QATALUM QATAR'S GLOBAL ALUMINIUM PRODUCER

About This Report

Welcome to Qatalum's third annual Sustainability Report. In this report, we present our approach to sustainability, strategy for sustainability, and our performance in 2013 on our most material sustainability issues. We have tried in this report to capture the most critical aspects of our work in terms of economic, environmental, and social performance. This report is integrated with the Qatalum website and throughout the report there will be opportunities to learn more about sustainability at Qatalum by clicking on links provided.

This report was developed in accordance with the Global Reporting Initiative (GRI) G4 'core' Guidelines for Sustainability Reporting. The GRI is a multi-stakeholder initiative with widespread credibility that provides a framework for companies to report on their sustainability performance.



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CHAIRMAN'S MESSAGE

Welcome to Qatalum's third annual Sustainability Report. This report shares our progress and achievements in 2013 towards becoming more sustainable. This is our third year of participating in the Sustainable Development Industry Reporting (SDIR) Programme. For the SDIR Programme we also included in this report our progress towards more fully integrating sustainability into our management and company strategy.

Qatalum continues to incorporate sustainability into its management and governance. In 2013, we revised our sustainability framework and created a 5-year sustainable development plan, both of which serve to integrate sustainability into our management and operations. In the 5-year plan Qatalum's focus areas include governance and management, downstream development, innovation and product development, improving supply chain management, and reducing our environmental impact.

As we entered our second full year of production we also began to reflect on how we could become more efficient and effective. To do this we introduced the Qatalum Improvement Program, which aims to continuously improve working standards and practices to make them more effective while maintaining safety and quality. As a result of this, every one of Qatalum's departments, from operations to procurement, have experienced a positive change in their performance.

Qatalum has continued to grow in sustainable ways this year. In 2013 we produced aluminium for our first two local clients. This was a major step towards our goal of developing the local downstream economy and we look forward to developing more local clients in the future. This year, in partnership with Hydro, we also opened the Zero Energy and Emission Building lab where we are developing aluminium products that will support some of the most environmentally sustainable buildings in the Middle East.

We present this report as an honest and transparent presentation of our company's 2013 performance. We also hope this report will serve as a point of engagement for all of our stakeholders.

Regards,

Abdul Rahman Ahmad Al-Shaibi

Chairman of the Board of Directors



CEO'S MESSAGE

It is with great pleasure I welcome you to our 3rd Annual Sustainability Report. This report demonstrates Qatalum's continued commitment to integrating sustainability practices into the company to better align ourselves with Qatar's national development goals. This report clearly captures our work to enhance our management and governance systems to improve our sustainability performance.

Qatalum made an important stride towards longterm management of our economic, environmental, and social performance in 2013 with the creation of a new 5-year Sustainability Strategy. Our Strategy was created to better align Qatalum to contribute to realizing the development goals of Qatar National Vision (QNV).

2013 marked Qatalum's second full year of production. Production increased this year by over 6,000 tonnes. However, the globally declining price of aluminium did not reflect an increase in sales revenue. To address the global shift in the price of aluminium Qatalum began the Qatalum Improvement Programme in 2013 to focus on operational excellence. The gains from this program have already helped improve Qatalum's performance and will continue to contribute to the success of the company. In 2013 we also maintained a strong focus on ensuring a high standard of safety while still meeting our expectations for production. Through coordinated efforts between our management and staff we have collectively improved the safety of our employees. Qatalum also strongly values the safety of its contractors and in 2013 the company forged a joint HSE committee with all of our contractors.

Our annual sustainability reporting process allows us to share our performance, maintain transparency, and create an opportunity to engage our stakeholders. This report also aims to meet the requirements of the Energy and Industry, the Sustainable Development Industry Reporting (SDIR) programme.

We welcome your thoughts and feedback on this report and on our efforts towards the sustainable development of the company, industry, and the state of Qatar.

Tom Petter Johansen CEO



Qatalum - Qatar's Global Aluminium Producer



Qatalum - Qatar's Global Aluminium Producer

Qatalum is a primary aluminium smelter with a production capacity of 625,000 tonnes of high-quality primary aluminium products per annum. Located approximately 50 km South of Doha the site includes a port, carbon plan, twin 1.2 kilometer potlines, storage facilities, and a captive power plant.

Qatalum is ISO 9001 certified and is a listed brand on the London Metals Exchange, and has received ISO/TS 16949 certification for its casthouse. Qatalum produces extrusion ingots and foundry alloys that meet the strict quality standards of Qatalum's global customer base.

Company Profile

Company Name: Qatar Aluminium Limited (Qatalum) **Location:** Mesaieed Industrial City **Product:** Primary Aluminium **Shareholders:** Qatar Petroleum (50%) & Norsk Hydro (50%) Qatalum's full company profile can be found on the website.

About Qatalum

Qatalum mission is to create a future of oppurtunities through environmental integrity and by setting the standard in operational excellence.

About Aluminium

Marketed through Hydro Aluminium's extensive global network and locally through Qatalum's own networks, the aluminium products manufactured by Qatalum are used in a variety of industries including automotive, construction, and engineering.



Aluminium's Sustainable Qualities

Flexible

Aluminium has almost unlimited design potential. It can be shaped, welded, screwed and cut into dynamic 3-D shapes.

Light-weight

Aluminium can be used instead of heavier metals for construction of vehicles. Replacing traditional building materials with aluminium makes the vehicle lighter which also reduces emissions.

Infinitely Recyclable

Aluminium is unique because it loses none of its qualities or properties when recycled and recycling it requires only 5% of the energy needed for primary production.

Durable

Aluminium, even unpainted and uncoated, resists corrosion by water and does not rust if the paint is scratched or chipped. It is also not weakened or made brittle by desert heat, northern cold, or the ultraviolet radiation in sunlight.

Aluminium's Uses

Aluminium can be used for many purposes including in the manufacturing of cars, planes, packaging, and buildings, and with its unique properties it is helping these other industries to be more sustainable.

Aluminium Cladding

In 2013, in partnership with Hydro, Qatalum opened the Zero Energy and Emission Building lab that will focus on creating aluminium cladding that will support energy, emission, and carbon neutral buildings in the Middle East.

Transportation

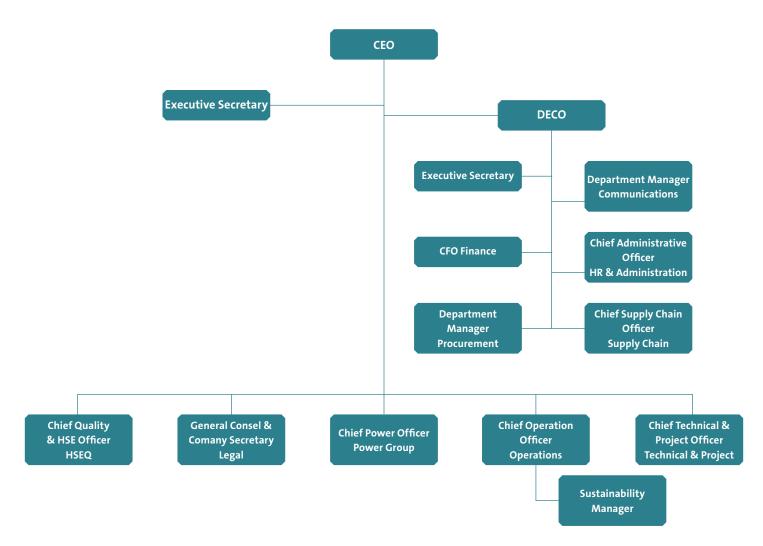
Qatalum's aluminium products are regularly used in the automotive industry. From cars to trains, aluminium is a preferred material because of its lightness compare to other similar metals. Doha Metro in Qatar's capital city will be one of the most advanced aluminium based rail transit systems in the world.

