & Materials Society (TMS) meeting in San Diego

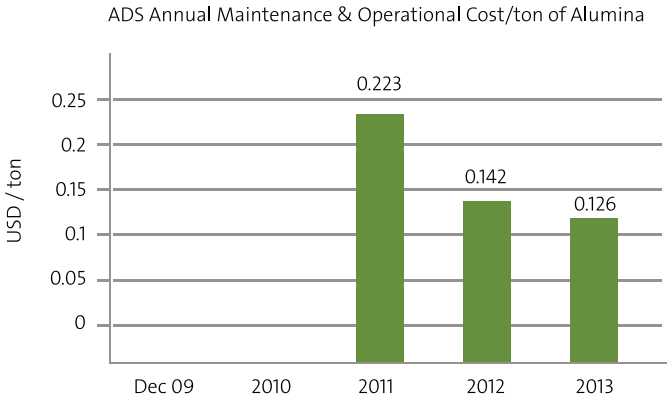
Qatalum has presented its Aerated Distribution System (ADS) to over 4,300 industry leaders at the annual Minerals, Metals & Materials Society meeting in San Diego. Presenting a paper entitled "Start-up and Tuning of Material Distribution System at Aluminium Smelter in Qatar", published in Light Metals 2014.

The Aerated Distribution System (ADS) at Qatalum has been in operation since 2009 and has seen significant process stability. It is designed to convey alumina from the Secondary Alumina Silo at the Fume Treatment Plant to the different cells in the potrooms.

The Material Distribution System was started as scheduled and is still running under full production capacity. Through key findings and improvements made by the end user (Qatalum) and by joint coordination with the technology providers, the system's performance has met expectations and operational needs.
The first electrolysis cells at Qatar were started in 2009 and by 2011 the system was running at full production capacity. The secondary alumina is transported from the four day silos within the Fume Treatment Plants by the Aerated Distribution System (ADS) to the pot superstructures inside two potrooms.

In comparison to other material distribution systems, the ADS is found to require less maintenance and less human intervention, and collection of more data and investigation is still ongoing to map the long term performance of the system and its interaction with other process parameters and will be presented in the future. The start of Qatalum in 2009 saw the largest aerated distribution system at that time, designed to supply secondary alumina from silos to 704 electrolysis pots with a total design output of 585,000tpa based on fluidized air-slide conveyors. In the article the technology of the aerated distribution system is briefly described to show its uniqueness and advantages.





The main focus in "Start-up and Tuning of Material Distribution System at Aluminium Smelter in Qatar" is experiences during the first operation of the ADS, highlighting challenges and breakthroughs; and how it was possible to optimize the system to be more functional than projected, especially under the Middle Eastern conditions. It includes the measures taken to achieve this target and the lessons learned.

Distribution systems for alumina in the aluminium industry follow fundamental bulk solids transport principles. The technical paper focuses on some of the parameters that influence the performance of the distribution processes and highlights the operational experience with the system. The data collected, challenges met and experience gained from this start-up and early years of operation will prove helpful for future installations.

QATALUM'S REDUCTION AND EI CASTHOUSE INVOLVED IN ISO/TS 16949 CERTIFICATION

Qatalum completed its third periodical ISO/TS 16949 audit which included an extended scope for the production of primary liquid aluminium (Potlines and Logistics) and extrusion ingots (Casthouse)

The third periodical ISO/TS 16949 audit, carried out by external certification body Det Norske Veritas, took place at Qatalum on the 2nd to 4th of March 2014. In comparison to previous ISO/TS 16949 audits, the scope of this audit, further to covering foundry alloys production, included extrusion ingots and liquid aluminium production as well. Preparation for the audit scope extension started in the Extrusion Ingots Casthouse and Reduction in September 2013. The collective focus and systematic teamwork of involved employees from both groups led to positive audit results at the end.

The audit confirmed that Qatalum's ISO/TS 16949 quality management system implemented in the production of primary aluminium and Casthouse products (extrusion ingots and foundry alloys), is in compliance with ISO/TS 16949:2009 standards, which is a prerequisite for supplying products to the automotive industry. The audit however, did identified minor nonconformities, two in the potlines, two in extrusion Ingot production, one in raw materials and one in purchasing. All 6 identified nonconformities will have to be effectively closed by the 3rd of May 2014.

During the audits closing meeting, the auditors expressed a positive opinion about the Qatalum ISO/TS 16949 quality management system's development since initial certification of Foundry Alloy production in February 2012. Based on this experience from the Casthouse which has been working with an ISO/TS 16949 standard since 2011, Qatalum can expect similarly positive effects by using ISO/TS 16949 standard in the other areas added to the ISO/TS 16949 certification scope. Hans Petter Lange, Qatalum's Reduction Manager says, "ISO/TS 16949 will be supporting and even strengthening our effort for having a structured way of continuously improving our performance. These hectic few months has given us a good platform, but now the work starts by getting all the identified actions implemented and sustained."

