



CSR NAPCO

**REPORT
2021**



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GRI REFERENCE

INTRODUCTION

ABOUT THE REPORT

In 2019, NAPCO is the only aluminum extruder in Oman and one of the largest five Aluminum extruders in the GCC region in particular and the Middle East as a whole. NAPCO currently employees over 330 among which are 125 Omani citizens vs other employees from 257 other nationalities.

NAPCO has left its stamp and mark on the architectural landscape of the Middle East, with its renowned quality products being used in a number of prominent structures. NAPCO has the dominant market share in the GCC. NAPCO is among the largest industries in Oman instead of oil and gas, it's a significant contributor to the Omani economy. With NAPCO's diversified products and services, it contributes to the growth and development of modern life and the living standards. It is a contributor to the economic divergence in Oman. It creates a business leadership and multiple opportunities to its stakeholders whether employees, customers, suppliers or other communities in which it operates in.

NAPCO adheres to high standards of environmental and social responsibility CSR and abided by the GRI Sustainability Reporting Standards and best practices.

In accordance with the aforementioned, we aim is to be recognized as a leader in the extrusion and metals industries.

Welcome to NAPCO's first sustainability report.

This report covers its sustainability performance associated with the five areas that we consider vital to a successful and sustainable business:



Quality products



Economic diversification & industrialization



Environmental & social responsibility



Creating opportunity for people



Creating opportunity for people

CHIEF EXECUTIVE OFFICER'S STATEMENT

As the only publicly listed Aluminum Extrusion Company, our aim is to abide by the highest principles of sustainability across our business. Our strategies highlights not just the economic and financial aspects but also our social and environmental performance. We cooperate with all our stakeholders whether customers, regulators, shareholders and suppliers as wardens of sustainability and social corporate responsibility. We have adopted several strategies to fulfill this endeavor, we have adopted the reduce-reuse-recycle philosophy to minimize waste generation and has an on-going aim of zero process waste to landfill.

To further develop our corporate sustainability strategy and with Climate Change and Environmental concerns, we have deployed years of extensive research in Billets and Profiles, NAPCO ECO-GREEN Billets are the future for green Buildings. This brings us closer to fulfilling our aspiration to be recognized amongst the world's leading aluminum extrusion companies in meeting our environmental and social responsibilities. Alloys of recycled aluminium have now become a fact. We aim to reduce the consumption of raw materials and the waste generated. Re-melting aluminum and processing it into new alloys, NAPCO contributes to a greener environment by reducing its carbon footprint.

Safety is the first priority for everyone at NAPCO, our human capital is our most significant asset. Zero harm to our staff, contractors and neighbors is our priority. NAPCO's commitment to quality has made it the first extrusion company in the Gulf to be awarded ISO certifications. With a consistent focus on innovative production skills and high service standards, we will continue our objective to meet customer demands and expectations.

The Gulf's aluminum market is expected to see a large increase over the next decade, which will put it among the top aluminum producers in the world. The outlook for the aluminum industry continues to flourish, in spite of continued global political uncertainty, such as the US tariffs on aluminum imports, Brexit and the concern that China, as the world's largest producer of aluminum and semi-finished aluminum products, might expand its exports into European markets.

At NAPCO, we have seized our presence in the GCC and MENA markets expanding our regional market share and engraving our prints throughout the globe in different countries & continents & on major projects and landscapes. We have acquired new markets and expanded our expertise throughout different industrial applications. We strive to achieve and exceed our customer expectations, and to fulfill the highest integrity in a highly demanding market.

We have given strong focus on the key practices that we implement across various aspects of our operations as a company-placing top priority on safety, employee wellbeing, productivity and efficiency that affirmed our commitments towards serving our customers better. We have diversified our focus through different segments and industries which we believe will be the future engine for growth and demand.

A greater emphasis on Human Resources development and recruitment of nationals especially for technical jobs, such as technicians and engineering positions this decision comes as a part of our continued endeavor towards empowering talented Omanis to take up senior management positions within NAPCO. This is also the result of great efforts put in by NAPCO in training and developing national talents and fostering their professional growth.

III. COMPANY OVERVIEW

The construction industry plays a key role in the wellbeing of our societies, nationally and abroad. This sector creates new jobs, drives economic growth, and provides solutions to address social, climate and energy challenges. The construction industry has important linkages with other sectors, so that its impact on GDP and economic development goes well beyond the direct contribution of construction activities. Construction has been a major lever to unlock higher living standards. It shapes the world in which we live, work and relax, increasingly so as nations urbanize.

GCC Aluminum production contributes majorly to revenue generation and pegged at 10% of the total world production. As a major economic driver of the region, 40% of the total aluminum production is utilized by the downstream aluminum industries in the Gulf and 60% of the total production is exported to different parts of the world.



IV. COMPANY BUSINESS & OPERATIONS



National Aluminum Products Company S.A.O.G. (NAPCO) was established in 1984 and is one of the leading extruders of aluminum profiles in the GCC market. Located in the Sultanate of Oman, the manufacturing plant is spread over 65,000 sq meters in the Rusayl Industrial Estate. NAPCO offers a wide range of aluminum profile extrusion in finishes that suit functional modern design specifications. The company has left its mark on the architectural landscape of the Middle East, with its renowned quality products being used in a number of prominent structures.

With the completion of the expansion project in 2016 now the company's objectives are focused to increase sales volume and value-added products to enhance its competitive advantage to achieve better growth and profitability in the future. To compete effectively, the company is being vigilant on implementing efficiency measures, and expanding customer base. We believe that these strategies will benefit our customers in getting reliable products at a convenient time and will also bright the company's future.

Our annual production capacity is 42,000 MT, with four (4) state of the art presses. The extrusion presses are complemented by one anodizing line and two powder coating lines (vertical & horizontal). NAPCO also houses two wood finish lines and a crimping and bending facility.

NAPCO's commitment to quality has made it the first extrusion company in the Gulf to be awarded by ISO certifications. We are also the only public limited aluminum extrusion company in the entire GCC. With a consistent focus on innovative production skills and high service standards, we will continue our objective to meet customer demands and expectations.

PRIMARY PRODUCTS & SERVICES

Products

Aluminium Extruded Profiles

Architectural Applications

- Door/Window
- Railing Fences
- Curtain Wall
- Shop Front
- Louver
- Handrail



Industrial Applications

- Transport
- Scaffolding
- Marine
- Tent
- Furniture
- Standard Profiles



Services

- Powder Coating
- Anodizing
- Polishing
- Thermal Crimping
- Natural (Wood Coating)

Other Services

- Mechanical Testing
- Metal Nitriding
- Non-contact dimension checks on Ascona

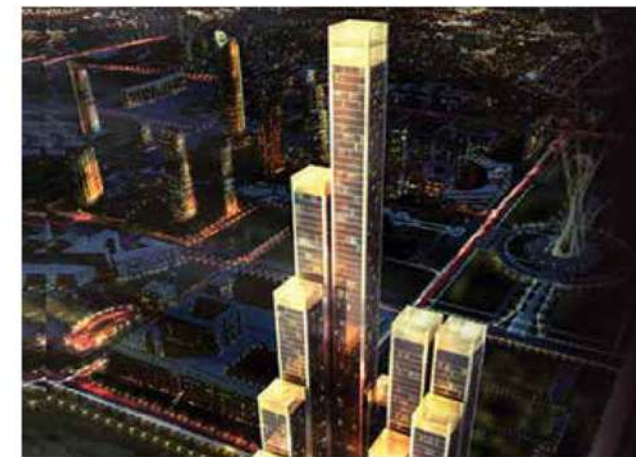
Quality Certifications

- ISO 9001:2015 (Quality Management System)
- Qualicoat
- Qualanod

PRODUCTS & ARCHITECTURAL APPLICATIONS

Architectural Applications

We always stood outstanding in the competitive market of GCC by adopting and developing the technologies based on the requirements



ARCHITECTURAL APPLICATIONS

NAPCO Systems and Specifications

NAPCO has developed profiles based on market requirements

Sliding windows and doors

Sliding 55 mm | Sliding 80 mm | Sliding 92 mm | Sliding 95 mm | Sliding 100 mm
Sliding 105 mm | Sliding 120 mm | Sliding 121 mm | Sliding 124 mm | Sliding 125 mm

Hinged Windows and Doors

Hinged Windows and Doors 42 mm | Hinged Windows and Doors 45 mm
Hinged Windows and Doors 50 mm | Hinged Windows and Doors 55 mm

Cold Series

N 45 mm Casement & Door | N 105 mm Sliding | N 50 mm Curtain Wall

Thermal Break

Cloud 55 mm | Cloud 60 mm | Cloud 105 mm | Cloud 120 mm



In Addition to the above NAPCO has extensively developed profiles with wide variety where customer can choose the required profiles such as.

Curtain walls

NAPCO has developed Mullions, Transoms, Pressure Plates, Cover Caps, Corner Mullions and Transoms, Special Beads suitable for the construction of curtain walls.