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About Qatalum

Qatalum mission is to create a future of oppurtunities through environmental integrity and by setting the standard in operational excellence.

Organizational Structure



Our National Mandate

Qatalum's creation was a direct outcome of the QNV 2030's goal of diversifying the industrial base of Qatar and emphasizing knowledge-based industries. Although our primary mandate relates to the aluminium industry, Qatalum's contributions to the QNV are multifaceted, and have grown to include greater aspects of Qatar's development.



Qatalum Principles

Operational excellence requires stable process and production



Principle 1: Standard work process:

- Defined critical processes
- Content of the standards
- Following up the standards
- Development of the standards



Principle 3: Optimized flow:Priorities and planning

- Flow of products, services, and information
- Work-process flow
- Non-defective goods



Principle 5: Visible leadership:

- Clear and visibleInvolves and delegates
- Support and coach
- Gives feedback and recognition

Principle 2: Define Customer & supplier relationship: Define customer/ supplier agreements Content of the agreement Meeting and decision structure Direct communication

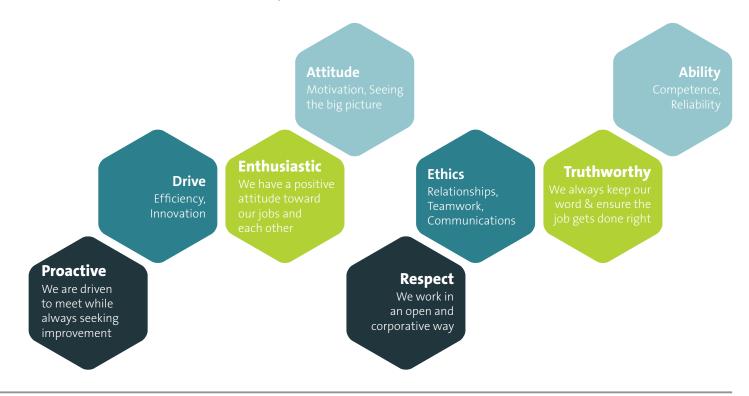
Principle 4: Dedicated teams:

- Team organization
- Roles, responsibilities and competence development
- Joint visible targets

Systematic improvement work

Our Values

Beliefs that differentiate and focus our performance



The Qatalum Integrated Management System (QIMS)

Qatalum's QIMS balances high health, safety, and environment standards, while supporting efficient production. Also embedded in this system are all of the international standards for which Qatalum has been certified.



Committed to Sustainability Reporting and the Energy and Industry SDIR Programme

Under the guidance of the Minister for Energy and Industry, the Sustainable Development Industry Reporting (SDIR) programme has continued to grow in strength. For the third year in a row Qatalum has participated in the SDIR programme, producing an annual public sustainability report.

Qatalum's 2013 sustainability report was prepared in accordance with the new Global Reporting Initiative (GRI) G4 guidelines. In line with the GRI G4 reporting guidelines, Qatalum conducted a materiality assessment to identify its most material aspects. Full details from this assessment are included later in this report.

This report highlights the company's shift to reporting on performance. In 2013 we reported on all of the SDIR indicators as well as the additional health and safety indicators. We have prepared an initial 5-year sustainable development strategy and new sustainable development framework to better align ourselves with the aims of the SDIR and Qatar's development goals. Qatalum has also taken an extra step to assure the sustainability data provided in this report, all of which has been checked by Qatalum's Internal Audit department.

Sustainability Performance Highlights

Below is a summary of Qatalum's performance since 2011 for all of the SDIR Programme indicators.

8,762	Indicator	Unit	2011	2012	2013
Economic	Revenues	USD '000	1,135,000	1,558,530	1,548,794
Contribution	Production - broken down into main products	Million Tonnes	468,789	627,971	634,351
	Goods and services sourced locally	%	30%	26%	47%
Climate Change	Direct energy use	GJ	25,300,808	29,322,066	32,464,858
& Energy	Indirect energy use	GJ	240,703	4,032,461	8,762
	Direct GHG emissions (scope 1)	Tonnes Co2	4,569,997	4,801,041	4,604,651
	Indirect GHG emissions (scope 2)	Tonnes Co2	57,677	965,550	1,984
The Environment	Fresh water used (purchased)	m3	570,178	434,903	398,770
	Water discharged (sea water used as non-contact cooling water)	m3	117,500,000	117,500,000	117,500,000
	Water discharged (other than sea)	m3	n/a	55,000	120,860
	Water recycled or reused	m3	n/a	233,203	157,502
	Total waste disposed	Tonnes	4,679	3,729	7,784
	Total waste recycled	Tonnes	337	145	8,178
Health & Safety	Employee lost time injuries	-	1	1	1
	Contractor lost time injuries	-	2	5	0
	Heat stress incidents	-	14	10	4
Workforce	Qatarisation	%	2.70%	4.3%	4.6%
	Female employment	%	4.73%	4.40%	3.91%
Society	Total social investment budget	USD	30,540	45,249	1,000,000
	Corruption or human rights incidents	-	0	0	0

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Sustainable Foundations

- Governance
- Sustainability Management
- What Matters Most
- Strategy
- Workforce

Sustainable Foundations

Strong governance and management structures and a clear approach and strategy form the basis of a strong sustainability program at Qatalum. These elements create a platform for Qatalum to continue to improve production efficiency, operate more responsibly, and have a tangible positive impact on Qatari society.

Governance

Qatalum is committed to integrating sustainability throughout the company and holds everyone in the organization responsible for making this happen. In support of better integration of sustainability in Qatalum, in 2012 Qatalum management hired a sustainability manager and charged him with raising awareness, conducting trainings, reporting on sustainability performance. This new position was presented to the Board of Directors and was ratified unanimously.

About the Board

The company's governance structures include the Board of Directors, comprised of eight members who are all nonexecutive members. Each of Qatalum's shareholders appoints four directors. The Board also has three committees that provide support and advisory services to the Board. Qatalum's management reports directly to the board. Sustainability is an important part of the Board's agenda. To see all of the board members go to [Qatalum's website].