Quality Manager, Martin Hudec thanked all who took part in preparation for the audit. Martin added, "There has been a lot of work done, especially in Reduction and the Extrusion Ingot Casthouse. Let's keep the momentum and continue initiated actions to further improve the Qatalum Quality Management System's effectiveness." The major impact resulting from compliance with ISO/TS 16949 standard requirements is meeting and surpassing customer expectations and also effectively standardising Qatalum's internal processes leading to world class performance.

The next audit will take place in November 2014 and will include aligning of the system after 3 years continuous production demonstrating consistent improvement at Qatalum. Tom Petter Johansen, Qatalum's CEO summed up the achievement by stating that the overall positive feedback from the Norske Veritas team encourages Qatalum to achieve even further certification of its premium products. Tom Petter added, "This achievement is in line with our ambitions to position Qatalum as one of the world's most efficient smelters in the foreseeable future."

OFFICIAL RECOGNITION FOR QATALUM SAFETY DELEGATES

A ceremony was held for the safety delegate volunteers at Qatalum in recognition of their past efforts and their contribution towards building a Qatalum safety culture leading to an industry-wide benchmark safety record.

On the 24 April 2014 at the Crown Plaza Hotel, Doha, Qatalum celebrated Safety Delegation Recognition. The away day was held in recognition of the Safety Delegate's efforts in supporting Qatalum management's implementation of high HSE standards.

The Safety Delegate program was started in 2010 and this was the first time since inception that individual safety delegates were recognised for their contribution. Safety Delegate Program was introduced to establish representative from the floor to HSE issues. It is a voluntary position proposed by the team/shift to representative team members to report up to the next line management level. Their main roles are:

- Communicate HSE issues raised from his/her team to line management
- Support in promoting HSE awareness among team members
- Facilitate team based safety programmes
- To participate a co-chaired Qatalum Join Safety Committee Meeting, a quarterly meeting between the Safety Delegates and QMT to discuss high level issues with management

The event began at 8:00 am with activities controlled by Kurt Jan Nilsson and Andi Mappangara. In his opening remarks the DCEO was proud of Qatalum's bench mark safety record and encouraged all to improve on the challenges faced in developing an all-encompassing Qatalum safety culture from the floor up.

Group workshops followed the DCEO. Facilitated by Andi Mappangara and Head of HSE from the groups, the workshops consisted of what had been achieved and the way forward for HSE.

Deon Earle, Qatalum HSE Manager, presented a revived hand and finger injury campaign, a current and prevalent issue contributing to incidents within Qatalum over all others. Furthermore, Addi Abboa Offei, Head of HSE, Reduction, reinforced the need for awareness and reporting to decrease and prevent injuries through his presentation on Behaviour Based Safety.

At 11:30 am the Recognition Ceremony took place hosted by the CEO and DCEO whereby Safety Delegates received recognition certificates.

This was followed by the commendation and appreciation of Kurt Jan Nilsson, Chairman of the Joint Safety Committee and long serving Management member of Qatalum who is leaving Qatalum for Oslo after completing his 6 year tenure at Qatalum.

At mid-day the CEO made his closing remarks reinforcing the celebration and awareness required in going forward to reach 'zero harm'.

Richard Appiah, a Casthouse Safety Delegate commented about the appreciation, "I really appreciate this recognition. I am now motivated to carry on my responsibilities as a Safety Delegate..."

Students inspecting alumina at the Service centre.

Pierce fire truck at a handover ceremony at Al Dana QAPCO Club Mesaieed

Representing Qatalum was Amir Farah, Head of Training and Development, HR and Administration receiving the award from Dr Sheikha Al Misnad, Qatar University President.

On March 28, 2014 a group of Engineers from the Institute of Integrated Electrical Engineers of the Philippines visited Qatalum. Led by Christopher Pino, Project Engineer, Technical, the group toured the different groups within Qatalum, Carbon, Reduction and Cast house.

The LIMS implimentation team

Erik Fossum (left), head of Commercial in Primary Metal, met with his colleague in Qatalum, Yahya Al Rashdan, chief supply chain officer.

Students with Qatalum staff, Professor Geir Martin Haarberg and Chris Devadas from Hydro - QSTP.

Braving long hours and cool, damp weather, the cricket loving Qatalum cricket team made us proud. Winning both matches at the 10th Chairman Cup, it's reassuring to see Qatalum cricket back to its formidable.

Participants of Culinary Art Session for Carving conducted by Amwaj catering. From right: Janelyn Pareja Sonio,1st Runner Up, Padmavathy Kirupakaran,2nd Runner Up, Sindhushreelekha Naik, 3rd Runner Up who won during the Culinary Art Session for Carving held at Qatalum.