- Louver Profiles • Shop front Profiles • Hand Rails
- Round, Square and Rectangular Tubes
- Flat Bars, U - Shaped Channels, T - Shaped Channels, L - Angles and Standard Profiles
- Corner Cleats • Special Glazing Clips



INDUSTRIAL APPLICATIONS



FACILITIES

Extrusion Press:

Press 1: 2000 MT, 8 Inch Press from SMS, Germany

Press 2: 2800 MT, 8 Inch Press from Danieli Breda, Italy (Advanced BICS Quenching Facility)

Press 3: 1800 MT, 7 Inch Press from Tecalex, Spain

Press 4: 1800 MT, 7 Inch Press from Tecalex, Spain

Anodizing Line:

Anodizing line: SAS, England (Qualanod Approved Line)

Powder Coating Line:

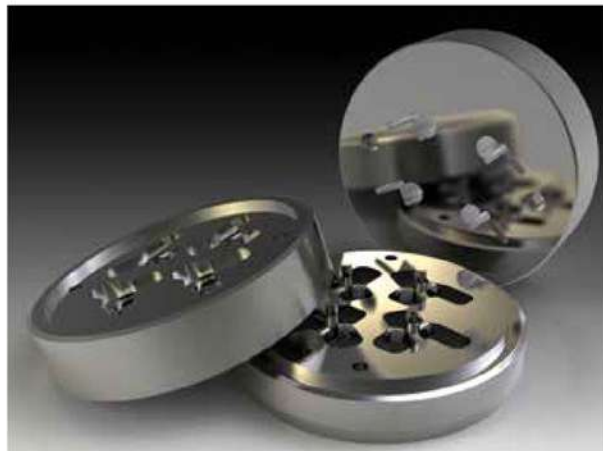
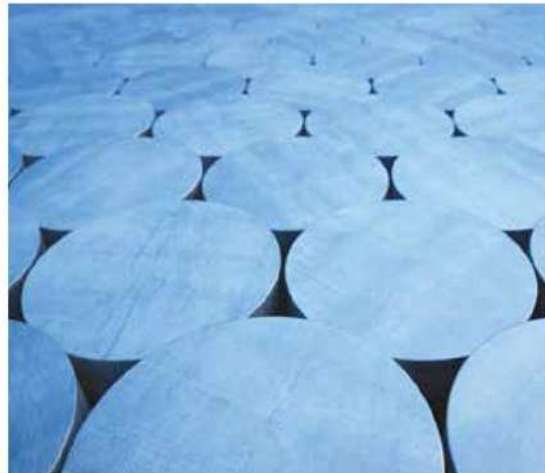
Horizontal line: Ercon, UK (Seaside Qualicoat Approved Line)

Vertical Line: Transmetal, Italy (Qualicoat Approved Line)

Natural Line: Eurolacca, Italy

Thermal Break Line:

Crimping: Oemme, Italy



SELECTION OF ALLOY

a) Alloy Availability

Alloy AA6063	Alloy AA6061	Alloy AA6060	Alloy AA6082	Alloy AA6005W	Alloy AA6101
The most popular extrusion alloy. It has good surface finish, is corrosion resistant and can be heat treated for strength	Most versatile alloy of the group has an improved Magnesium Silicon alloy with the ability to develop strengths higher than 6063 alloy. Has good corrosion resistance and used in structural and transportation applications	6060 Aluminium alloy is an alloy in the wrought Aluminium-Magnesium-Silicon family. It can be formed by extrusion, but is commonly heat treated to produce tempers with a higher strength but lower ductility. It is commonly used alloy for very complex cross sections and has very good anodizing response.	This alloy has good tensile strength and has good extrudability. widely used for railways, automobiles, profile structures with complex sections, pipelines, masts for sailing, boats, furniture etc.	A versatile alloy that can be used for various structural and architectural applications in the transportation, industrial, electrical machinery and equipment industries. Alloy 6005A can be used to produce standard and custom shape extrusions that are solid (open) or hollow in design. 6005A provides good corrosion resistance and finishing characteristics for anodizing or paint.	This is high electrical conductivity Aluminium alloy also possessing good mechanical properties. It is hardened by heat treatment. It is commonly used in electrical bus bar application.

b) Chemical Composition of Alloys

Percentage	Alloy AA6063	Alloy AA6060	Alloy AA6061	Alloy AA6082	Alloy AA6005A	Alloy AA6101
% Mg	0.45- 0.90	0.35-0.6	0.80 -1.20	0.6-1.2	0.40- 0.70	0.35- 0.8
% Si	0.20 - 0.60	0.30-0.60	0.40-0.80	0.7 - 1.3	0.50- 0.90	0.3 - 0.7
% Cr	< 0.1	< 0.05	< 0.04 -0.35	< 0.25	< 0.3	< 0.10
% Zn	< 0.1	< 0.15	< 0.25	< 0.2	< 0.2	< 0.10
% Fe	< 0.35	0.1- 0.3	< 0.7	< 0.5	< 0.35	< 0.50
% Cu	< 0.1	< 0.1	0.15 - 0.40	< 0.1	< 0.3	< 0.10
% Mn	< 0.1	< 0.1	< 0.15	0.40-1.0	< 0.5	< 0.03
% Ti	< 0.1	< 0.1	< 0.15	< 0.1	< 0.1	-
Other Impurities	< 0.15 (0.05 Each)	< 0.15	< 0.15 (0.05 Each)	< 0.15 (0.05 Each)	0.15 (0.05 Each)	0.10 (0.03 Each)
Aluminium	Remainder	Remainder	Remainder	Remainder	Remainder	Remainder

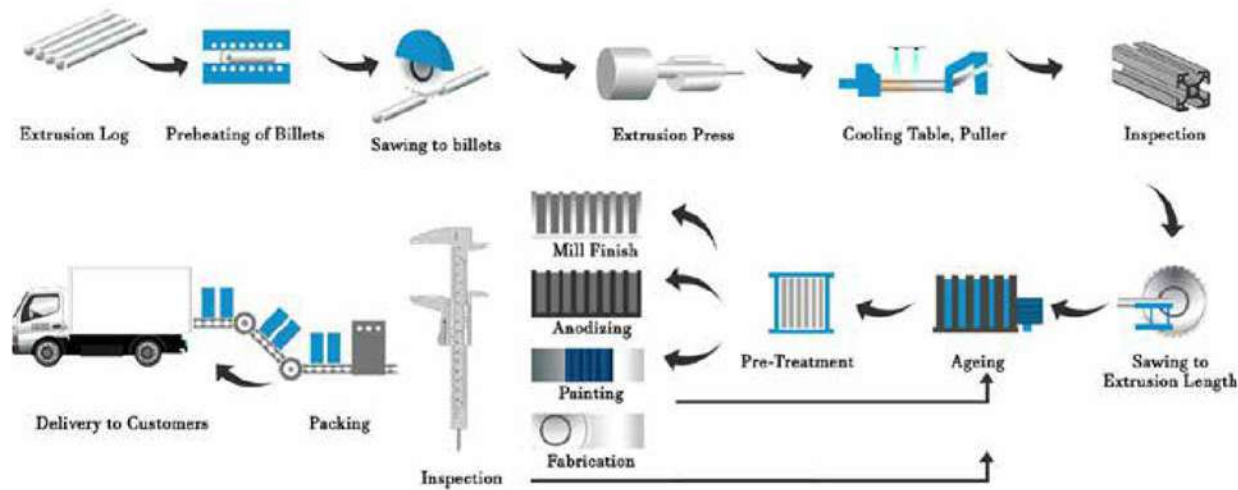
C) Mechanical Properties of Alloy

Different mechanical properties can be obtained by different aging cycle based on customer requirements such as T4, T5 & T6

	6060			6063			6061			6082			6005			6101
	T4	T5	T6	T4	T5	T6	T4	T5	T6	T4	T5	T6	T4	T5	T6	T6
Ult. Tensile Strength N/mm ² (min)	120	160	190	130	175	215	180	--	260	205	270	290	180	--	270	215
0.2% Proof Strength N/mm ² (min)	60	120	150	65	130	170	110	--	240	110	230	250	90	--	215	160
Hardness (Brinell)	50	60	70	50	65	75	65	--	95	70	90	95	50	--	85-90	65
% Elongation on 50mm (min)	14	6	6	12	6	6	13	--	7	12	6	6	6	--	6	6
Density-g/cm ³	2.7															
Melting Range-°C	585-650			650			600-650			580-650			580-650			585-650



OVERVIEW OF EXTRUSION DEPARTMENT METHOD STATEMENT



Following steps are involved in extrusion process

1. Billet preparation
2. Die preparation
3. Extrusion
4. Quality Inspection
5. Ageing

Billet Preparation:

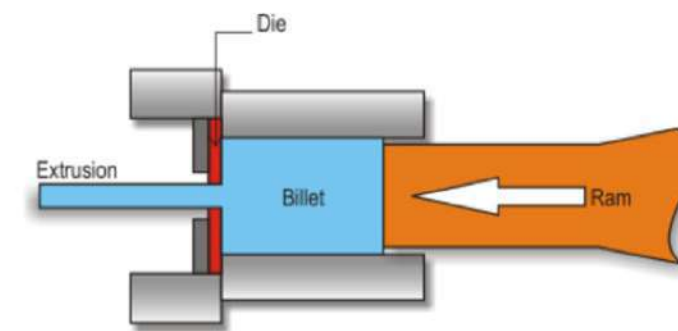
- Alloy will be selected from stock yard by considering requirement of customer. Logs will be cleaned with compressed water to remove dirt's and external impurities on log surface.
- Cleaned logs will be loaded on feeding table. Logs will be subjected for pre-heating. Logs will be heated between 420 – 520 C depending upon profile shape and criticality.
- Logs will be cut into smaller length and this is called billets. Billet length will be calculated by considering profile length, stretching allowance, profile weight for best recovery.

Die Preparation:

- Dies will be polished and inspected before each production.
- Die will be assembled with supporting tools (Backer, die ring) and die will be subjected for pre-heating at 400-480 C depending upon profile shape and criticality.
- Die will be heated between 150-480 Mins depending upon oven type, die type and size.

Extrusion:

- Pre-heated die will be mounted on die slide along with extrusion supporting tools (bolster and sub-bolster).
- Billet will be transferred to container by cradle. Ram speed and puller force will be set as per extrusion ratio, die criticality and number of cavities.
- Quenching type will be selected by considering alloy, shape and thickness of the profile.
- Profiles will be straightened by stretching process and profiles must be cooled down to room temperature before stretching.
- Straightened profiles will be transferred to finish saw cutting table to cut profiles into final length. After finish cut, profiles will be staked in skips (automatic / manual) in a way that profiles will not get damaged / dented with proper space for air circulation during ageing process.



Quality Inspection:

- For quality inspection, sample from second billet will be selected and will be subjected for dimension check, surface check. Quality inspection will be performed as per standards mentioned in approved drawing.
- Dimension check will be performed by conventional tools (Vernier caliper, micrometer, tri-square, flat bar, protractor). Profiles will be checked with gauges for critical dimension (SC). Dimensions observed during inspection of sample from second billet will be recorded in extrusion profile check sheet.
- Profiles with complex shapes will be checked in Ascona (Non contact dimension measuring instrument) and the value will be recorded.
- Surface of profile will be checked by polishing and black spray test. Dimension and surface check will be performed at the frequency of 5 billets.
- Dies which are not meeting dimension / surface requirement will be taken out of extrusion and will be sent for die correction.