INSURANCE ADVISORY COMMITTEE DIRECTORS

BOARD OF

FINANCE & COMMERCIAL COMMITTEE

AUDIT COMMITTEE

Sustainability Management

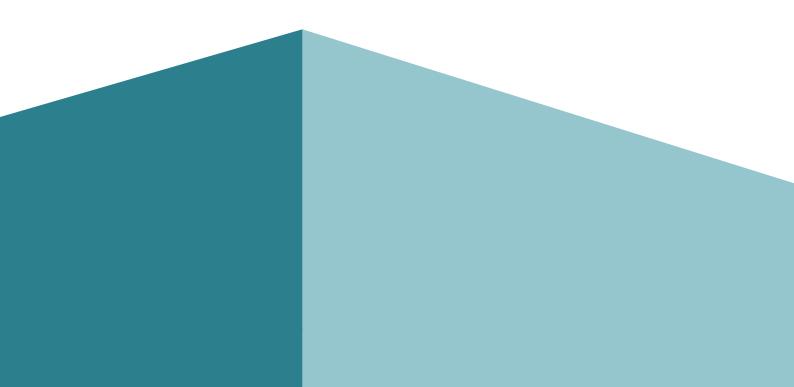
Sustainability management involves Qatalum's management of economic, environmental, and social performance to maximize benefits for both the company and its key stakeholders. Qatalum has several key structures in place to manage the company's sustainable practices and future plans. The structures and systems include the Qatalum Improvement Program and Qatalum Production System, the Sustainability Manager and team, monthly sustainability team meetings, Qatalum's framework for sustainability, Qatalum's 5-year sustainability strategy, and a broad range of Key Performance Indicators (KPIs).

Qatalum Improvement Program

The Qatalum Improvement Program (QIP) began in 2013 and is aimed at continuously improving working standards and practices to make them more effective while maintaining safety and quality. In 2013 the 12 participating departments have collectively implemented over 140 new initiatives under the QIP. These projects are marked throughout this report with the QIP symbol.

The Qatalum Production System

The Qatalum Production System (QPS) is a way of working and a platform for growth through continuous improvement and the implementation of best practice principles and methodologies in our production process.





Qatalum's Sustainability Manager

"Sustainability is looking at the social, economic, and environmental challenges [and solutions] as integrated, rather than separate and competing."

Monthly Sustainability Meetings

The Sustainability Manager, Dr. Mufeed Odeh hosts the monthly sustainability meetings that gather Qatalum's management. The role of these meetings include:

- Identifying challenges and addressing or preventing them;
- Tracking progress towards Qatalum's sustainability strategy's targets and goals;
- Sharing lessons learned and success stories.

What Matters Most

Stakeholder Engagement

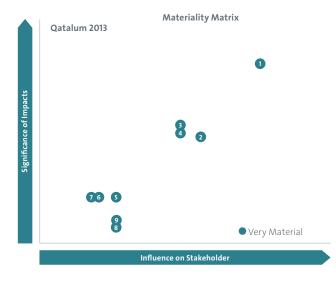
Qatalum first completed a mapping of its main stakeholders, company impacts on them, and their needs in 2011. This has helped us in determining our sustainability strategy and approach. To see a full map of Qatalum's stakeholders and the many ways Qatalum engages them, go to the Qatalum website. (G4-24–27)

Town Hall Meetings

Qatalum promotes an open and transparent culture from the highest level of management. Each month Qatalum's CEO hosts a Town Hall meeting for employees from every level. During the meetings the CEO shares company challenges and successes so that everyone can share in the company's achievements. Unique to these meeting is the fact that any employee can share concerns or directly ask the CEO questions about the company.

Qatalum's Material Issues

In 2013, Qatalum underwent a detailed materiality assessment to determine the social, environmental and economic aspects that were most material to the company and its stakeholders based on the GRI G4 guidelines. This was completed based on previous years' stakeholder maps and aspect coverage and a complete review by Qatalum's Sustainability Manager. In the future Qatalum plans to take steps to further engage is management and key stakeholders in this process to ensure that its reporting truly reflects the most material issues to Qatalum and its stakeholders. Below is a matrix that includes only the most material aspects. All of the material aspects Qatalum considered and their boundaries can be found (G4-18–21).



Qatalum's Most Material Aspects

Rank	Aspect
1	Economic Performance
2	Occupational Health and Safety
3	Emissions
4	Employment
5	Market Presence
6	Training and Education
7	Energy
8	Effluents and Waste
9	Indirect Economic Impacts



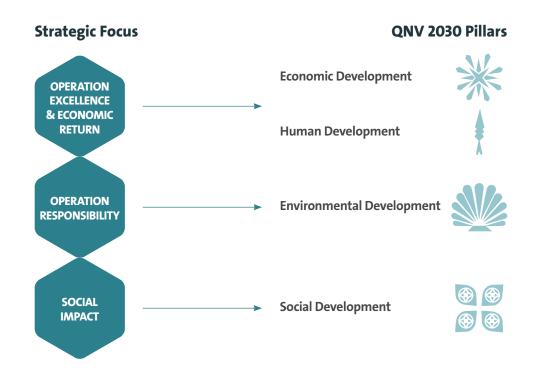
Sustainability Framework

The sustainability framework, pictured below, aims to reflect Qatalum's approach to sustainability and the main focus areas for Qatalum's future sustainability efforts.



Qatar National Vision 2030

Each of the four pillars of the QNV, economic, social, environmental, and human development, are important components of Qatalum's sustainability framework and strategic plan.



Sustainability Strategy

Qatalum was established to directly contribute to realizing the development goals of Qatar National Vision (QNV). The sustainability framework and strategy aim to better align Qatalum with these goals. The Sustainability Strategy clearly outlines Qatalum's drivers, risks and opportunities, which are the basis of our framework for managing sustainability issues. This framework addresses the most material aspects for Qatalum and our stakeholders and each has its key opportunities identified. Each of the aspects also has a clear strategic plan and targets to reach between 2013 and 2018.

Workforce

Ultimately the success of Qatalum's efforts to improve the company's economic, environmental, and social performance, is determined by the employees. Their participation, engagement, and talent are critical to building a strong foundation for the company. Look at the careers section of our website to learn more about opportunities at Qatalum.





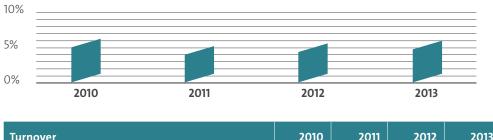
Employment Profile

Employees by Age Group	2010	2011	2012	2013
18-30	182	179	198	189
31-40	542	553	528	493
41-50	362	386	414	444
51-60	74	99	105	123
Over 60	7	7	4	4



Turnover

Our turnover rate has remained low despite the increase in our workforce size. This is a testament to our employees' high level of satisfaction.



Turnover	2010	2011	2012	2013
Total turnover number	72	65	71	75
Total turnover rate	6.2%	5.3%	5.7%	6.0%

Diversity

In alignment with the goals of the QNV 2030, Qatalum is committed to supporting diversity in its workforce. Due to the nature of the industry, Qatari employment and female employment are low for Qatalum. However, as the company continues to stabilize and invest more into education and development, female and Qatari demographics in the company should increase.

# of Qataris 37 33 54	Qatarization	2010	2011	2012	2013
	# of Qataris	37	33	54	58
# of Expatriates 1,130 1,191 1,195	# of Expatriates	1,130	1,191	1,195	1,195

Workforce by Gender	2010	2011	2012	2013
Female employees	70	58	55	49
% Female employment	6.0%	4.7%	4.4%	4.6%
Male employees	1,097	1,166	1,194	1,204

Training and Engagement

Qatalum has two major training systems which apply to all employees: the functional and competency training system and the performance training system. The first of these systems develops a training programme based on the skills and functions required by a specific job. The second system assesses an employee's skills and competencies and develops an individual training programme based on his/her skill-set and career development plan. Together with these systems, all our employees receive regular career development and performance reviews.

Qatalum began a competency gap analysis in September 2013 to identify learning gaps and trainings needed to address them. The top priorities from this analysis will be determined in 2014 and the process to close the learning gaps will begin in 2014 and continue for 3 years.

Training	2010	2011	2012	2013
Total hours of training for total workforce	880,000	179,200	147,408	147,376
Average hours of training per employee	774	146	118	118

Training Cost	2010	2011	2012	2013
Total cost of training (USD)	5,022,029	3,428,006	1,724,116	1,611,106
Average cost of training per employee (USD)	3,570	2,856	1,326	1,286

IN HOUSE TRAINING 📀

In 2013 Qatalum moved many of its trainings in house. This included offering new English courses for its employees to improve their language skills.

This move has had several positive impacts including:

- Improving and standardizing training quality
- Easily accessible development opportunities
- Reducing associated costs including travel.

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Operation Excellence & Economic Return

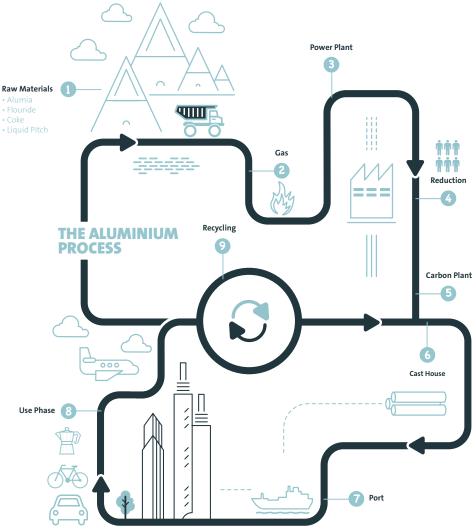
- The Aluminium Journey
- Production
- Engaging with the Industry

OPERATION EXCELLENCE AND ECONOMIC RETURN

Qatalum continually strives to make its production process more efficient and to create a high quality product that yields strong economic returns. Qatalum maintains its active role in the global aluminium industry to both boost its position in the industry and to support the QNV 2030 pillar focusing on developing the Qatari economy.

The Aluminium Journey

Qatalum is a primary aluminium production plant that produced over 634,000 tonnes of aluminium in 2013. The aluminium smelting process takes place at the Qatar facility, but Qatalum's production lifecycle begins with the raw materials used in production and ends with the sale and, when possible, the recycling of our products to be used again in production.



Materials

Qatalum's aluminium journey begins with sourcing raw materials from around the world. Where ever possible, the company chooses the more sustainable option for sourcing its raw materials. In 2013 Qatalum began sourcing nearly half of its coke from India instead of North America, significantly reducing the travel distance and travel related emissions.

Qatalum's Spending on Raw Materials in 2013





Procurement Practices and Policies

At Qatalum, procurement practices and policies are in place to ensure that products and services sourced are socially, environmentally, and economically responsible.

Local Procurement

Qatalum maintains a policy of increasing local spending whenever possible, although Qatar lacks the raw materials needed to produce aluminium. The company always prioritizes local suppliers, contractors, and service providers over those located internationally.



Suppliers and Contractors

Qatalum expects all of its suppliers and contractors to operate in compliance to all laws and regulations, and to also meet the standards of Qatalum and our international partners. Qatalum requires all suppliers to sign a supplier declaration developed by Hydro, which states that they follow the company's policies on labor conditions, environmental impact, and social impact.

Corporate Social Responsibility Screenings and Audits

In 2013, Qatalum began conducting Corporate Social Responsibility (CSR) screenings and regular audits of its contractors and suppliers. Contractors and sub-contractors must comply with the rules stated in the Universal Declaration of Human Rights. The minimum requirements Qatalum has its contractors include the following:

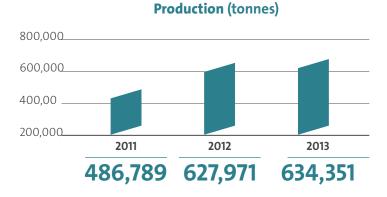
- Acceptable housing standards
- Minimum monthly salary
- Timely monthly salary payments to employees.
- Other benefits including paid leave and free access to or an allowance for food and transportation.

Qatalum also conducts audits of its contractors at least once a year, and more frequently if necessary. Audit checks all of the above requirements and the following:

- Overtime payment is duly compensated
- Employees are not able to have a second employer

Production

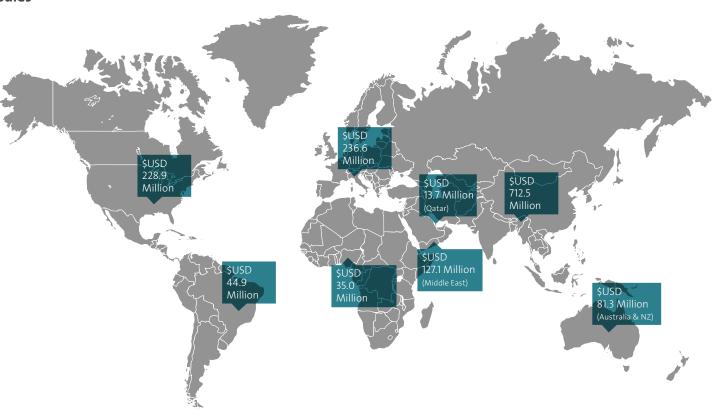
2013 marked Qatalum's second full year of production. Production increased this year by over 6,000 tonnes.



Customers

In 2013 our products were sold around the world, resulting in over \$USD 1,480 million in revenue. The map below shows Qatalum's sales by region for 2013. 2013 was marked by an increase in production but an overall decrease in sales due to the declining price of aluminium. In response to this Qatalum has implemented the Qatalum Improvement Programme that will allow the company to improve its economic gains through a variety of initiatives to become more efficient.

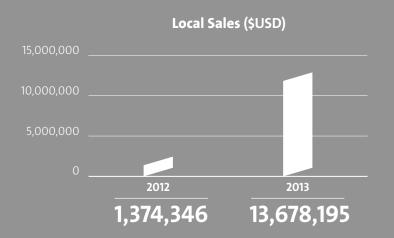




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Local Sales

Total local sales increased in 2013 due to Qatalum's efforts to encourage local development of a downstream aluminium industry. Qatalum is able to save cost in delivery, reduce its environmental impact, and further contribute to economic diversification and socio-economic impact through developing the local downstream industry. In January, 2013 Qatalum signed supply contracts with Abdul Noor and Qatar Aluminium Extrusion for the sale of premium aluminium. Total volume of both contracts is approximately ten thousand tonnes for 2013, which is only a small amount by global downstream standards, but the contracts represent the beginning of a downstream aluminium industry in Qatar.