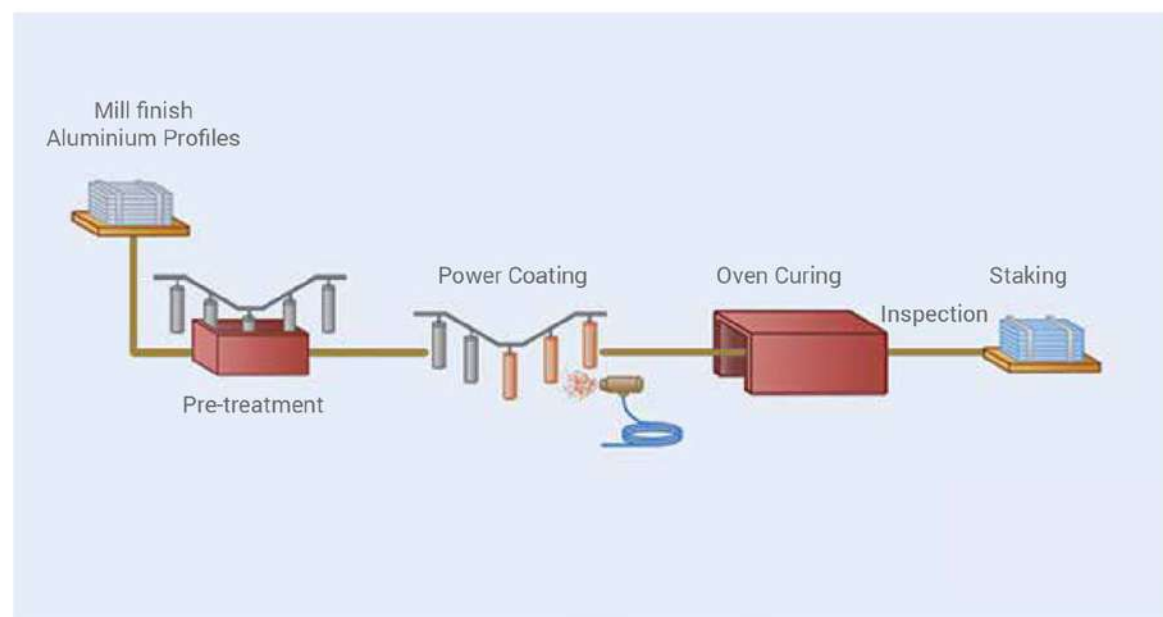




POWDER COATING PROCESS

Jigging:

- Profiles will be jugged in jigs by making holes (<30 mm) at both ends by drilling machine. Profiles will be fixed with jigs by aluminium wire. Number of pieces per jig will be arrived by considering profile weight, exposed surface, surface area, length and powder grade.
- Profiles will be inspected for surface abnormalities and any surface defects observed during pre-inspection will be segregated and isolated from workplace.



Degreasing:

- Profiles fixed in Jigs will be subjected for degreasing. In this process, profiles will be immersed into degreasing chemical which is maintained at 55-65 C for 2-5 Minutes. Degreasing salt concentration will be maintained between 25-60 grams per liter.

Etching:

- After Degreasing, profiles will be subjected for etching process. In this process, profiles will be immersed in sodium hydroxide solution maintained between 35-60 C for 3-10 minutes in horizontal powder coating. In vertical powder coating, Alpfideox chemical will be used with concentration of 20-35 grams per liter for 3-10 minutes. Etching process will make profile surface fine and matt finish which will enhance the final surface finish of profile.
- Aluminium content in etching tank will be maintained less than 160 grams per liter in horizontal powder coating and less than 10 grams per liter in vertical powder coatings.

De-smutting:

- Profiles after etching process will be subjected for desmutting. Profiles will be immersed in desmutting tank which contains nitric acid concentration of 30-60 grams per liter maintained at ambient temperature for 3-5 minutes. During desmutting, residue from previous process will be removed from profiles.

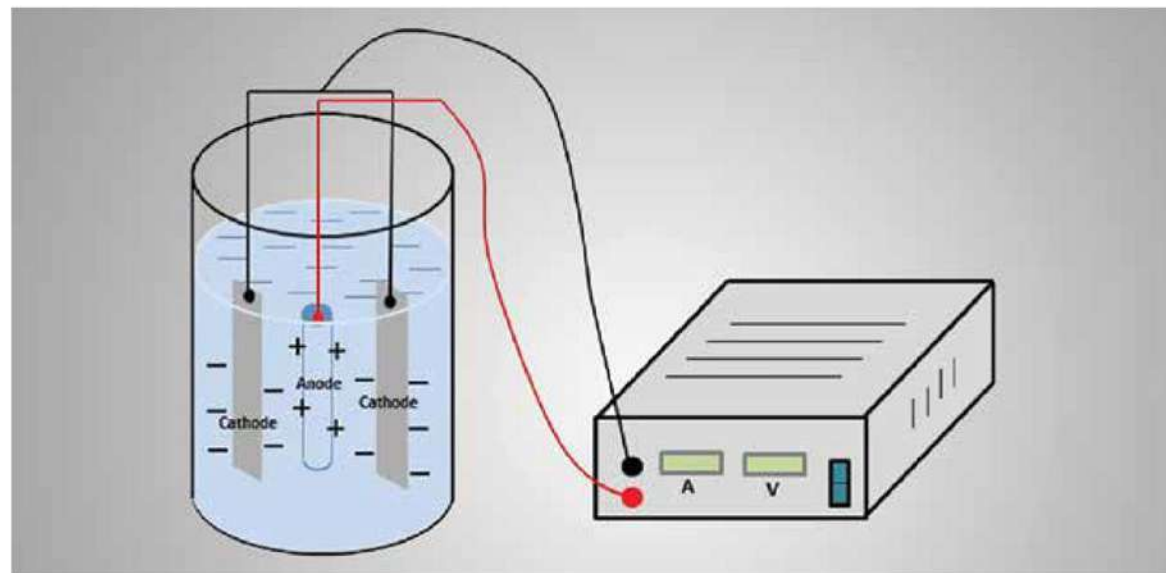
Chrome free:

- After desmutting, profiles will be subjected for DI rinse in tank maintained with conductivity of less than 30 microsiemens. After DI rinse, profiles will be immersed in chrome free treatment tank will be maintained at ambient temperature with chemical bath concentration of 8-12 grams per liter.
- This treatment will be done for 30-60 seconds and chrome free treatment will enhance powder attraction towards profile during coating process.



Anodizing:

- Profiles after de-smutting process will be immersed in anodizing tank filled with dilute sulphuric acid with concentration of 180-210 grams per liter. Anodizing is an electrolytic process where, anodic layer (Aluminium Oxide layer) will be formed by initiating electrical contact between anode, cathode and electrolyte. Anodizing must be maintained between 18-21 C. Aluminium content in anodizing tank must be maintained less than 16 grams per liter.



- Anodizing parameter will be set by considering thickness requirement and anodizing parameter (Current: 1.2-2.0 A/dm², Voltage: 16-24 volts) and process time (2-3 minutes/micron) will be set as per requirement.
- After anodizing, profiles will be checked for micron and consistency before next process. Profiles will be subjected for water rinse before next process

Electrolytic Coloring:

- Profiles will be dipped in electro coloring tank filled with tin sulfate solution in controlled concentration (8-10 grams per liter).
- Process time (0.5-18 minutes) depends upon the final shade required by customer. Electro coloring parameter will be arrived by considering the shade required by customer, perimeter and shape of the profiles.
- Electro coloring is an electrolysis process where coloring metal will deposit on pores of anodic layer and forms color on anodic layer. Sulphuric acid is used as an electrolyte and this is maintained between 18-21 C with concentration of 10-20 grams per liter.
- After electro coloring, profiles will be inspected with standard / customer approved shade card for color matching and will be subjected for distilled water rinsing.

Sealing:

- Profiles after anodizing will be immersed in sealing tanks to improve performance / hardness of anodizing layer. Sealing tank will be maintained at 96 C for better performance. pH of sealing tank will be maintained between 5.5-6 and conductivity will be maintained less than 2000 microsiemens/cm.
- Sealing time (3 minutes/microns) depends upon the thickness of anodizing layer and sealing time will be set accordingly.

Quality Inspection:

- After sealing, profiles will be subjected for series of quality inspection as per Qualanod standards and all values observed during quality inspection will be recorded as per Qualanod standards. Below are the list of quality test performed on anodized profiles.
 - > Admittance test
 - > Dye spot test
 - > Weight loss test
 - > Micron test
 - > Color shade test
 - > Gloss check
- Apart from the above test, bath parameter of degreasing, etching, de-smut, anodizing, electro-colouring and sealing tanks will be checked and recorded as per Qualanod standards.

Capability:

- Length: 7.5 Meter (Max)
- Color: Silver, Bronze, Champagne, Black
- Finish: Matt, Polish

Reference standard:

- | | |
|--------------------------------|-------------------------------|
| > Qualanod – Anodizing process | > ISO 3210 – Weight loss test |
| > BS 3987 – Anodizing process | > ISO 2931 – Admittance test |
| > ISO 2143 – Dye spot test | > ISO 2360 – Thickness test |
| > ISO 7668 – Gloss test | > ISO 8251 – Abrasion test |

Dry off process:

- Profiles after DI rinse will be kept inside dry off oven for 15-25 mins which is maintained between 60-110 C. During this process, all moisture, water which is accumulated on profile intricate surface will be evaporated and profiles will be ready for powder coating.
- Profiles with jigs will be transferred to conveyer system for powder coating.

Powder coating:

- Powder will be selected from powder storage room which is maintained at controlled atmosphere. Powder will be transferred to Hooper in a controlled way to prevent it from atmospheric / other contamination. Hooper system is connected to powder gun which sprays powder on profile surface. Powder booth shall be cleaned with vacuum system to prevent it from contamination from previous coatings / colors.
- Powder spray is controlled by adjusting voltage, flow, pressure and conveyer speed. Voltage will be maintained between 50-90 volts and powder flow is maintained between 2.5-6 m³/h. Pressure will be maintained between 1-3 bar and maximum conveyer speed is 3.4 meter/minute.
- During powder coating, powders will be attracted towards profiles surface by electrostatic phenomenon and powder will be absorbed over profile surface.
- Profiles will be transferred to curing oven which is maintained between 180-230 C by considering powder suppliers recommendations for specific powders.
- Surface quality and thickness will be checked after curing and adjustments will be made on powder booth accordingly if required.