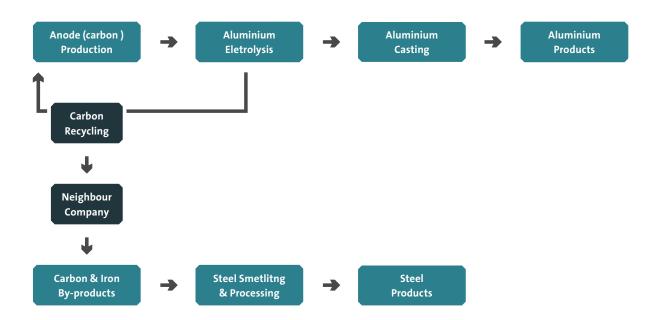
"Encouraging the local aluminium downstream industry is a prime target and commitment at Qatalum. The contracts signed today represent the beginning of implementing such commitment towards Qatalum's participation in developing local industry in Qatar."

CEO, Tom Petter Johansen at the contract signing

By-product management

Qatalum's production process generates several by-products that cannot be reused directly in production. In 201,3 Qatalum began selling its carbon and iron byproduct to a neighbor company that produces steel. Treatment and disposal of the carbon material sold in 2013 would have cost **QAR 10 million** and generated more emissions through transporting the materials. Instead, Qatalum earned in excess of **QAR 1 million** for the sale of these process by-products.

The diagram below shows where carbon and iron by-products are produced and how they are used by the neighbor company in their steel production process.



Spent Pot Lining Management

As part of the lifecycle of a primary aluminum plant every few years the pot linings of a plant need to be replaced. This creates spent pot linings (SPLs) that need to be recycled or disposed of properly. In 2014 Qatalum will begin relining its pots producing SPLs. In preparation for this, the company has already sought out potential companies to buy the spent pot linings and will likely have agreements in place in 2014. This solution will help reduce Qatalum's waste stream and is a more economically sound way of managing the SPLs.

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Engagement with the Industry

Qatalum takes an active role in engaging and developing Qatar's aluminium sector and the industry as a whole by building a diverse range of international partnerships, business relationships, and investments.

Aluminium China 2013 Conference

"This is the largest industry event, for the fastestgrowing metal industry sector... Exhibiting here allows us to make invaluable connections from throughout the global aluminium supply chain, ensure we keep our focus on the massive Chinese market, and increase our global branding exposure." – Qatalum DCEO, Khalid Mohd Laram



Aluminium Review

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 includes updates on the latest in:

- Important news
- Developments in the sector
- New technologies
- Environmental management
- Product marketing



Made in Qatar

The "Made in Qatar" exhibition was organised in collaboration with the Ministry of Energy and Industry to contribute to the building of the national economy. Qatalum actively participates in this each year as it is in alignment with the company's goal of developing Qatar through growing the downstream aluminium sector and increasing Qatalum's local customer base.



ALUEXPO 2013, Turkey

Qatalum made use of this opportunity to contact other industry leaders to explore mutually beneficial collaborations, discuss common issues and challenges, and investigate new methods to improve processes and operations. Qatalum already has 28 clients in Turkey and this was also an opportunity to reach existing clients and establish new ones.



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Operating Responsibly

Occupational Health and Safety

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- Human Rights
- Environmental Impacts

Operating Responsibly

Qatalum actively works to manage and mitigate risks to the health, safety, and wellbeing of Qatalum employees and contractors. Operationg responsibly means managing the impact Qatalum has on the environment through becoming more efficient and reusing or recycling by products.

"We take great pride in being one of the top performing smelters in the GCC 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."

-DCEO Khalid Mohd Laram.

Qatalum consistently achieves high standards in the management and operations of the plant through its Health, Safety, and Environment (HSE) Management System. Operational excellence depends on a healthy workforce and safe operations. To further improve the implementation of the system, in 2013 Qatalum began the implementation of a SAP based Incident Investigation and Reporting system, which will significantly reduce the gap between an incident, its reporting, and a response. Qatalum also made sure that 100% of the incidents that did happen were investigated and lessons were learned from each incident.

Qatalum has also transitioned training for high risk activities to be conducted internally rather than externally, allowing for better control over the quality of training, reduced costs associated with travel, and reduce lost work hours going to and from trainings. In 2014, the HSE department will pursue fulfilment of the ISO 14001 and OHSAS 18001 certifications to make sure that Qatalum's HSE practices comply with the highest international standards.

Health, Safety, and Environment Policy

Qatalum's HSE policy is in place to ensure optimal operations while maintaining high safety and environmental standards. The HSE policy includes:

- Operating under safe, healthy, and environmentally acceptable working conditions.
- Continually improving our HSE measures by setting and implementing appropriate objectives and targets.
- Complying with applicable Qatari legal requirements and other standards adopted by the company.
- Ensuring a strong HSE awareness among our employees and contractors.

Performance Highlights

Qatalum monitors and tracks a number of indicators for both employees and contractors. This allows the Company to identify problems or HSE challenges and see progress towards improving them year-on-year.

Indicator	2011	2012	2013
Fatalities	0	0	0
Lost time injury rate	0.47	0.64	0.08
Reportable injury rate	2.37	1.28	0.33

Employees

Qatalum tracks and reports on its lost time injury and reportable injury rates. Qatalum's employee reportable injury rate, already low in previous years, has further decreased to 0.33 in 2013. This demonstrates the success of our safety policy and trainings.

The Paste Plant in the Carbon Group started operations in January 2010 and since then has completed 3 years with no lost time injury to any of its personnel.



Contractors

Qatalum is committed to holding contractors to the same health and safety standards as rates. Qatalum's contractor lost time injury and reportable injury rates have decreased significantly in 2013. Most notably there were 0 contractor lost time injuries in 2013.

Indicator	2011	2012	2013
Fatalities	0	0	0
Lost time injury rate	0.28	1.18	0.0
Reportable injury rate	0.98	1.97	0.03

HSE Contractor Forum

In order to better address and prevent health and safety issues with contractors, Qatalum formed the Contractor Forum - a joint committee between all contractors, all HSE management, and Qatalum top management. The forum meets quarterly and is a space to address any problems related to HSE performance and share best practices to ensure it continues to improve. Contractor reportable injuries and lost time injuries both decreased significantly in large part due to the forum.



HSE Activities

Qatalum implements a range of programs and activities that help make the plant a safer place and promote health practices for employees and contractors. Below are highlights from 2013's activities and programs. You can read more about all of Qatalum's HSE initiatives on the website.

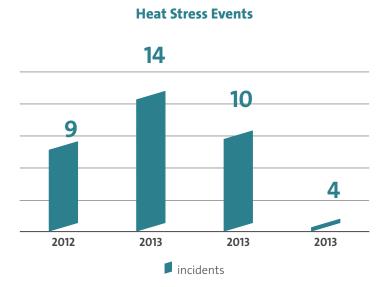
Second Mutual Aid Exercise

In the case of an emergency a mutual aid response would require joint participation by different fire brigades within a given jurisdiction, in this case MIC (Mesaieed Industrial Area), to assist with emergency response as the need arises determined by the authority having jurisdiction. In 2013, Qatalum participated in its second mutual aid exercise with the MIC Fire Brigade and Qatar Steel Fire Brigade.

Heat Stress Awareness Campaign

Qatalum's annual Heat Stress Awareness Campaign was especially successful in 2013. The campaign helped reduce heat stress incidents by about 60%. The success of this campaign was in large part due to the involvement of Qatalum employees at every level. The CEO and DCEO launched the campaign and other senior managers were actively involved in the day-to-day implementation of the campaign.

In order to make sure employees were fully prepared to handle the risks of heat stress, management began the campaign a month earlier than the previous year and well before the hot season.





Traffic Management

At the end of 2013, Qatalum reduced the risks associated with pedestrian safety and vehicle traffic by relocating the staff parking area to inside the Qatalum plant, changing to the shuttle bus route on-site and barricading and demarcation of pedestrian walkways.

Emergency and Security Control Rooms

Qatalum integrated all of the emergency and security control rooms into one control room creating a single point of contact during emergencies. In 2013, Qatalum conducted 9 drills to ensure preparedness in the event of an emergency.

Hand Injury Awareness Campaign

Successfully launched by the CEO, Hand Injury Awareness talks were hosted by the Heads of HSE to their respective operational groups to reduce incidents especially amongst contractors.

Heart Awareness Campaign

During the campaign blood pressure, cholesterol, and blood sugar checks were conducted on 174 employees. The results showed varying levels of wellness in the test subjects and mitigating advice was provided to those at risk.

Physical Fitness Campaign

This was the first year for this campaign and the company saw 8 different teams sign up for the basketball league.

Human Rights

Qatalum experienced no human rights violations in 2013. Qatalum includes human rights criteria in all of its agreements with suppliers and contractors. Qatalum's main contracts for raw materials are arranged through Hydro, who require each supplier to sign a supplier Declaration that reflects their CSR policies. This includes criteria on health and safety, environmental impact and ethical conduct. Human rights specific criteria include that the company:

- Does not employ children under the age of 15
- · Does not engage or employ people against their free will
- · Complies with local labor laws regarding working hours
- · Provides employees with fair wages
- Does not tolerate harassment or discrimination



Environmental Impacts

Qatalum's HSE Management System guides the management of resources and the reduction of the company's environmental impact. The company also follows its Environmental Management Manual, which includes guidelines for managing sources of environmental impact, climate change, water consumption, and waste management. Please see Qatalum's sustainability page on the website for more information about environmental management.

Ministry of Environment Audit

In 2013, Qatalum underwent an audit by the Ministry of Environment (MoE), the first by an external entity, which focused on evaluating the environmental compliance and performance of the company. They reported only less than a dozen observations, most of which were minor and technical in nature. For a complex industry like Qatalum with a wide variety of environmental aspects related to solid liquid and gaseous discharges, the relatively small number of observations demonstrates the sustainable environmental performance of Qatalum

Climate Change and Energy

The company monitors and tracks energy use and the resulting greenhouse gas (GHG) emissions. Qatalum utilizes advanced technologies to remove most of the environmentally harmful contents from the emissions before they are released.

Qatalum's total GHG emissions decreased by 20% in 2013. This was due in large part to Qatalum shifting to producing more electricity on-site at its power plant, which is more efficient and reduced the amount of electricity purchased from Kahramaa, the national electricity provider.

Emissions	2011	2012	2013
Total direct GHG emissions	4,569,997	4,801,041	4,604,651
Total indirect GHG emissions	57,677	965,550	1,984
Total GHG emissions	4,627,674	5,766,591	4,606,635

In 2013, total energy consumption decreased by approximately 3% from 2012 despite increasing production by over 6,000 tonnes. To see more details about Qatalum's energy use and emissions see the sustainability tab of the website.

Energe Use	2011	2012	2013
Direct Energy Consumption (GJ)	25,300,808	29,322,066	32,464,858
Indirect Energy Consumption (GJ)	240,703	4,032,461	8,762

Qatalum reduced its GHG emission by 1,159,956 tonnes CO₂. This is equivalent to:



Annual GHG emissions from 244,201 vehicles

or

or



Annual CO₂ emissions from 15,356 tanker trucks worth of gasoline



Carbon sequestered by 950,784 acres of US forest in one year¹.

Other Air Emissions

Other non-GHG emissions come from the power plant and reduction plant as detailed below. These include fluorides and PFC components emitted from our reduction plant. All captured fluoride is also recycled.

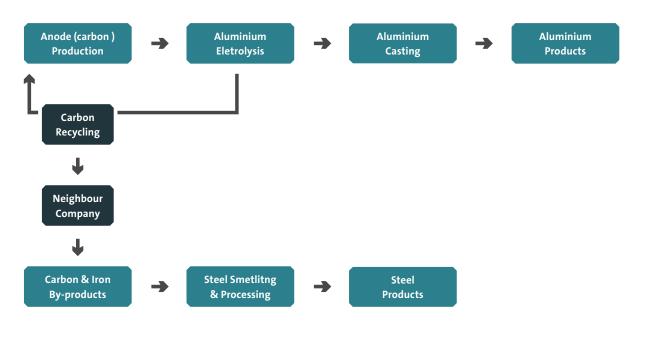
Other Air Emissions from the Reduction Plant	Limit	2011	2012	2013
Total fluorides (kg/mt Al)	0.30	0.10	0.13	-
PFC (both potlines) (kg/mt Al)	0.30	0.126	0.11	-

 $1\,US\,Environmental\,Protection\,Agency's\,Greenhouse\,Gas\,Equivalencies\,Calculator\,http://www.epa.gov/cleanenergy/energy-resources/calculator.html#results$



Waste and Recycling

The amount of waste recycled in 2013 was significantly higher than in previous years, reflecting the by-product that had accumulate since start up and was sold to a neighboring company in 2013.



Waste and By products	2011	2012	2013
Total waste disposed (Tonnes)	4,796	3,729	7,784
Total waste recycled (Tonnes)	337	145	8,178

All below numbers		2012			2013		Future Potential		
in metric tons	Carbon Power	Steel Scrap	Slag	Carbon Power	Steel Scrap	Slag	Carbon Power	Steel Scrap	Slag
Generation	4000	700	240	4000	700	240	5000	500	240
Storing @ site	4000	700	240	1000	150	0	0	0	0
Recycling	0	0	0	9550	1550	480	5000	500	240

Water

Both fresh water and seawater are used at various stages in the production process. Qatalum implements a number of techniques and guidelines that allow for more efficient water consumption; some of these practices include regular treatment and reuse of water on-site and the implementation of conservation measures and technologies. Qatalum's seawater consumption is mainly used as non-contact cooling water and is cooled before being returned to the sea.