Quality Inspection:

- Powder coating film thickness will be checked by Positector, Isoscope, peramascope as per Qualicoat standards.
- Colour and texture will be checked as per powder supplier / customer agreed master sample.
- Powder coated profiles will be subjected for visual inspection as per Qualicoat / customer specifications for surface abnormalities.
- Apart from above inspection, below are the list of testing which will be performed on powder coated sample as per Qualicoat specification.
 - > Adhesion test
 - > Impact test
 - > Cupping test
 - > Bend test
 - > Gloss check
 - > MEK Test



Reference Standard:

- > Qualicoat – Powder coating process
- > BS 6496 – Powder coating process
- > ISO 1519 – Bend test
- > ISO 2815 – Indentation test
- > ISO 6272 – Impact test
- > ISO 2360 – thickness check
- > ISO 2813 – Gloss
- > ISO 1520 – Cupping test
- > ISO 2409 – Adhesion test





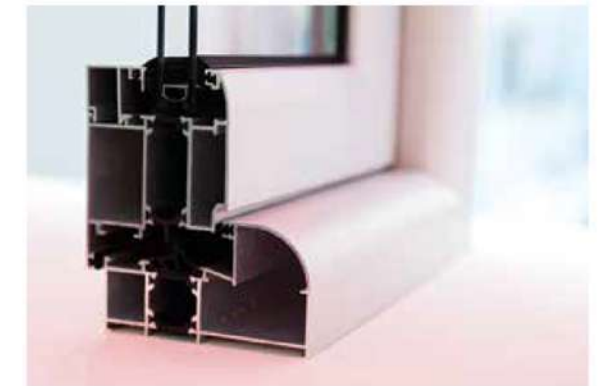
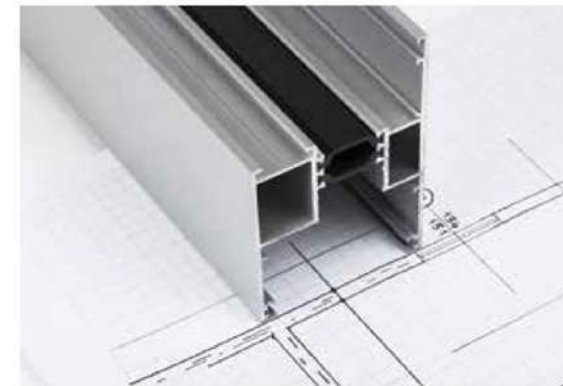
NATURAL POWDER COATING

- Natural powder coating of profiles involves 2 steps.
 1. Base coat
 2. Vein coat
- Base coat will be done at powder coating line with curing temperature of 80 C. After base coat, profiles will be transferred to natural line for vein coat.
- Profiles will be arranged on vein coat table in a way that exposed surface will be directly exposed to diaphragm which is molded as per required design. Diaphragm is kept above profile surface and powder will be sprayed over diaphragm. Powder will be spread over diaphragm and during this process, powder will be poured on profile surface as per diaphragm design.
- After vein coat, profile will be transferred to curing oven which is maintained between 190-210 C for 15-25 minutes depending upon powder specification and supplier recommendation.
- After curing, profiles will be taken out of oven and allowed to cool down to ambient temperature.

Quality Inspection:

- Vein coated surface will be subjected for surface finish check. Any surface abnormalities on profile surface will be segregated and isolated from good profiles.
- Vein coated surface will be inspected for texture and color check with master sample.
- MEK test will be performed on vein coated surface to ensure that there is no perceptible changes after test.

THERMAL ASSEMBLY



- Thermal assembly of profiles involves 3 steps.
 1. Knurling
 2. Strip insertion
 3. Crimping

Knurling:

- Profiles will be subjected for knurling in grooves for better shear strength after crimping process. Knurling will be performed on child profiles and dept of knurling will be inspected with magnifying glass.
- Knurled profiles (child profiles) will be staked in ships to prevent it from damages

Strip Insertion:

- Knurled profiles will be oriented as per final assembly and polyamide strips will be inserted as per customer drawing.
- Strips can be procured as rolls or standard length. In case of rolls, strip will be cut as per customer final profile length.
- Correct orientation of strips must be ensured before crimping process.

Crimping:

- Assembled profiles with polyamide strips will be transferred to crimping machine. Crimping rolls will be changed as per profile size, shape and depth.
- Crimping force will be arrived by considering profile shape, dimension requirement and shear strength requirement.
- Assembled profile will be crimped with set parameters and dimension after crimping will be inspected with customer drawing. Adjustments on crimping parameters will be done based on outcome of inspection result.
- 100 mm will be cut from crimped profile and this sample will be subjected for shear strength testing. Minimum shear strength required is 350 kgs/100 mm.
- Once dimension and shear strength is meeting the requirement, assembled profiles will be crimped and quality check will be performed at periodic intervals as per requirement.
- In some case, profiles will be protection taped on exposed surface to prevent it from surface abnormalities which arises due to direct contact of profile surface with crimping rollers.

CORPORATE PHILOSOPHY

IV. VISION & MISSION & OBJECTIVE

Our Vision

To operate with efficiency, integrity and to be regarded as the best in the eyes of our employees, customers and shareholders

Our Mission

Building shareholder value by delivering high quality Aluminum extrusions to our customers in innovative and cost-effective ways. This mission is achieved by setting the highest standards in service, reliability, safety and cost containment in our industry.

Our Objective

To achieve and exceed customer expectations, and strive to fulfill the highly demanding market.

IV. QUALITY

NAPCO is accredited to ISO 9001: 2015 by UKAS. NAPCO is dedicated to produce high quality products exceeding our customers' expectations. NAPCO's testing laboratory uses the latest technology. The laboratory uses state of the art equipments and follows the latest standards set for mechanical and physical testing. NAPCO ensures that quality of the products complies with international standards, **as we ensure that European standards, as we ensure that European standards** are met during manufacturing.

Quality Certifications

- ISO 9001:2015 (Quality Management System)
- Qualicoat
- Qualanod

Authorization to use the quality sign



This is to certify that

NATIONAL ALUMINIUM PRODUCTS COMPANY SAOG

Rusayl Industrial Area, P.O Box 15
OM – 124 Muscat

Licence number: 2600

is authorized to use the quality sign which is shown above, according to the regulations for the use of the quality label for ARCHITECTURAL ANODIZING as described in the current edition of the Specifications for the QUALANOD quality label for sulfuric acid-based anodizing of aluminium (Edition 01.01.2021). Architectural anodizing is one of the four types of anodizing covered by the Specifications.

Date of issue of the licence: 29.03.2007
Period of validity of the licence: until 31.12.2021

Zurich, 20 November 2020

QUALANOD

Metin Yilmaz
President

CERTIFICATION BODY

Monica Gerber
General Secretary



Mailing address:
QUALANOD, P.O. Box, CH-8027 Zurich

Domicile:
QUALANOD
c/o ARCO Association Management AG
(certification body)
Tödistrasse 42, CH-8002 Zurich

Website: www.qualanod.net

E-Mail: info@qualanod.net // Phone: +41 (0)43 305 09 77 / 81

CERTIFICATE

for a COATING APPLICATOR



SEASIDE

hereby authorises

NATIONAL ALUMINIUM PRODUCTS COMPANY SAOG

PB 15, PC 124
Al Rusayl Industrial Area
Oman

to use the quality label in conformity with the
QUALICOAT 2021 Specifications, applicable from 1 January 2021

Licence No.:	3600
Date of Granting:	29.03.2007
Valid until:	31.12.2021

Zurich, 1 January 2021

QUALICOAT


Mohammed C. Panam
President



Sue C. C. Paredi
Managing Director

QUALICOAT | Tödistrasse 48, 8002 Zurich, Switzerland | www.qualicoat.net






Certificate of Approval

National Aluminium Products Co. SAOG
is certified as an Approved Applicator to coat


Jotun Facade
a product from Jotun Powder Coatings

This Company fulfils the requirements set by Jotun Powder Coatings for pre-treatment and application of powder coatings. These include having the necessary equipment, process controls and technical knowledge to comply with Jotun Powder Coatings' standards.



January 01, 2021

(Certificate valid for one year from date above)



Authorised Signatory
Jotun Powder Coatings UAE (LLC)



AkzoNobel

Interpon D Approved Applicator

Interpon D1000 Series

National Aluminium Product Company SAOG. (NAPCO)
Rusayl Industrial Area, Muscat,
Sultanate of Oman

Has fulfilled AkzoNobel's tests and inspection regarding the pre-treatment, application, quality management standards and procedures, and complies with the requirements of the Architectural Range Approved Applicator schedule.

This certificate is effective from

01 January 2021 to 31 December 2021

Approved for Aluminium Alloys AA 6063

Approved for Pre-treatment Type Chrome Free



António Balsinha
Business Manager
Powder Coatings – Middle East

Date: 31/12/2020
Certification number N° OMN01D1

AkzoNobel U.A.E. Paints L.L.C.



Certificate of Approval

National Aluminium Products Co. SAOG
is certified as an Approved Applicator to coat

Jotun Super Durable
a product from Jotun Powder Coatings

This Company fulfils the requirements set by Jotun Powder Coatings for pre-treatment and application of powder coatings. These include having the necessary equipment, process controls and technical knowledge to comply with Jotun Powder Coatings' standards.



January 01, 2021

(Certificate valid for one year from date above)



Authorised Signatory
Jotun Powder Coatings UAE (LLC)



Certificate of Approval

National Aluminium Products Co. SAOG
is certified as an Approved Applicator to coat

Jotun Durasol
a product from Jotun Powder Coatings

This Company fulfils the requirements set by Jotun Powder Coatings for pre-treatment and application of powder coatings. These include having the necessary equipment, process controls and technical knowledge to comply with Jotun Powder Coatings' standards.



January 01, 2021

(Certificate valid for one year from date above)



Authorised Signatory
Jotun Powder Coatings UAE (LLC)



AkzoNobel

Interpon D Approved Applicator

Interpon D2000 Series

National Aluminium Product Company SAOG. (NAPCO)
Rusayl Industrial Area, Muscat,
Sultanate of Oman

Has fulfilled AkzoNobel's tests and inspection regarding the pre-treatment, application, quality management standards and procedures, and complies with the requirements of the Architectural Range Approved Applicator schedule.

This certificate is effective from

01 January 2021 to 31 December 2021

Approved for Aluminium Alloys AA 6063

Approved for Pre-treatment Type Chrome Free



António Balsinha
Business Manager
Powder Coatings – Middle East

Date: 31/12/2020
Certification number N° OMN01D2

AkzoNobel U.A.E. Paints L.L.C.

VIII. COMPANY VALUES

IX. CORPORATE GOVERNANCE STRUCTURE

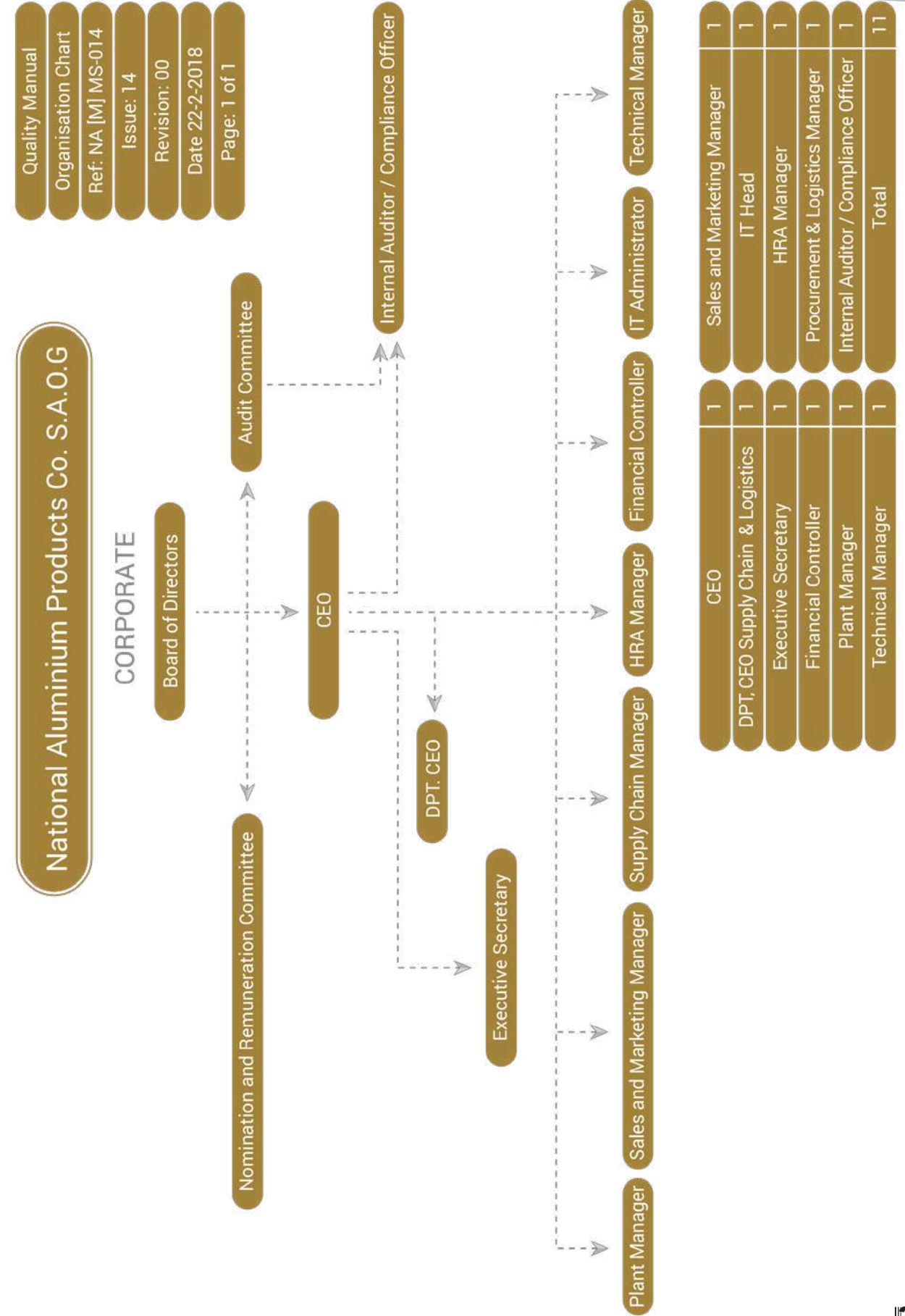
Governance:

Our sustainable business matrix success is fixated on a robust corporate governance framework. NAPCO's comprehensive corporate governance framework is modelled on international best practice.



ORGANIZATION CHART

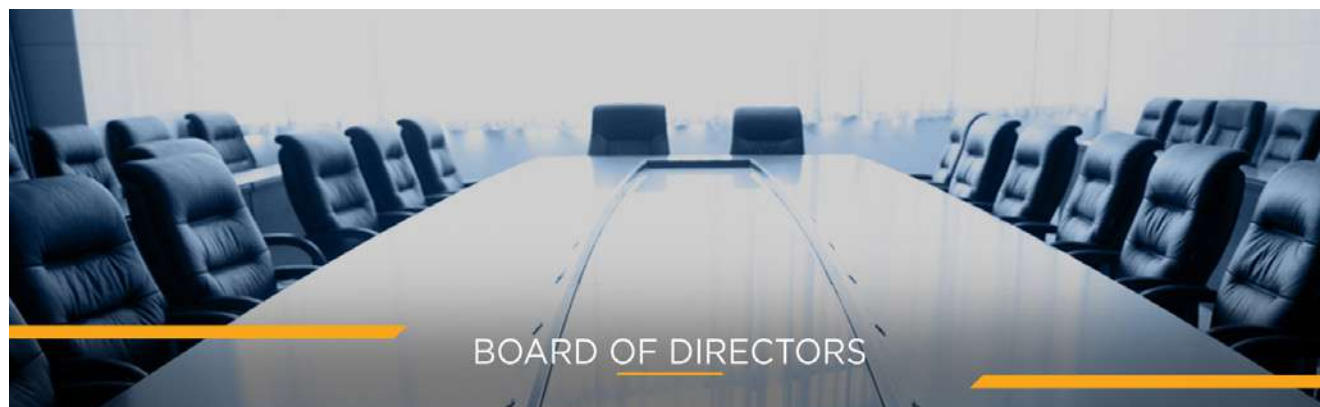
Quality Manual
 Organisation Chart
 Ref: NA [M] MS-014
 Issue: 14
 Revision: 00
 Date 22-2-2018
 Page: 1 of 1



XII. CORPORATE GOVERNANCE STRUCTURE OBJECTIVES:

- Ensure transparency of policies and practices.
- Minimize ambiguity in administering the statutory and legal aspects of the company
- Minimize risk and uncertainty in company operations
- Adhere to the Code of Corporate Governance released by the CMA or other Ministerial agencies.

This framework sets out the:



XIII. BOARD OF DIRECTORS:

NAPCO's Board of Directors has 7 board members including our Chairman, Vice Chairman. The Board provides strategic direction and management supervision and ensures adequate controls are in place to achieve our vision and create long-term value for stakeholders. The Management of the company adheres to the provisions of the prevalent version of the Commercial Companies Law and that of the Capital Market Authority (CMA) of the Sultanate of Oman.

XIV. EXECUTIVE COMMITTEE:

NAPCO's Executive Committee consists of 4 members, many of whom have extensive operational experience and have witnessed the growth of NAPCO over several decades.

- Executive Directors: Senior members of the management of the company elected to the board of the company.
- Non-Executive Directors: The member of the board who is not a whole-time director (employee director) and/or does not draw any fixed monthly or annual salary from the company, - and is independent of the day-to-day management of the company.
- Independent Director: A Director shall not be independent.

XV. AUDIT COMMITTEE:

NAPCO's Audit Committee consists of members, one of them should be a person of expertise in financial matters. The Companies Article of Association shall specify the responsibilities of the Audit Committee. All Audit Committee members shall be non-executive and majority of them to be independent.

The Committee should/must be comprised of, at minimum, three non-executive members, the majority of whom shall be from the Board's independent members. The Chairman of the committee shall be an independent director. Chairman of the Audit committee may not be member of any other committee and he should not be chairman for any other committee, Subcommittee and the board.

- Audit committee should submit to the board an annual plan of its expected business and the board shall approve the working plan of the Audit committee.
- The Committee shall meet at least four times a year. The Internal Auditor and the Finance Manager may be invited to attend the said meeting (must if the discussions are on internal audit results).
- Serve as a channel of communication between external auditors and the board and also internal auditors and the board.
- The Audit Committee should/must have discussion with the Auditors at least once a year to ensure that all matters of concern are resolved.
- The Committee should/must have explicit and clear authority to investigate all matters within its capacity and should be provided with all resources in order to be able to do so and should have the means to obtain the required information.
- It shall also have the right to seek external professional advice and, if necessary, to invite outside specialized and experienced persons to attend the meetings. The internal regulations shall specify the authority and procedures of the Committee activities.
- The committee should/must review the risk management policies of the company.



XVI. CODE OF CONDUCT OF THE DIRECTORS:

PROFESSIONALISM

A. The director is required to possess adequate knowledge for the performance of his duties as director. He/ she should acquaint him/ herself with developments in the respective field of knowledge through continued education and endeavor to improve his/ her efficiency as director.

B. The director is responsible for comprehending the functions of the company (he/ she is directing) and realizing all of its direct and indirect aspects. He/ she has to be fully aware of the company affairs, business and operations.

C. The director is required to comply with the Code and ensure the company's compliance with the same.

DUE DILIGENCE

A. The director has to act with due diligence and all necessary care in discharging his/ her duties as director.

B. The director must assist the board of directors in improving the management of the company to safeguard and enhance the shareholder's interests.

C. The director has to attend all the meetings of the company and contribute effectively to discussions, except where there is an ethical or legal preclusion. In case a director is unable to attend any meeting, he shall arrange for obtaining leave for absence as per the procedures set out by the board.

INTEGRITY

A. The director should/must be honest at all times and act in good faith in the best interest of the company.

B. The director must exercise and maintain independence in judgment and resolutions at all times. He/she must take reasonable steps to be convinced of the soundness of the resolutions of the board.