Indicator	2013
Fresh water used (from purchased)	398,770
Fresh water used (from company generated)	NA
Non-contact cooling water	117,500,000
Water discharged (to sea)	117,500,000
Water discharged (other than sea)	120,860
Water recycled or reused	157,502

Pitch Fume Treatment in the Paste Plant

In the carbon plant, treating emissions of polycyclic aromatic hydrocarbons (PAH) is a priority. The introduction of paste-mixer coolers volatile compounds emission have increased. Qatalum's Pitch Fume Treatment in the Paste Plant has set a new performance benchmark in the Gulf. The pitch fume treatment process optimises the capture and destruction efficiency while cutting natural gas consumption - and the associated carbon footprint - dramatically. To learn more about the technologies that make this possible, go to Qatalum's website.

Blowdown

Some of the fresh water is used for the cooling towers and released as blowdown water from the boilers. When the wastewater treatment plant is working correctly, 100% of this water is recovered, treated, and used for on-site irrigation. The majority of the sea water is used for the cooling towers. Once used, the seawater is treated to meet the Ministry of Environment's specifications for quality and temperature, and is then returned to the sea.

Indicator	2013
Amount of blowdown water (m ³)	105,564
Percentage used for irrigation	95%
Percentage transported off-site	5%

In Lines

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Social Impact

Qatarization Community Activities

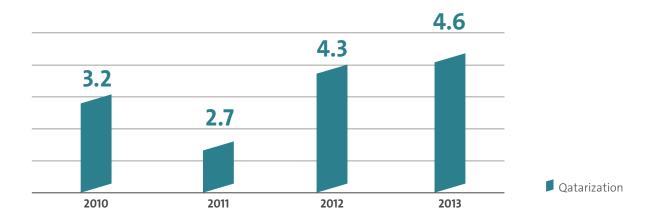


Social impact

Qatalum is committed to contributing to the development of the Qatar Society in alignment with the Qatar National Vision 2030 pillars for human and social development. Qatalum understands that the longevity and success of the company depends on the development of a healthy, engaged, and highly-skilled society.

Qatarization

"What is needed is a greater responsiveness by the educational system to match its deliverables with the vocational and technical needs of the energy market."



Energy and Industry Minister HE Dr Mohamed bin Saleh Al-Sada

Qatalum's community investment increased significantly from just over \$USD 45,000 in 2012 to \$USD 1 million in 2013.

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In 2013, Qatalum received Certificate from Energy and Industry Minister for its efforts to support Qatarisation in 2012. Qatarisation has increased at Qatalum since 2010, however Qataris still make up a small percentage of the total workforce. As a new industry in Qatar one of the challenges is building the necessary technical capacity within the local population. Many staff were also hired only for the initial plant start-up phase and now that Qatalum is becoming more established, the company can focus on recruiting for long-term positions from the local talent pool. Although there is significant competition for a small pool of local candidates, as a new company Qatalum has the opportunity to attract the interest of qualified locals.

Training and Education

Qatalum has a number of training programs that give students and recent graduates the opportunity to learn more about the company and aluminium production. In addition to its internal development programs, Qatalum partners directly with local universities to promote education in aluminium production as an emerging field in Qatar.

The following are Qatalum's main training and education programs that are offered every year. To find out more about any of these programs go to the links below.

- Graduate Development Programmes (GDPs)
- Professional Development Programme (PDP)
- National Scholarship Programme
- Summer Internship Program (STP)

STP is an intensive period of industry exposure and training, designed to help the visiting students bridge the gap between their academic studies and a real-life career in the industrial workforce - and possibly within the Aluminium industry, ideally at Qatalum.





New Qatalum/Hydro Chair Professor at Qatar University

Qatatlum reinforced the metallurgical and process expertise at Qatar University by introducing two prominent senior professors who will hold Qatalum/Hydro Chair positions in tandem for three years. The professors aim to position Qatar as a core knowledge center for aluminium technology and application in the Middle East.



Recruitment

Qatalum offers fresh graduates and students a unique chance to be a part of a growing industry that offers new training and career development opportunities. Promoting Qatalum to Qataris has the dual benefit of recruiting highly talented employees and contributing to national Qatarization goals. To learn more about Qatalum's efforts to develop and hire locally see the Qatarization page on our website.

The 6th Annual Career Fair was an excellent venue to engage Qatari's on the opportunities available at Qatalum. Participants learned about Qatalum's training and development programs for students and recent graduates.

As a result of the fair, Qatalum hired 2 new employees and 8 new developees who will graduate soon and undergo training with Qatalum.

To see other fairs Qatalum participated in or to see upcoming events where you can learn more about opportunities at Qatalum's go to the website events page.

"By playing a leading role at an educational level we hope to connect students and our culture with the attributes of aluminium and encourage them to choose our field as their career of choice."

– DCEO, Khalid Mohd Laram

Community Activities

Qatalum aims to engage the local community beyond training and career opportunities, to overall community development including health and cultural activities.

Qatar National Sports Day

Qatalum participated in the National Sports Day celebrations in Mesaieed. The event is a great opportunity to highlight the value of sports and the benefits of an active and healthy lifestyle. Qatalum's participation in this event contributes to the Qatar National Vision pillar for human development.



Sponsoring Ramadan Iftar Tent

Qatalum sponsored a tent during Ramadan where daily iftars were hosted as well as speeches and cultural competitions and exhibitions. This was a great outreach opportunity intended to strengthen community spirit, encourage the values which Ramadan espouses, and support the disadvantaged.



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Appendix A. Report Parameters

Appendix A. Report Parameters

Contact	Mufeed Odeh Sustainability Manager Qatar Aluminium Limited, P.O. Box 23086, Doha, Qatar Tel +974.4403.1215; Mob +974.6600.6975 Email: Mufeed.Odeh@qatalum.com
Priority Issues	Determining Our Key Priority Issues – This report was guided by the GRI Index in the context of our stakeholder map, and follows our sustainability framework, which was developed based on our commitment to national and international development and sustainability goals. Each of the report sections presents the relevant key issues and significant KPIs representative of the issues outlined in the framework.
	Materiality – This report covers Qatalum's economic, social, and environmental performance as it pertains to the issues of greatest concern to our stakeholders.
	Stakeholder Inclusiveness – In creating this report and planning for ongoing sustainability, we have considered the priorities and concerns of all of our stakeholders. Our focus for 2012 was on continued implementation of sound sustainability measures in both our management and operations.
	Sustainability Context: Qatalum has considered the global context of the industry and sustainability and takes this into consideration in its sustainability management.
	Completeness: This report is the third sustainability report to be made public by Qatalum. We have tried to report on all of our material performance data to make this report as complete as possible.
Reporting Cycle	This report presents information and details of Qatalum's operations from January-December, 2013.
Reporting Principles for Defining Quality	As we are still in the developmental stage, we acknowledge that there are areas of potential improvement; however, this report marks an improvement from our previous first report. There are indicators we are working on reporting that will contribute to greater transparency in the future.
Balance	Qatalum's management were actively involved in the collection of the data presented in this report. The content is presented in a way that allows a balanced view of the company's economic, social, and environmental performance.
Comparability	As a young organization reporting on our first complete year of full-capacity production, we include in this report data on our progress compared against our baseline 2011 report and our 2012 report. In an effort to provide the most accurate information, we have restated data that was found to have been erroneously reported in the past.
Data Measurement Techniques	To the best of our knowledge, all of the information within this report is accurate and represents the best data available to Qatalum and its stakeholders. Any data estimation or calculation has been stated within the report.
Significant Changes	This report contains no significant changes in the scope, boundary, or measurement methods applied in the 2012 report.
Assurance	The report has not been externally audited or assured.