C. The director must at all times avoid any compromise to his/ her independence.

D. The director who is appointed as the representative of a major shareholder shall act in the interest of the company and shareholders in general, and

not only the interest of the shareholder who has nominated him/ her.

Where obligations to other persons or bodies preclude a director from taking an independent position on an issue, he/ she must disclose this position and refrain from taking part in the board's consideration of the issue.

G. In case a conflict arises, the director must refrain from participating in deliberations and voting over the subject of conflict. It is preferred that the Director with conflicting interest should exit from the meeting at the time of debate over the subject of conflict of interests.

H. In case a director receives documents pertaining to a matter which carries a potential conflict of interests, he/she must return such documents to the chairperson or company secretary stating the potential conflict of interest.

I. In all of the above cases, the board should consider whether or not the expertise of the Director with conflicting interest is pivotal for the board to form an opinion, and whether the board can avail of or access such expertise by other means, mitigating in the process, the impact of conflict of interests.

J. In case of continuing material conflict of interest, the director must carefully consider resignation from the board.

CONFLICT OF INTERESTS

A. The director must at all times maintain transparency, avoid personal and professional conflicts of interest and disclose all direct or indirect contractual interests with the company.

B. The director must not abuse or exploit his/ her board membership of the board to gain an appropriate advantage. More specifically, he/ she must maintain confidentiality of all information he/ she obtains in his/ her capacity as director and must not use such information inappropriately.

C. The director must make sure that any information which is not yet publicly available, or which would have a material effect on the price of the company's securities or firm value, is not provided to anyone who may influence subscriptions, offers of, buy and sell shares.

D. The director must not take advantage of his/ her board membership directly or indirectly or gain personal benefits to him or any related party.

E. The personal interest of a director or related parties must not take precedence over those of the company's shareholders in general.

F. Full disclosure of any actual conflict or potential conflict of interest must be made to the board. If the situation has not been addressed properly, one must take into consideration the importance of potential conflicts, related or expected results.

K. The director is prohibited from improper use of information which he/ she acquires ex officio. The prohibition applies irrespective of whether or not the director or a related party would benefit directly or indirectly, or the company would be harmed.

L. The director must hold fast to and comply with all regulations and directives pertaining to selling and buying company shares as well as share trading regulations and controls laid out by the board. A director must not deal in the shares of the company based on short term considerations.

COMPLIANCE OFFICER:

The Board shall additionally appoint a Compliance Officer who shall have the following responsibilities:

- Ensuring compliance to the requirements stipulated by Law and Code of Corporate Governance within deadline;
- Submission of the stipulated documents / minutes / results to authorities like CMA, Ministry of Commerce and other Authorities as applicable;
- Arranging / Supervising publications within deadline in both the languages viz. Arabic and English;
- Ensuring correct translation / interpretation when two languages are used;
- Noting the minutes of the ordinary and extra-ordinary general meetings;
- All coordination related to statutory / legal requirements which require usage of Arabic language;
- Will be responsible for receiving nomination forms for directorship and verify the contents and ensure that they are complete and in compliance with the laws and regulations and guidelines issued in this respect; and
- Will be responsible for performing the co-ordination of the Ordinary General Meeting, record/arrange the minutes of the meeting and the resolutions adopted and the voting process.



XVII. CODE OF ETHICS AND CONDUCT

Introduction to the Code of Ethics: The Code offers a set of values, principles, and standards to guide decision making and conduct when ethical issues arise. It does not provide a set of rules that prescribe how employees should act in all situations. Specific applications of the Code must take into account the context in which it is being considered and the possibility of conflicts among the Code's values, principles, and standards. Ethical responsibilities flow from all human relationships, from the personal and familiar to the social and professional.

Ethical decision making is a process. There are many instances in day to day work where simple answers are not available to resolve complex ethical issues. Employees should take into consideration all the values, principles, and standards in this Code that are relevant to any situation in which ethical judgment is warranted.

This code of ethics cannot guarantee ethical behaviour;

Moreover, it cannot resolve all ethical issues or disputes or capture the richness and complexity involved in striving to make responsible choices within a moral community. Rather, it sets forth (of) values, ethical principles, and ethical standards to which all professionals aspire and by which their actions can be judged.

This Code of Ethics and Conduct is an integral part of the company policies. All staff must adhere to its principles stated hereunder at all times.

The company staff shall operate and conduct their decisions and actions based on the following values:

- **Honesty/Integrity:** by maintaining an unimpeachable standard of integrity in all their business relationships both inside and outside the workplace.
- **Professionalism:** by fostering the highest standards of professional competence amongst those for whom they are responsible.
- **Responsible Management:** by optimizing the use of resources for which they are responsible so as to provide the maximum benefit to the shareholders.



XVIII. A RELATIONSHIP OF TRUST:

Our relationship with the organization is built on trust. We are all required to exert our best efforts coupled with absolute good faith in the discharge of our work duties and in dealing with our customers and colleagues. We must dedicate our time to furthering and serving the organization's interests and strive at all times to add value through innovative and positive contribution.

PROTECTION OF CUSTOMER'S AND ORGANIZATION'S ASSETS AND INTERESTS:

We must all utilize the organization's assets given to each one of us to facilitate the performance of our job duties in a responsible fashion. The organization's interests are our interests, we must therefore report to our immediate superior any work related irregularities or concerns as to dishonest actions or improprieties whenever we encounter them. We also must protect the organization's shareholders and customer's interests at all times and not abuse in any way or fashion the trust they have placed in the organization and in each one of us.

ADHERENCE TO THE LAW:

We must not knowingly violate or disregard any of the Sultanate of Oman's laws and regulations. When any law or regulation seems to be vague or unclear, we should seek the guidance of our immediate superior, Human Resources Manager or the legal advisor. Guidance may be sought from the competent local authorities depending on the circumstances.

ADHERENCE TO ALL COMPANY POLICIES AND PROCEDURES:

We must adhere to the letter and spirit of all company policies and procedures at all times. Each one of us is responsible for studying Company policies and procedures that are related to our work and our employment in. Ignorance of policies and procedures is not an acceptable excuse. Please seek the guidance of the appropriate organizational official if you are in doubt about the implication of any action pertaining to our established company policies and procedures.

DISCLOSURE OF CONFIDENTIAL INFORMATION:

In line with the Confidentiality Agreement that we each signed, we must vigilantly safeguard and not breach at all times the confidentiality of all information which we come to know as a result of our work tasks or through our employment in company including, but not limited to the following:

- The company business plans, objectives, progress reports, policies and procedures.
- All information relating to the company customers including their designs etc.
- All information relating to the company staff members.
- All passwords and codes.
- All information relating to the company business partners and associates.
- All information relating to the company shareholders.

The issue of maintaining information confidentiality is of great importance as non-adherence will lead to immense negative consequences to our organization's reputation and standing.



OUR WORD IS OUR BOND:

Because it is vital that our word is viewed as our bond, we must not make any actual or apparent oral or written commitments without prior authorization in accordance with existing policies and procedures. All commitments must be documented and approved properly with, an authorized signature as explained in the Manual of Authority or other approved process documentation.

RESTRICTION ON WORKING ELSEWHERE:

No member of the company staff or support staff is allowed to work for or extend service for money or otherwise to any other company, entity or individual unless approved in writing by management.

DEALING WITH THE MEDIA:

Staffs are strictly not allowed to communicate with all types of media regarding any issue related to any aspect of the company operations without the specific prior approval of the CEO/GM

KICKBACKS:

All the company staff are not allowed to receive kickbacks. Kickbacks are not limited to direct cash payments. Any transaction between the company and a client or vendor through which the employees or their families can gain personally is prohibited. These transactions are not only unethical but may also be illegal.

AVOIDANCE OF INDUCEMENTS:

All the company staff members as well as their immediate family members shall not:

- Solicit or accept any gift of significant value, lavish entertainment offered by any the company customer or business associate/partner. This means any gift that is above the value of OMR 50.
- Any gift received which is above this value must be reported to the appropriate authority in cases of gifts to the CEO/GM. The CEO/GM reports such matters to the Chairman.
- Solicit or accept any personal fees, commissions or other forms of remuneration, which may be construed in any way as relating to the individual's work status and nature.



AVOIDANCE OF CONFLICT OF INTEREST:

All the company staff shall not represent personal or business interests divergent or conflicting with those of the company. Staff is to avoid any outside financial interests that may influence the employee's corporate decisions. They are also required to avoid outside employment and activities that may negatively impact their job performance, conflict with the obligations of company or negatively affect company's reputation. If a staff is unsure about whether he/she should discuss the matter with their immediate supervisor.

Moreover, whenever a staff is connected directly or indirectly to the decision-making process of any company transaction (e.g. during tender process) or decisions that would benefit him/her or any of his/her immediate family members, the staff member shall:

- Declare his/her interest and the nature of the relationship of the concerned organizational party.
- Not participate in or attempt to influence the decision making process.

PROFESSIONAL DEVELOPMENT:

While the organization provides its staff with a wide range of training programs to facilitate their performance in accordance with the set standards, each staff is responsible for keeping his/her knowledge and skills up to date with best practice standards in the assigned work field.

INTEGRITY IN INTER-PERSONAL RELATIONSHIPS:

In our dealings with colleagues, we should always act in accordance with the principle of treating others as we would like to be treated”.

Particularly we must not:

- Impugn or comment on the integrity or character of a colleague.
- Make statements about any of our colleagues, which we know to be untrue, or which we are incapable of substantiating.

PERSONAL CONDUCT:

We must always remember that our personal conduct may affect the perception of company by the public. Therefore, we must conduct ourselves both on and off duty in a manner which reinforces the impeccable image and reputation of the organization. In office we all must behave in such a way which shows respect towards our colleagues which develops goodwill, trust in each other. We should never neglect office decorum and avoid use of abusive and indecent language. Any complaint on this will invite strict disciplinary action as per our HR Manual.

PERSONAL APPEARANCE:

Staff must always project the best image whenever they are in contact with the public in fulfilling their duties and at all other times when their conduct and appearance reflect upon their role within the organization. Therefore, we must maintain an acceptable business-like appearance whenever on duty. Uniforms must be used if they are required by the organization. The traditional Omani attire, as well as business suits and ties and our business casual attire, are acceptable business dress. Care should also be taken to project the right image in our social life where we continue to be at all time ambassadors of the good name of company.

SEXUAL HARASSMENT:

The company strongly advises its employees against engaging in any intimate relations with co-workers, subcontractors or customers.

INTELLECTUAL PROPERTY:

The sole right to any intellectual property ensuing during the course of staff service and as a result of their job duties with the organization remains at all times, vested in the company. Staff and support staff must not divulge or utilize such intellectual property, whether existing and/or stored in physical or electronic format.

PROTECTING THE ENVIRONMENT:

The company abides by all applicable health, safety and environmental laws and regulations. Furthermore, the following are major steps that company is undertaking;

- The company is committed to make health, safety and the environment an integral aspect of the design of the products, processes and services and of the lifecycle management of the entire estate.
- The company will utilize management systems to apply a global standard that provides protection of human health and the environment, including compliance with applicable laws and regulations.
- The company will identify, control and endeavor to minimize the use of hazardous materials, and will endeavor to reduce wastes.
- The company will conduct prevention and control programs to safeguard employees and the public and will review the effectiveness of these programs through its assurance process, environmental audit and other systems.

TEAMWORK:

Working as one team is a basic prerequisite for achieving work success and distinction. Continuous cooperation and coordination among colleagues lead to fostering a culture of innovation and creativity as well as encouraging cooperative initiatives. Consequently, through teamwork, our performance will be ascended, and we will achieve our common work objectives in an optimum manner.



BLOW THE WHISTLE PROCEDURES:

The company will issue this procedure soon which aims to provide an independent channel to raise concerns or lodge complaints whenever this Code is being violated by any staff. This procedure may be used by any staff who considers it inappropriate or not possible to raise such concerns or lodge the complaint directly with their supervisor. This procedure shall be confidential, and the identity of the whistleblower will be kept strictly confidential.

RESPECT THE INDIVIDUAL AND DIVERSITY:

The company recognizes the dignity of each individual, respects each employee, provides compensation and benefits that are competitive, promotes self-development through training that broadens work related skills, and values diversity and different perspectives and ideas the company is committed to an all-inclusive work culture. We believe and recognize that all people should be respected for their individual abilities and contributions.

The Company aims to provide challenging, meaningful and rewarding opportunities for personal and professional growth to all employees without regard to gender, race, ethnicity, sexual orientation, physical or mental disability, or age.

COURSE OF ACTION:

Failure to comply with any responsibilities established by this Code of Ethics and Conduct may result in disciplinary action, up to and including termination, as appropriate, and may also require restitution or reimbursement from the employee and referral of the matter to court. Discipline may also be imposed for conduct that is considered unethical or improper even if the conduct is not specifically covered by this Code.

For the avoidance of doubt no Code or set of values can address every ethical choice one faces in business; no communication system or oversight group can ensure complete compliance. Each of us must use good common sense and judgment in our personal conduct.

CONCLUDING PRINCIPLES:

Your employment in the company is in our opinion a proof of your distinction as well as an indication of your high-level skills. The management and staff of the company are pleased that you are the company member and would like to encourage you to set both your personal and professional goals at the highest levels. We, your colleagues, are here to help you and we have great confidence in your ability to achieve those high level objectives.

Our number one corporate objective is to maximize our business profitability, provide outstanding services to our customers at all times and maintain our social responsibility and reinforce our environment friendly approach. So, you are encouraged to use your best judgment in all situations to achieve these corporate objectives.



CORPORATE SOCIAL RESPONSIBILITY CSR



CSR SUSTAINABILITY APPROACH

OUR SUSTAINABILITY APPROACH:

NAPCO is among the biggest industrial companies in the Oman, our responsibility is to be a sustainability leader and an influencer in support of 'Oman Vision 2040'.

"Oman vision 2040 aims to continue the policy of building a diversified, dynamic, globally interactive and competitive economy that meets the present and future needs of the citizens, in which the private sector has a prominent role. Through achieving economic diversification in a way that ensures the continual of the economic growth in the next phase, with the decrease in the demand of oil as the top energy source in the future. The vision also ensures that natural resources are protected and used in a safe and sound manner, and to generate economic opportunities utilizing the environment. It also aims at protecting human beings and effectively managing the environment to help society flourish.

Accordingly, the principles of sustainability are embedded in our everyday procedure and a core part of our objectives. We strive to enable the aluminum Extrusion industry to demonstrate responsibility and provide quality while ensuring highest CSR best practices. The sustainability performance of our construction projects is being ensured through the adoption of international best practice while reinforcing and promoting consumer and stakeholder benefit. Engagement with our stakeholders is vital for our sustainable development and we proactively identify and engage stakeholders.

National Aluminum Products Co. SAOG believes that our corporate social responsibility to demonstrate environmental stewardship and promote sustainability – as we profitably grow our business.

In today's world, it is imperative that we deal effectively with the triple bottom line of people, planet, and profits. We will continue donating to charities, sponsoring socio-health related activities, recycling and getting involved in other related tasks to promote a better Oman. We strive to diminish any reputational risks concerning aluminum and aluminum industry players. We identify Environmental and social risk impact through periodical assessments. We ensure the safety of our Human capital and their working conditions because our community health, safety, and security are among our top priorities.

On the other hand, biodiversity conservation and sustainable management of living natural resources and preserve Cultural heritage is a red flag.

Moreover, we closely monitor the satisfaction of our customers and employees through surveys and on-going interaction and periodical assessments.

GUIDELINES FOR CSR ACTIVITIES:

- Corporate Philosophy
- Code of conduct
- Laws & Regulations (Domestic & International)

Social services are one of the most important pillars that contribute to social development and strengthen relations between the corporate world and the surrounding community.

Social services are one of the most important pillars that contribute to social development and strengthen relations between the corporate world and the surrounding community. The National Aluminium Products Company recognized this key factor and the General Assembly supported this initiative by agreeing to spend ten thousand Riyals (RO 10,000) as the Social Services Support Initiative.

Local community leaders have been asked to nominate suitable projects that will enhance social cohesion with the support of National Aluminium Products Company to provide the necessary aluminum Profiles through the local owners of the existing workshops. The company has received twenty-three (23) applications from various projects. After examining all the applications and the allocated budget, the company decided to grant seven (7) projects that vary between: public councils, mosques, schools of the Koran, teams and sports clubs. The company will continue to support the local community in the coming years with similar hurdles to develop the seeds of good in society.

CORPORATE SOCIAL RESPONSIBILITY

Our commitment to supporting communities in which we operate is an important part of our heritage and key feature of our culture. The social aspect of our CSR ethos focuses on these key areas:

- Helping those less fortunate to lead fulfilling lives.
- Providing opportunity to help people to improve themselves and make a valid contribution to society.
- Supporting good causes.

To achieve the above, the company to allocate a fixed budget to be approved by the shareholders at the annual general meeting. The approved amount for CSR activities to be contributed to the organizations engaged in community development activities.

The Company (represented by the board of directors) has to develop a CSR charter or code. The board shall task the executive management or an external consultant to provide a policy for approval by the board.

The executive management shall set out a strategy or an annual plan, through which it will deliver the Company's CSR philosophy, policies, and community-based principles. The strategy or plan has at minimum outline the following items:

- Allocated budget
- Available support and participation means
- The values and principles which the company seeks to disseminate through the different CSR activities.
- Community segments or social field targeted by the Company.

The annual report shall contain a special report on CSR activities detailing such activities, expended amounts, and its impact and sustainability assessment.

ACTIVITIES & RESULTS

National Aluminum Products Company (NAPCO) Staff visit to patients in the Royal hospital

As part on National Aluminum Products Company (S.A.O.G) commitment to plant seeds of happiness in the Patient Children who are in-Patient in Royal Hospital, a Company team visited the Children on 14th August 2018 to comfort them and presented a symbolic gift before Eid.

BLOOD DONATION

NAPCO staff and management conducted a blood donation campaign in cooperation with the Blood Bank at the Boucher Health Complex. NAPCO employees and management organized a blood donation campaign on the 3rd of September 2018. The campaign was part of NAPCO's commitment to the community and our social responsibilities.

NAPCO donates school uniforms to Dar Al Atta'a

National Aluminium Products Company SAOG (NAPCO), one of the leading extruders of aluminum profiles in the GCC, has donated complete sets of school uniforms to Dar Al Atta'a for the 2015/2016 academic year. NAPCO's active support to the Oman-based charity organization is in line with its Corporate Social Responsibility (CSR) initiatives. Two sets of school uniforms were recently distributed to 125 kids across the country.

The program was organized under Dar Al Atta'a's Education Care Division. The ages of the student beneficiaries varied from Grades 1 to 12. Aside from the uniform set, the children were also provided with various other educational provisions such as school bags and stationery. The students will be putting their new supplies to use in the coming weeks as Classes 1 to 11 are set to start on August 23, 2015, with Class 12 to commence in the following two weeks.

Established in 2002, Dar Al Atta'a is a non-profit volunteer-based charity group formally registered with Oman's Ministry of Social Development. Dar Al Atta'a aims to provide comprehensive services according to the needs of underprivileged men, women and children across the sultanate to help them rise above their situation. Dedicated to helping the community, Dar Al Atta'a has a number of activities aside from its educational programs directed towards Family Welfare, Empowerment, Disaster Relief, and Islamic Values.

NAPCO and Dar Al Atta'a have enjoyed a strong partnership in the past a result of both group's unwavering commitment to positively impact society. The donation is the most recent in their long string of united efforts over the last year. This latest program will greatly benefit struggling students who are enrolled in academic institutions in Muscat, Dhofar, Battinah and Dhakiliya Governorate areas.



GUIDELINES FOR CSR ACTIVITIES:

WATER DONATION ON CHRISTMAS

“water on us” is an initiative comes from national aluminum product company SAOG (NAPCO) CSR team. On Christmas 2018 NAPCO has provided the water to Ruwi church.



AUTISM CENTER CSR

As a part of national aluminum product company S.A.O.G CSR program for 2019. NAPCO has sponsored Horizon autism center in Saturday market (wave) for two weeks on 5th and 12th January 2019. The event successfully held in plaza area the walk this week and looking forward for the next week. It allows the center to spread and give information about autism also to sell some related books and toys. NAPCO's 2019 CSR program considers a big effort in such events and areas.