Appendix B. GRI Index

G4-23

No significant changes in 2013

Appendix B: GRI CONTENT FOR 'IN ACCORDANCE' – CORE

The table below provides the discloser of GRI content for 'In accordance' – Core for our report. Further explanation for each indicator is presented online at https://g4.globalreporting.org/Pages/default.aspx

Table Ke	y • Reported	Partially R	eported	 Not Reported 	
Indicator	Page reference (or direct response in case of omission)	External Assurance	Indicator	Page reference (or direct response in case of omission)	External Assurance
GENERAL STAND	ARD DISCLOSURES		GENERAL STAN	IDARD DISCLOSURES	
Strategy and Ana	ılysis		Stakeholder Er	ngagement	
G4-1	• 4, 5	Not Assured	G4-24	• 19	Not Assured
Organizational P	rofile		G4-25	• 19	Not Assured
G4-3	• 8	Not Assured	G4-26	• 19	Not Assured
G4-4	• 8	Not Assured	G4-27	• 19	Not Assured
G4-5	• 8	Not Assured	-		
G4-6	•8	Not Assured	Report Profile		
			G4-28	• 54	Not Assured
G4-7	• 8	Not Assured	G4-29	• 2012	
G4-8	• 8	Not Assured	G4-30	• 54	Not Assured
G4-9	• 22, 27, 29		G4-31	• 54	
G4-10	• 22	Not Assured	G4-32	• 54	Not Assured
G4-11	O Not applicable - Trade unions do not exist and are illegal in Qatar	Not Assured	G4-33	Not Assured	Not Assured
G4-12	• 26	Not Assured	Governance		
G4-13	•	There were no major operational changes in 2013	G4-34 Ethics and Inte	• 10	Not Assured
G4-14	 Qatalum adopts best practices and uses proven technology. The precautionary approach is embedded in its philosophy 	Not Assured	G4-56	• 19, 14	Not Assured
Identified Mater	ial Aspects & Boundaries				
G4-17	 Financial performance reported represents Qatalum only. 	Not Assured			
G4-18	• 19, 57	Not Assured			
G4-19	• 19, 57	Not Assured			
G4-20	• 19, 57	Not Assured			
G4-21	• 19, 57	Not Assured			
G4-22	Qatalum strives to continuously improve its tracking and reporting process. In our 2013 report Qatalum has recalculated and restated our direct energy consumption and direct GHG emissions for 2011 and 2012.	Not Assured			

Not Assured

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Indicator	Page reference (or direct response in case of omission)	External Assurance	Indicator	Page reference (or direct response in case of omission)	External Assurance	
SPECIFIC STANE	DARD DISCLOSURES		CATEGORY: SOCIAL			
CATEGORY: ECC	DNOMIC		SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK			
Material Aspec	t: Economic Performance		Material Aspect	: Employment		
G4-DMA	• 26, 30	Not Assured	G4-DMA	• 21	Not Assured	
G4-EC1	• 13, 29		G4-LA1	• 13, 22	Not Assured	
G4-EC4	 No assistant received from Government 		Material Aspect	: Occupational Health and Safety		
Material Aspec	t: Procurement Practices		G4-DMA	• 36	Not Assured	
G4-DMA	• 19, 57	Not Assured	G4-LA16	• 13, 37-39	Not Assured	
G4-EC9	• 19, 57	Deloitte Audit	Material Aspect: Training and Development			
CATEGORY: ENVIRONMENTAL			G4-DMA	• 21-23	Not Assured	
Material Aspect: Energy			G4-LA9	• 22, 23	Not Assured	
G4-DMA	• 42	Not Assured	Material Aspect: Labor Practices Grievance Mechanism			
G4-EN3	• 13, 43	Not Assured	G4-DMA		Not Assured	
Material Aspec	Material Aspect: Water			• 0	Not Assured	
G4-DMA	• 45					
G4-EN8	• 13, 45					
G4-EN9	• 0	Not Assured	G4-DMA	CT: INVESTMENT	Not Assured	
G4-EN10	• 45	Not Assured	G4-DMA G4-HR1		Not Assured	
Material Aspec	t: Emissions				Not Assured	
G4-DMA	• 42, 43	Not Assured	SUB-CATEGORY:		_	
G4-EN15	•13,42	Deloitte Audit		CT: ANTI-CORRUPTION		
G4-EN16	•13,42	Deloitte Audit	G4-DMA	• 33	Not Assured	
G4-EN21	• 13, 42, 43	Not Assured	G4-SO5	• 0	Not Assured	
Material Aspec	t: Effluent and Waste					
G4-DMA	•44	Not Assured				
G4-EN22	• 45	Not Assured				
G4-EN24	• 0	Not Assured				
Material Aspec	t: Compliance					
G4-DMA	• 42					
G4-EN29	• 0	Not Assured				

Appendix C. Material Aspects Identification

(G4 18-21)

Main Strategic Area	Relevant Issues		Aspect Boundary				
		Qatalum Operations, MIC	Shareholders	Environment	Qatar	Employees	Industry Partners
Sustainable Foundations							
Governance	Board and committees	•	•				
Sustainable Management	Roles and activities	•	•				
What Matters Most	Materiality Assessment	•	•				
Sustainability Strategy	5-year strategy	•	•				
Workforce	Employees by nationality & age	•	•			•	
	Turnover	•	•			•	
	Diversity	•	•			•	
	Training	•	•			•	
	0						
Operation Excellence and Econo	omic Return						
The Aluminium Journey	Materials	•		•			
	Procurement	•		•	•		
	Suppliers & Contractor	•	•		•		
	CSR Audits	•	•		•		
Production	Customers	•	•				
	Sales	•	٠		•		
	By-product Management	•		٠	•		•
Engagement with the Industry	Events	•	٠		•	•	•
On susting Decay sustifies							
Operating Responsibly							
Occupational health and safety	HSE Policy	•	٠			•	
	HSE performance	•	•			•	
	Activities	•	•			•	
Human Rights	Policy and supplier declaration	•	٠		•		
Environmental Impacts	Climate change & energy	•		•	•		
	Emissions	•		•	•		
	Waste and recycling	•		•	•		
	Water	•	_	•	•		
					1		
Social Impact							
Qatarization	Qatarization rate	•	•		•	•	
	Training and Education	•			•	•	
	Recruitment	•			•	•	
	Recruitment	•			•	•	