NAPCO DONATES 12 COMPUTER DEVICES TO SUPPORT CHILD CORNER'S EXPANSION

In line with its Corporate Social Responsibility (CSR) goals and strong commitment towards promoting the culture of giving to ensure comprehensive social development in the Sultanate of Oman, National Aluminium Products Company SAOG (NAPCO), one of the leading extruders of aluminium profiles in the GCC, recently donated 12 computer devices to Child Corner, an Omani non-profit educational institution located in Al Qaryatayn, Izki. The charitable initiative will support the current expansion of Child Corner's headquarters to establish a one-stop educational centre equipped with the latest technologies and digital devices to facilitate an improved learning environment for needy children in neighbouring areas.

The Child Corner is a non-profit educational institution specialized in empowering needy children with basic learning skills. The institution's new headquarters is currently being established in Al Qaryatayn in Izki and will offer classes for reading, writing, mathematics, and memorization of the Quran in addition to a number of recreational activities.

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WATER TO HEALTH CENTERS

Water on us” is an initiative comes from national aluminum products company S.A.O.G (NAPCO) CSR team. On February 2019 NAPCO has provided 800 bottles of water to Athiba health center. Many events will follow up on the same initiative.

HUMAN RIGHTS & COMPLIANCE WITH INTL NORMS REPORT ON SOCIAL CONTRIBUTION



HUMAN RIGHTS & COMPLIANCE

Compliance has assumed increasing importance as the management foundation that enables NAPCO to fulfill its social responsibility, and in order to address compliance issues in response to the demands and expectations of stakeholders. As an organization to achieve these goals, we have appointed a NAPCO's Compliance officer to supervise the compliance activities of the entire company. The Compliance officer works in hand with the CSR officer and cooperate with other corporate divisions to resolve CSR, socially important challenges such as human rights issues and environmental problems.

To foster a deeper understanding of compliance, NAPCO has prepared and distributed the CSR report to all officers and employees, and has provided compliance education on a regular basis.

NAPCO instructs respect for human rights throughout its business activities umbrella, Code of ethics, manuals and its Human Rights outreach. Our basic stance is to respect and work to refrain from infringing on the rights of all persons involved in our business operations. We will continue to enhance human rights awareness and support measures to prevent the occurrence of human rights abuses based on differences in religion or nationality, the presence or absence of disabilities, gender, or other factors.

EMPLOYEE EDUCATION & TRAINING

NAPCO provides trainings and technical education for all employees (including temporary staff, etc.) who use IT equipment. This education is designed to instill an understanding of rules related to the use of the follow of work, technical trainings, IT equipment, sales and marketing, customer services satisfaction and including the handling of information (including personal information) and the prohibition against using personal computers for work. We regularly utilize learning to conduct technical education and preparation at each employee level.

RESPONSIBILITY TO CUSTOMERS & CUSTOMER SERVICES

NAPCO strives to continuously improve its quality assurance, offering products and services that exceeds its customers' expectations and the ultimate product consumer. This is yet another way in which we contribute to the betterment of society. Quality is the essence of our activities and pillars of our business model. We strive quality in each and every aspect of our activities as a fundamental part of our daily work. To further instill an awareness of quality activities throughout our organization, we have established quality standard, clearly defining our philosophy regarding the importance of quality.

MANUAL OF PERSONNEL POLICIES AND PRACTICES

The purpose of the manual of Personnel Policies and Practices is to provide guidance on effective human resource management at NAPCO. The policies are intended to set basis for consistency in personnel practices, while ensuring that managers have sufficient scope for independent judgment within an overall framework of good Personnel Management. Policies are framed with the intention of forging consistent and equitable treatment of employees, and do not necessarily mean lack of flexibility.

NAPCO is committed to deploying fair employment practices within the legal framework of the country of Operation. Employee relationship is based on the premise that

all employees play an important role in helping NAPCO achieve its organizational objectives. In order to meet this requirement, NAPCO ensures that employment relationships are characterized by mutual trust and honest communication.

The manual forms basis for uniform, fair and equal treatment for employee related matters. All personnel policies listed here are based on mutual accountability between managers and employees and require total commitment on both sides for effective deployment.

As you can appreciate, this manual is a dynamic document with changes being affected in response to changes in the labor laws of the Sultanate of Oman or any other applicable regulatory pronouncements. In addition, the policies and practices will also have to change in response to identification of current deficiencies, and upon gaining insights on best practices and other good references. The manual encourages every reader to bring to the attention of General Manager / Chief Executive Officer, any improvement opportunities that they may identify, for the management's consideration.

RESPONSIBILITY TO EMPLOYEES, HEALTH & SAFETY

Human Capital is the most important factor in any company. NAPCO HR policy considers its total effort in the employee's skills improvements, comfortable work environment and health and safety of each staff. The human resources strategy is continuously renovated and improved in the manner of providing the best to the employees. Male and female are equal in all sectors of the company, salaries are in the same level and all rights are equally given.

Health and safety: Our health and safety team has conducted 15 training courses in total during year 2018 those trainings help on reducing the accidents comparing with year 2017. We have reached 344 no accident days.

RESPONSIBILITY TO SHAREHOLDER

NAPCO cares about its shareholders as a primary part of its decisions, shareholders influence the company decision making during the annual general meeting and through the chairman and Board of directors who oversee the company through various corporate governance structures. Board of governors have a meeting with NAPCO CEO and management every quarter. The company activities are reported to the shareholders through EGM, AGM and annual report. The company believes in transparency and clear disseminations of information about its operations.

SUPPLY CHAIN

NAPCO policy is to support the local Omani Business by sourcing purchases with local vendors and to diversify vendor base with emphasis on improving the percentage Omani vendors. Based on 2018 figures, 31% of purchases were given to Local Vendors.



ENVIRONMENT & SUSTAINABILITY



SUSTAINABILITY VISION

We share our approach to environmental consciousness with our suppliers and clients including prevention of global warming, recycling of resources, and conservation of biodiversity and ecosystems. We are working to reduce our environmental impact (conserving resources, saving energy, recycling, and appropriate management of chemical substances contained in products).

We think and consider “the next generation” in our Green environment friendly solutions and products. We contribute to the realization of a sustainable society through the creation of new products and new technologies that give rise to such needs, as well as through the provision of advanced environmentally conscious products.

SUSTAINABLE ALUMINUM PRODUCTS: GREEN ALUMINIUM

With years of extensive research in Billets and Profiles, NAPCO has launched ‘eco-green’ aluminum profiles, which are made from green aluminum or recycled aluminum billets. This reduce the carbon foot print on the planet. Recycling reduces greenhouse emissions. NAPCO Billets can be sourced from pre-consumer as well as post-consumer recycled aluminum. Every Kg of primary aluminum produced emits approximately 11 Kg of carbon dioxide. Recycled aluminum has lower carbon footprint than primary aluminum.

Alloys of recycled aluminum reduce the consumption of energy, raw materials and the waste generated. Re-melting aluminum and processing it into new alloys, NAPCO contributes to a greener environment by reducing its carbon footprint.

FEATURES

- Compliance with European and International standards
- The quality of recycled green aluminum is similar to that of primary aluminum
- The pre-consumer recycled content and post-consumer recycled content can be in the range of 90-95%
- Reduction of up to 50% CO₂ emission in comparison to exploiting primary aluminum
- Re-melting requires only 5% of the energy in comparison to exploiting primary aluminum
- Applicable for many alloys commonly used in construction sector

GUARANTEED SUSTAINABLE ALUMINUM SOLUTIONS:

NAPCO is emerging as a strong international player in the development Aluminium as an eco-friendly solution. In addition, we work in close partnership with our customers. This enables us to keep investing in quality and reliability.

SUSTAINABLE PRODUCTS

The company has launched thermal break products in fenestration which reduce the heat intake into the building, thereby helping reduce energy spent in air conditioning systems. As buildings consume 40% of all energy requirements globally, this initiative intends to reduce energy consumption in buildings by providing higher thermal insulation between the interior and the exterior environment.

The company has also supplied aluminum products to a major solar project in the region, namely the Mirrah Project of Petroleum Development Oman done by Glasspoint Solar which is the largest EOR project in Oil & Gas sector in the world. The project saved 5.6 trillion BTU of gas usage per year and prevented 300,000 Tons of carbon emissions per year.

RESPONSIBLE CONSUMPTION & PRODUCTION (RECYCLING, WASTE DISPOSAL):

The company believes that it has a responsibility towards preserving the environment for future generations. The Factory is assigned to monitor Gas, water and electricity consumption and investigate all non-normal usage. The company strives to contribute to global sustainability initiatives, most notably, sustainable development goals of UN. As a part of this measure, we aim to reduce wastage and encourage recycling of primary metal wastage at the factory. We also avoid hazardous chemical process in powder coating like chromating. The company strives to achieve environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment¹. We usually recycle our Aluminum waste 100%. Another byproduct, waste sludge is sent to Sohar IWTF, be'ah for waste disposal approximately, 200 MT of monthly average waste.

*Sustainable Development Goals, UN

WASTE MANAGEMENT:

We are firmly focused on Sustainable Development (economic prosperity, environmental protection and social cohesion) and strive to operate responsibly across our entire range of operations. NAPCO is committed to creating a recycling-oriented society by preventing the illegal disposal or dumping of waste, helping to improve resource productivity and recycling rates, and reducing final disposal volumes.

We are working to reduce waste/valuables generation ("waste"), which is measured by the generation of waste per production unit as an indicator.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

NAPCO strives to reduce its environmental footprint through efforts to minimize the impacts of its operations on the natural environment thereby reducing its environmental footprint. Environmental impacts mainly due to natural resource consumption, greenhouse gas emissions and solid and liquid waste generation.

NAPCO takes strict measures to ensure full compliance with the relevant national and International legislation. On this basis, it continuously carries out environmental audits to check compliance with the legislation and observance of the Company's environmental procedures and measures.

OMANIZATION POLICY

The company aims to empower the local community by encouraging employment in its rank. NAPCO also provides training programs to new graduates to help in employment. With a greater emphasis on Human Resources development and recruitment of nationals especially for technical jobs, such as technicians and engineering positions this decision comes as part of our continued endeavor towards empowering talented Omanis to take up senior management positions within NAPCO. This is also the result of great efforts put in by NAPCO in training and developing national talent and fostering their professional growth.

